Building Consumer’s Trust through Persuasive Interpersonal Communication in a Saturated Market: The Role of Market Mavens

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Abstract

This study has aims i.e. (1) to investigate the role of inherent personal knowledge in affecting trust, (2) to investigate whether mavens play a role in improving recipient’s knowledge level and trust. We have conducted a study, which involved a total of 134 students as respondents. Correlation between subjective knowledge and trust achieved a medium level, while objective knowledge related to trust at a very low level. Trust in the low-maven-group is the lowest in comparison with the medium- and high- mavens. This study indicates that there are different results in terms of effects of information provided by three different maven groups.

Introduction

In the literature trust-based relationship marketing involves two main actors, i.e. a person who conveys trust and exchanges it with a partner. Therefore, studies have highlighted on factors affecting trust with regard to those parties. Many studies have focused on investigating exchange partners’ factors for conveying trust, such as competency, reliability, benevolence, quality, responsibility, expertise, and problem solving (Anderson and Weitz, 1990; Blau, 1964; Dwyer and Oh, 1987; Pruitt, 1981; Rotter, 1967; Schurr and Ozanne, 1985; Morgan and Hunt, 1994; Doney, 1997; Ganesan and Hess, 1997; Singh and Sirdeshmukh, 2000). Unfortunately, there are only a few publications touching upon the inherent personal aspects of the actors such as knowledge level. Therefore, the first aim of this study was to investigate the role of knowledge level in affecting consumer’s trust towards a specific product. The level of knowledge is interesting to be studied, because it was pointed out earlier that cognitive-based-trust is apparently more important as a foundation in building trust (Smart, 2003). Interpersonal communication through word-of-mouth (WOM) can be considered as one of the alternatives for improving consumers’ knowledge level. Studies about mavens have dealt more with the issues of identifying and characterizing mavens. There is very little understanding of how people perceive mavens as information sources. Therefore, our second aim was to investigate whether mavens can play a role in improving knowledge level and trust and to understand the consumers’ acceptance of market mavens.

The role of trust in a saturated market

The presence of product differentiation and innovation, a strong market competition and the absence of significant growth in consumption are some characteristics that are attached to the
profiles of a saturated market. In such a market consumers are satisfied with abundant product offers which have relatively similar features, characteristics and benefits. Due to the presence of product choices the consumers’ buying purpose is becoming vague, unpredictable and their consumption pattern is more individualized. From the marketing point of view, a consumer retention approach is considered as the central strategy for binding the customers. Trust is becoming a cornerstone of any success in building up consumer retention through a long term relationship basis toward a certain brand or an organization. Trust is generally being seen as an essential ingredient for successful relationships (Dwyer et al., 1987; Moorman et al., 1993; Morgan and Hunt, 1994).

Elements of trust-based relation marketing focused on exchange partners, such as competence, reliability, integrity and benevolence have been well studied. Trust is considered in marketing views as a belief, confidence, or expectation about an exchange partner’s trustworthiness that results from the partner’s expertise, reliability or intentionality (Anderson and Weitz, 1990; Blau, 1964; Dwyer and Oh, 1987; Pruitt, 1981; Rotter, 1967; Schurr and Ozanne, 1985). Moorman et al. (1993) proposed that an expectation of trustworthiness results from the ability to perform (expertise), reliability and intentionality. Morgan and Hunt (1994) define trust as the perception of "confidence in the exchange partner's reliability and integrity". Conceptualizations of trust are predominantly featuring two dimensions, i.e. competence (perceived ability to meet consumer’s need) and benevolence (perceived willingness to put the consumer ahead of the self) (Doney, 1997; Ganesan and Hess, 1997; Singh and Sirdeshmukh, 2000). Just recently mentioned elements of trust are focusing on the profiles of the exchange partner. The second component affecting trust is from the actor himself and is called inherent person’s characteristics. Gabarino and Johnson (1999) have assessed the perceived risks, while Morgan and Hunt (1994) in their study on the commitment and trust theory of relationship marketing have argued that a person’s shared values and opportunistic behavior influence trust. The other possible factor affecting trust from the side of the actor proposed in this study is the level of inherent knowledge of product categories. This will be discussed below.

