

**PARADOX BRANDS:
CAN BRANDS WITH CONTRADICTORY MEANINGS
BE MORE APPEALING TO CONSUMERS?**

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CHAPTER 1:

OVERVIEW OF DISSERTATION

One of the most important tenets of brand strategy is that successful brands have a clear and distinct focus, devoid of any contradictory or conflicting elements. This belief originated with the introduction of the Unique Selling Proposition, which states that successful branding involves a single, clearly expressed claim (Reeves 1961). Over time, it became firmly established as marketing embraced the concept of positioning, where brand managers were taught that successful brands occupy a clearly defined, relatively simple, and unambiguous position in their categories (Trout and Ries 1986).

However, as brands and markets evolve over time, there is often a need to expand the meanings associated with brands to sharpen their differentiation versus other brands, appeal to new consumer segments, and resonate with changes in cultural values and consumer tastes (Keller 1999). At times, these new meanings add elements that are contradictory to each other. For example, Land Rover positions itself as both rugged and sophisticated, bridging luxury and hardworking functionality (Adweek 2013). Clearly, the notion of ruggedness and hardworking is contradictory to the notion of sophisticated and luxury. Yet, I find across two essays that this inherent contradiction in the brand need not be viewed negatively, and such a brand can be very successful in the marketplace.

Thus, my dissertation challenges the long-held assumption that brands with clear and consistent brand meanings are more appealing to consumers. Specifically, I show across ten studies that certain consumers actually prefer brands that incorporate contradictory meanings, which I refer to as paradox brands. I present individuals with descriptions of brands that include a set of brand personality traits or brand values. These

elements are contradictory to one another in the case of a paradox brand (e.g., personality traits: rugged and sophisticated) or consistent with one another in the case of a traditional non-paradox brand (e.g., personality traits: rugged and outdoorsy). I then assess individuals' evaluation of the given brand, and find that paradox brands are often evaluated more favorably than non-paradox brands.

My dissertation consists of two essays, which examine two potential conceptual frameworks that might explain how people respond to brands with contradictory brand elements. The first essay examines the effect of dialectical thinking on the evaluation of paradox brands. Across seven studies, I find that consumers who embrace a dialectical style of thinking, and are thus more comfortable with contradiction, evaluate paradox brands more favorably than non-paradox brands. I find that this is because paradox brands fit well with their style of thinking, resulting in more favorable evaluations for paradox than non-paradox brands. The second essay looks at bicultural consumers and examines the effect of cognitive flexibility on the evaluation of paradox brands. Across three studies I find that bicultural consumers evaluate paradox brands more favorably than non-paradox brands, and that this is driven by their higher levels of cognitive flexibility. Both essays are described in more detail below.

Essay 1: The Effect of Dialectical Thinking on the Evaluation of Paradox Brands

The first essay begins by examining paradox brands. Paradox brands are defined as brands whose concept encompasses contradictory brand meanings. In this research, I focus on paradox brands that include two types of contradictory brand meanings, namely contradictory brand personalities (e.g., rugged and sophisticated, Aaker 1997), and contradictory brand values (e.g., conservation and openness, Schwartz 1992). I conducted

a pilot test to assess the prevalence of paradox brands in the marketplace, finding that about a third of well-known and successful brands are perceived by consumers as having contradictory elements.

I contend that marketing managers subscribe to the belief that brands should have a clear and distinct focus, without contradictory meanings that confuse consumers, despite the fact that some consumers might find this type of brand appealing. I explore this gap in managerial understanding of how consumers evaluate paradox brands in the first two studies. In study 1A, I asked consumers to read a description of a paradox brand (Modern Heritage) and a non-paradox brand (Modern Brand) of clothing, and then evaluate the brand. I found that consumers evaluated the paradox brand *more favorably* than the non-paradox brand. In study 1B, I gave marketing managers the same brand descriptions, and asked them to predict how consumers would evaluate them. Marketing managers predicted that consumers would evaluate the paradox brand *less favorably* than the non-paradox brand, which is the total opposite of what I find in study 1A.

In the next two studies, I tested my prediction that more favorable evaluations of paradox brands are primarily due to consumers with a dialectical style of thinking. Dialectic thinkers are comfortable with contradiction, and in fact, their view of the world incorporates contradiction (Peng and Nisbett 1999). Thus, this style of thinking is compatible with paradox brands, which incorporate contradictory elements. In study 2, I found support for this prediction by measuring individual differences in styles of thinking. Participants with a higher level of dialectical thinking were more likely to provide higher evaluations of the paradox (vs. non-paradox) brand. In study 3, I found additional support for my prediction by manipulating levels of dialectical thinking.