The relationship between knowledge and trust

Affect- and cognition- based trust are the principle foundations of interpersonal trust (Lewis and Wiegert, 1985). Trust is cognition-based in that ‘we choose, whom we will trust in which respects and under what circumstances, and we base the choice on what we take to be ‘good reasons’, constituting evidence of trust-worthiness. Affective foundations of trust also exist, consisting of the emotional bonds between individuals“ (Lewis and Wiegert, 1985). A study done by Smart demonstrated how emotional or affective trust is eroding and people are increasingly looking for tangible, rational trust. There is a growing distrust of brands that have a 'corporate' feel and that seek to generate solely emotional trust through their corporation without delivering rational trust (Smart, 2003). McAllister (1995) has proved the hypothesis that for interpersonal cooperation in organizations, affect-based trust and cognition-based trust represent distinct forms of interpersonal trust. Furthermore, that study has stated that, in general, levels of cognition-based trust were higher than levels of affect-based trust. In the cognitive learning process consumers select a product they believe will most likely satisfy them. It is about how consumer’s trust a product (Assael, 1995). In a cognitive process such as learning about an innovation, knowledge plays an important role. In order to be adopted
widely, knowledge of an innovation must be distributed across consumer groups (Assael, 1995).

Knowledge in the primary base domain is used to learn about and to develop a representation of the new product. Two knowledge constructs have been distinguished (Brucks, 1985; Park and Lessig, 1981). The first is “objective knowledge”, which is defined as accurate information about the product class stored in long-term memory. The second is “subjective knowledge” or self-assessed knowledge, i.e. people’s perceptions of what or how much they know about a product class (Park et al., 1994). Consumer knowledge is an important construct in understanding consumer behavior (Brucks, 1985; Rao and Sieben, 1992). Studies have found that consumers with a higher level of knowledge are more selective in what information they examine prior to making a buying choice. Since they are more knowledgeable, they have a better understanding of the attributes which should be examined in order to make the best choice (Brucks, 1985; Alba and Hutchinson, 1987). The marketing model implicitly explaining the relationship between knowledge and attitude (indirectly trust) is the response-hierarchy-model, i.e. Hierarchy-of-Effects Model of Lavidge and Steiner (1961), which showed that knowledge leads to linking (favorable and unfavorable feeling about a certain characteristic of an object) and linking leads to preference, conviction and finally purchase (in Kotler, 1995). Moreau et al., (2001) argue that prior knowledge influences (1) consumer’s comprehension of a new product and (2) consumer’s perceptions of the product’s relative advantages and risks. Perception is perceived as a bundle of knowledge through the senses of the existence and properties of an object. Furthermore, consumers develop perceptual inferences about brands, prices, stores, companies etc. and these inferences are beliefs consumers form about objects from past associations (Assael, 1995). Since belief (indirectly trust) is one of the components of attitude, trust may further guide the formation of people’s attitude. Based on that fragmented theoretical discussion we developed the relationship between all variables mentioned so far. FIGURE 1 represents the fundamental research theme of this study.

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Figure 1. Relationship between knowledge and trust

Knowledge
- Existing
- New - knowledge

Comprehension of product

Perception about relative advantages and risk of a product

Trust

Attitude

= indirect influence

Sources: Author’s presentation, Adopted from Moreau et al., 2001; Kotler, 1994
Knowledge transfer to consumers can be mediated by several types of information sources, such as through advertising or other marketing communication programs. However, word-of-mouth (WOM) is viewed as an alternative to advertising or as a complement to the classical marketing communication techniques. For the diffusion process certain groups of consumers are more valuable because of their role in spreading information to other consumers and in influencing consumer’s personal preference (Clark and Goldsmith, 2005). This group of consumers has been identified as Market Mavens. The role of market mavens in influencing other people’s knowledge level will be discussed further.

The role of market mavens in interpersonal communication

The conceptual definition of market mavens was first developed by Feick and Price in 1987. They defined market mavens as individuals who have information about many kinds of products, places to shop, and other facets of the market, and initiate discussions with consumers and respond to requests from consumers for market information (Feick and Price, 1987). This definition stated that the most salient hallmarks of market mavens are their possession of a wide range of market place information. Firstly, this group of consumers may possess informations regarding places to shop. They may be aware of innovative or new products and more brands but not product specifics, and of sales and marketing campaigns. Secondly, market mavens have the psychological characteristic that they likely spread word-of-mouth communications across a variety of products and initiate discussions with other people concerning market place (Clark and Goldsmith, 2005). Market mavens, by definition, are highly social consumers who engage in many discussions regarding the market place information (Feick and Price, 1987). Market mavens can be differentiated from opinion leader groups or innovators. The term market mavens does not imply that these individuals be early purchasers of innovative or new products (such as innovators) or necessarily even users of products about which they have information (Feick and Price, 1987). Market mavens do not hold and tend to be influential within specific product category such as the opinion leaders but they are a source of general information about the market place. Similarly, market mavens also can be opinion leaders or early purchasers of particular products (Feick and Price, 1987). The role of mavens is depicted in the FIGURE 2.
Based on the above mentioned theoretical groundworks our research hypotheses are: (1) consumers’ knowledge level towards a certain object (food and beverage products) has a positive impact on perception, (2) perception of relative advantage and risk will lead to trust, (3) since trust is one of the elements of attitude, it has a positive impact upon attitude formation, (4) market mavens as information sources influence people’s knowledge directly and trust indirectly.

**Research strategy**

We have conducted a study using a self-administered questionnaire, which was completed by a total of 134 undergraduate students from the Agricultural, Nutrition and Environmental Faculty in November 2005. Most of the enrolled students are in the 3-4th semester and 88% were women. Questions in the questionnaire were designed to fulfill some standard questioning techniques developed by previous authors. To identify the presence of market mavens, the market mavens scale items system developed by Feick and Price (1987) was used. We modified the answering scale from a 7-Likert strongly disagree to strongly agree scale into a 5-Likert rating scales in order to simplify the personal judgement. However, our study used similar descriptive statistics as the ones utilized by previous researchers. The range of market mavens scale items was between 7-35, the mean value of mavens scale was 24.2 and standard deviation was 4.43. Using a percentiles breakdown the market mavens were classified into three different groups, i.e. low, medium and high mavens. Alpha for market mavens scale items was 0.747. In order to provide evidence for the generalizability of the market maven relationship with other variables a non-parametric inference test (Kruskal-Wallis-Test) was used. Due to the fact that market mavens do not focus on a specific product, this study has investigated a very broad product spectrum in the sector of food and beverages, including bread and cakes, milk and yoghurt, chilled products, snacks, coffee, candies and chocolates.
These product classes represent the top ten product categories in the food and beverage market in Germany.

A self-assessed and an objective knowledge test were employed to observe the knowledge level of the subjects. Subjective (or self-assessed) and objective knowledge are related, but they both express the need for consistency and clarity in the conceptualization and operationalization of consumer knowledge (Brucks, 1985; Cole, et al., 1991, Spreng and Olshavsky, 1990). A 10-items true/false test concerning seven selected product categories and brands recalled were used to assess a subject’s objective knowledge with regard to the food and beverage market. As an objective knowledge test we have administered some questions concerning ingredients, production processes, product varieties, and market price level. For determining subjective knowledge a self-report rating of familiarity and product knowledge using 5-point scales anchored by “not at all familiar or not at all knowledgeable” to “very familiar or very knowledgeable” was applied. Cronbach’s alpha for the combination of those two tests was 0.804 indicating a high degree of internal reliability and validity.

Trust towards product categories was assessed through a self-determined rating of quality and safety. Trust in mavens was determined by asking the subjects about the degree of some trust elements such as competence, reliability and ability as an information source perceived by other people. A self-assessed measurement concerning quality of product in comparison to price considerations was employed to determine subjects’ perception of relative advantage and risk of a product. Attitude towards product categories was measured by using a single response format of attitude measurement as suggested by Dillon et al., (1987). Finally, to find out correlations between knowledge levels, perception, trust and attitude a Pearson’s correlation for parametric scales was used.

**Results**

*Influence flow from knowledge to trust*

Brands recalled used as one of the indicators for objective knowledge level achieved range of score between 0 and 10. The other indicator for objective knowledge, i.e. the product knowledge test achieved score ranges of 1-10 with a mean value of 6.4. These test results followed a normal distribution curve. In order to obtain a total score for objective knowledge both measurements were combined. A subjective knowledge test was performed by asking the subjects (1) to what degree they were familiar with selected product categories and (2) how the rating value was of the personal knowledge level for all of the product categories. Familiarity with product categories attained levels with a mean value of 3.7 (max. 5 and min.1). Self-assessed knowledge level attained a mean value of 3.4 (max. 5 and min.1). The combination of both self-tests was used as a predictor of total subjective knowledge level.

The subjective knowledge level correlated significantly (p< 0.05) with the perception of relative advantages and risks at medium basis (correlation coefficient of 0.265 with significant level of 0.003, see TABLE 1). However, the objective knowledge level as the second indicator for knowledge showed almost no correlation with perception (not significant). The first hypothesis, which stated that there is a correlation between knowledge level and perception towards relative advantages and risks could be partially verified, especially for subjective testing. The main reasons explaining this factual finding in terms of objective knowledge are
(1) brands recalled is not a strong indicator, because the subjects are mostly well informed about the product categories, (2) subjects are mostly well informed concerning the general product knowledge of food and beverages due to their education in the nutrition faculty. Besides that, this result confirmed previous findings which stated that two aspects have resulted in two different interpretations. Firstly, research in subjective probability assessment (Fishhoff et al., 1977) and feeling-of-knowing (Schacter, 1983) suggested that what people think they know and what they actually know often does not correspond. Secondly, the mechanisms through which self-assessed knowledge and objective knowledge affect search and information processing may be different (Brucks, 1985; Park and Lessig, 1981; Park et al., 1988).