Participants primed to think dialectically evaluated the paradox brand more favorably than the non-paradox brand; however, this more favorable view of paradox brands was absent for participants primed to think differently.

However, it could be argued that the observed effects are due to paradox brands being more complex, given that they have more brand elements than the non-paradox brands. To address this potential alternative explanation, I conducted study 4. This study is very similar to study 3, except that in addition to having a paradox and non-paradox brand condition, I added a complex brand condition. In this condition, similar to the paradox brand, the brand was described as having two distinct brand personalities, but they were not contradictory. The results suggest that there is something unique about paradox brands, but only for participants high in dialectical thinking. These participants preferred the paradox brand to the complex and non-paradox brands. However, I did not find any differences with participants low in dialectical thinking.

Study 5 tests my prediction that dialectical thinkers find paradox brands more appealing because paradox brands, with their inclusion of contradiction, fit with a dialectical thinking style, producing a sense of “feeling-right,” which is a subjective experience of ease and comfort. This sense of “feeling-right” or fit between one’s style of thinking and paradox brands results in more favorable evaluations for paradox (vs. non-paradox) brands. I advance this proposition based on matching effects reported in the attitude and persuasion literatures (Fujita, et al. 2008; Lee and Aaker 2004; Petty and Wegener 1998). I manipulated style of thinking, and then measured participants’ perceptions that their thinking style fit with the paradox brand. The findings revealed that, as expected, only dialectical thinkers found the paradox brands to fit their thinking

style, and these fit perceptions mediated the effect of paradox brands on brand evaluations. Also of note, in this study, the brand information for the paradox and non-paradox brands was conveyed in the form of a print advertisement, as opposed to the brand descriptions used in prior studies.

Finally, in study 6, I tested my prediction about an important boundary condition for more positive evaluations of paradox brands. I propose that when consumers anticipate using a brand to unequivocally signal a desirable identity to others, and avoid embarrassment (i.e., heightened social risk), paradox brands will lose their appeal and will no longer be evaluated more favorably than non-paradox brands. I reason that, in this situation, people become more ambiguity averse (Curley et al. 1986), which reduces the appeal of paradox brands characterized by contradiction and ambiguity. Once again, I manipulated levels of dialectical thinking, and exposed participants to a scenario about purchasing the paradox brand they would be evaluating. One of the scenarios described purchasing the brand in a situation where it would be important to signal one's identity to others (social risk); the second control scenario simply described purchasing the brand without any social context (consistent with my prior studies). As predicted, I found that dialectical thinkers evaluated the paradox brand more favorably in the control scenario than in the social risk scenario. Thus, when social risk is salient, the favorable view usually accorded to paradox brands diminishes, even for dialectical thinkers.

Essay 2: Biculturalism and Paradox Brands

In this essay, I explore the effect of biculturalism on the evaluation of paradox brands. Bicultural consumers present a huge opportunity for marketers, as bicultural consumers now represent a third of the U.S. population and are the fastest growing

segment in the U.S. This opportunity is widely recognized by marketers, but there is relatively little research that investigates brand building practices that could be particularly successful with this type of consumer. Most of the research to date in this area has focused on advertising, specifically bilingual advertising (e.g., Kubat and Swaminathan 2015; Luna and Peracchio 2005; Noriega and Blair 2008).

However, the question still remains whether there are specific types of brands that are more appealing to bicultural (vs. monocultural) consumers. I explore this question in the second essay, proposing that paradox branding can potentially prove a successful novel brand building strategy with bicultural consumers. I propose that bicultural consumers will find brands with contradictory brand meanings appealing because biculturals have higher levels of cognitive flexibility, which allow them to more easily form a clearer mental representation of an object with conflicting elements, or in this case, a clearer brand image of the paradox brand. This ability, in turn, results in a clearer brand image in people's minds, which leads to stronger attitudes toward the brand.

In study 1, to examine bicultural consumers' evaluation of paradox brands, I recruited a sample of both bicultural and monocultural consumers and presented them with either a paradox or non-paradox brand, similar to studies in the previous essay. I also measured their cognitive flexibility. Results revealed that that bicultural consumers evaluate paradox brands more favorably than non-paradox brands, and that their evaluations of paradox brands are higher than those of monocultural consumers. I also find that this is because bicultural consumers have higher levels of cognitive flexibility.