Similarly to the relationship pattern between knowledge and perception, TABLE 1 indicates that correlation between subjective knowledge and trust achieves a medium level, while objective knowledge correlates at a very low level (correlation coefficient of 0.118) with trust. TABLE 1 also shows that perception of relative advantages and risks has a significant relationship with trust. This finding confirms the second hypothesis. Furthermore, trust shows a very strong relationship with attitude. If trust in specific product is considered to have a similar function as belief towards a brand, as suggested by the multi-attribute model of attitude, belief is one of the elements in determining a person’s attitude. Attitude formation is a function of the consumer’s beliefs about attributes and benefits (Assael, 1995). As a conclusion of this discussion, we may suggest that trust leads to attitude formation. Thus, finally, the third hypothesis of this study can be well accepted.

Table 1. Pearson’s correlations between variables

<table>
<thead>
<tr>
<th></th>
<th>Knowledge</th>
<th>Perception</th>
<th>Attitude</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Objective test</td>
<td>Subjective test</td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td>0.118</td>
<td>0.239 **</td>
<td>0.376 ***</td>
</tr>
<tr>
<td>- sig. level</td>
<td>0.180</td>
<td>0.007</td>
<td>0.000</td>
</tr>
<tr>
<td>- N</td>
<td>(130)</td>
<td>(128)</td>
<td>(129)</td>
</tr>
<tr>
<td>Perception</td>
<td>0.070</td>
<td>0.265 **</td>
<td>1</td>
</tr>
<tr>
<td>- sig. level</td>
<td>0.431</td>
<td>0.003</td>
<td></td>
</tr>
<tr>
<td>- N</td>
<td>(129)</td>
<td>(129)</td>
<td></td>
</tr>
</tbody>
</table>

** Significant at p < 0.05  *** Significant at p < 0.001

Trust in mavens and the role of mavens in influencing knowledge and trust

This study has identified the presence of market mavens in the food and beverage sector and this finding is in line with the results presented by Feick and Price in 1987. Market mavens were present among the group of students enrolled in this study. To further understand the role of mavens as mediators in spreading information and in improving other people’s knowledge base, this study also investigated whether market mavens are perceived as a trustworthy information source or not. Trust plays a major role in the successful transfer process of information. Trust encompasses not only people’s beliefs about others, but also their willingness to use that knowledge as the basis for action (Luhmann, 1979). Besides that, as has been stipulated, an interpersonal trust is the extent to which a person is confident in and willing to act on the basis of the words, actions, and decisions of others (McAllister, 1995). Therefore, evaluating the trustworthiness of mavens will provide further understanding of whether mavens can be considered as a potential and powerful mediator for the information transfer
process. Trust measurement was anchored on some major trust determinants (competent, reliable, and ability) and was based on general questions on the self-assessed level of trust in mavens as perceived by other people. TABLE 2 provides an interpretation that, in general, trust in three groups of mavens (low, medium and high mavens) is significantly different in terms of competence, reliability, ability and general trust questions. Trust in the low-maven-group is the lowest in comparison to the medium- and high- mavens. In contrast to that, the high-mavens-group is perceived as being the most trustworthy. Subjects trust the high-mavens-group significantly more than they do towards the medium and low mavens. Mean values of the high-mavens-group indicate that subjects perceived this group as having a high reliability (mean value of 4.22), relatively high score in competence (mean value of 4.08) and ability as information source (mean value of 4.18) and in general subjects trust this group to a very high extent (mean value of 4.53).

Table 2. The means (significant level) of trust components of maven groups

<table>
<thead>
<tr>
<th>Trust components</th>
<th>Market maven groups (means)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
</tr>
<tr>
<td>Reliability as information source</td>
<td>3.33</td>
</tr>
<tr>
<td>Competence as information source</td>
<td>3.27</td>
</tr>
<tr>
<td>Ability as information source</td>
<td>3.36</td>
</tr>
<tr>
<td>Other people trust me</td>
<td>4.18</td>
</tr>
</tbody>
</table>

** Significant at p < 0.05   *** Significant at p < 0.001
1= not at all, 3= neutral, 5= absolutely

To confirm the affects of mavens in the transfer of information, this study included some confirmative questions such as (1) do you think that information from mavens can improve knowledge on product categories?, (2) do you think that information from mavens can improve your trust in product categories?, and (3) do you think that mavens can influence your buying decision process?. TABLE 3 indicates that there are different results in terms of effects of information from the three maven groups. Once again, information from the low-mavens-group was perceived to be less important than from the other two groups. Information from the low-mavens-group had a significantly lower influence and lower effects on the buying decision as compared to information from the medium and high mavens. In contrast to that, information gathered from the high-mavens-group influenced strongly the receiver’s existing knowledge (mean value of 4.11) and improved the receiver’s trust (mean value of 4.08) in specific issues discussed accordingly. In general, subjects notified that mavens strongly influence their buying decision process (mean value of 3.97).

Table 3. The means (significant level) of effect of maven groups on behavior decision

<p>| My information improves other people knowledge | Market maven groups (means) |</p>
<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3.69</td>
<td>3.80</td>
<td>4.11     **</td>
</tr>
</tbody>
</table>

** Significant at p < 0.05   *** Significant at p < 0.001
1= not at all, 3= neutral, 5= absolutely
The findings of this study have contributed to the establishment of the concept of market mavens. However, in practical terms it is not easy to identify the presence of market mavens. Because of the fact that market mavens can not be easily identified among opinion leaders, sophisticated consumers and early adopters. Besides that, there are no clear characteristics in terms of social and demographic profiles of mavens (Feick and Price, 1987; Wiedmann et al., 2001). In order to provide a deeper approach into identifying market mavens, the trustworthiness of some interpersonal information sources was investigated. Those groups may represent market mavens. TABLE 4 presents the results. Family members (mean value of 4.12), experts in nutrition (mean value of 4.05), friends (mean value of 3.71) and users (or persons who have consumption experiences) are perceived as a trustworthy information sources. Market maven groups identified from those groups just mentioned will be more valuable as information transfer mediators.

Table 4. Trust in some information sources

<table>
<thead>
<tr>
<th>Source of Table 1-4: author’s study results</th>
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<tbody>
<tr>
<td>Source of Table 1-4: author’s study results</td>
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</table>

<table>
<thead>
<tr>
<th>Source</th>
<th>N</th>
<th>Means (Max. 5 – Min. 1)</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family members</td>
<td>132</td>
<td>4.1212</td>
<td>0.79146</td>
</tr>
<tr>
<td>Leader of group (Sport club, Musical-institution etc.)</td>
<td>131</td>
<td>2.3435</td>
<td>1.37433</td>
</tr>
<tr>
<td>Prominent on TV, radio or magazine-advertisements</td>
<td>132</td>
<td>1.9470</td>
<td>0.93543</td>
</tr>
<tr>
<td>Salesmen</td>
<td>131</td>
<td>2.6641</td>
<td>1.01231</td>
</tr>
<tr>
<td>Unknown people</td>
<td>132</td>
<td>1.7576</td>
<td>0.98167</td>
</tr>
<tr>
<td>Expert/nutritionist</td>
<td>131</td>
<td>4.0534</td>
<td>0.94717</td>
</tr>
<tr>
<td>Friends</td>
<td>132</td>
<td>3.7197</td>
<td>0.75478</td>
</tr>
<tr>
<td>Users/adopters</td>
<td>134</td>
<td>3.6418</td>
<td>0.99172</td>
</tr>
</tbody>
</table>

**General discussion**

The purpose of this study was to examine whether the knowledge level influences a person’s inherent trust and whether market mavens play a role in improving people’s knowledge and trust. The results of this analysis showed that there is a positive correlation between knowledge and trust and mavens are perceived as a trustworthy information source, especially in improving knowledge level and trust. It is apparently for the view of marketing that the improvement of people’s inherent knowledge is one of the key success factors in building consumers’ trust. When consumers attain a significant knowledge level about an object (according to the cognitive learning process) they will perceive the object accordingly, will create a correlated association and evaluate alternative brands and, moreover, will form positive belief, trust and attitude towards the given brand. Finally, they will make a purchase decision according to their inherent knowledge. Besides the classical marketing tools, this study suggests that market mavens can be considered as another alternative for spreading product information. Due to the characteristics of market mavens, they will then automatically spread the information they have to other people. However, it is apparent that there is a prerequisite in building mavens groups such as that the firm may have to build first the mavens’ knowledge level and maven’s trust towards a product. Obviously, mavens may also spread
negative information about a product. Therefore, it is important to ascertain that mavens are satisfied with the firm’s product, services and performance.

References