Study 2 aimed to provide further evidence that cognitive flexibility is at play, by examining whether the positive evaluation of paradox brands is stronger amongst

bicultural consumers who tend to exhibit higher levels of cognitive flexibility. Past research has shown that biculturals who adopt a particular acculturation strategy (integrated biculturals) tend to exhibit higher levels of cognitive flexibility (Tadmor and Tetlock 2006). If cognitive flexibility is the driver of higher evaluations for paradox brands, then integrated biculturals (vs. other types of biculturals) should exhibit more favorable evaluations of paradox brands. For this study, I used similar stimuli for paradox and non-paradox as in prior studies, and recruited a sample of bicultural participants, including a measure of their acculturation strategy. I propose that the resulting increased tendency to consider and combine opposing perspectives will make integrated bicultural consumers' evaluation of paradox brands stronger. Results provided support for this prediction.

Finally, study 3 examines the underlying mechanism. To do so, I presented participants with either a paradox or non-paradox brand and measured their cognitive flexibility. After they evaluated the given brand, I asked them the extent to which they had a clear image of the brand. Findings showed that participants with higher levels of cognitive flexibility had a stronger mental image of the paradox brand, and this stronger mental image enhanced their brand evaluation. These results provide evidence that the reason why cognitive flexibility positively impacts the evaluation of paradox brands is because consumers high in cognitive flexibility are able/more used to entertain multiple, and often conflicting, representations of an object, which in turn results in having a stronger mental representation of said object, or in the case of a brand, higher levels of brand clarity.

Potential Significance and Contribution

My dissertation challenges the long-held assumption that brands with clear and consistent brand meanings are more appealing to consumers. Contrary to what marketers believe, I show that many consumers actually prefer brands that incorporate contradictory meanings, which I refer to as paradox brands. Further, my findings also reveal what types of consumers prefer paradox brands, why they find these brands more appealing, and what circumstances diminish the appeal of paradox brands.

My research offers several contributions. First, I introduce the concept of paradox brands, and show these brands exist in the marketplace across multiple product categories. Second, my findings show that consumers can evaluate paradox brands more positively than non-paradox brands, which suggests that commonly held beliefs about positioning brands need to be revised. As brands and markets evolve over time, there is often a need to expand the meanings associated with brands to sharpen their differentiation versus other brands, appeal to new consumer segments, and resonate with changes in cultural values and consumer tastes (Keller 1999). At times, these new meanings add elements that are at odds or somewhat contradictory to each other. My results suggest that the expansion of brand meanings that can result in inconsistency may be welcomed by many consumers.

This research also explains why paradoxical brands and brand messaging may be effective, examining two different populations of consumers and two different processes. Essay 1 focuses on monocultural individuals. Research with this population suggests that dialectical thinking (style of thinking where individuals have a tolerance for ambiguity and are comfortable with seeming contradictions) is the underlying mechanism for understanding why some individuals would evaluate paradox brands more favorably.

Essay 2 focuses on bicultural individuals. Research with this population suggests that cognitive flexibility (ability to entertain multiple, and often conflicting, representations of an object) is the underlying mechanism for understanding why biculturals (and especially integrated biculturals) would evaluate paradox brands more favorably than monocultural consumers. By embracing these different populations and theories, I provide a fuller view of how consumers across a wide spectrum respond to contradictions and inconsistencies.

Findings regarding the appeal of paradox brands to bicultural consumers are particularly important given past and future demographic shifts. In the U.S. alone, bicultural consumers (i.e., Hispanics, African Americans, and Asian Americans) are 120 million strong, representing more than a third of the population. Furthermore, they are the fastest growing segment of the population, accounting for 92% of the total growth in U.S. population from 2000 to 2014 (Nielsen 2015). Given these rising numbers, bicultural consumers have become crucial to the success of both local and global companies. For example, the media spending to target the fastest growing bicultural segment in the U.S., namely Hispanics, was \$9.6 billion in 2016, with Procter & Gamble at the top of the list, spending \$370 million (Wentz 2017). As these groups grow within the U.S., paradox brands will be more appealing to increasing numbers of consumers.

CHAPTER II:

Essay 1: The Effect of Dialectical Thinking on the Evaluation of Paradox Brands

One of the most important tenets of brand strategy is that successful brands have a clear and distinct focus, devoid of any contradictory or conflicting elements. This belief originated with the introduction of the Unique Selling Proposition, which states that successful branding involves a single, clearly expressed claim (Reeves 1961). Over time, it became firmly established as marketing embraced the concept of positioning, where brand managers were taught that successful brands occupy a clearly defined, relatively simple, and unambiguous position in their categories (Trout and Ries 1986).

In this research, we challenge the long-held assumption that brands with clear and consistent brand meanings are more appealing to consumers. Specifically, we show that many consumers actually prefer brands that incorporate contradictory meanings, which we refer to as paradox brands. We present consumers with descriptions of brands that include a set of brand personality traits or brand values. These elements are contradictory to one another in the case of a paradox brand (e.g., personality traits: rugged and sophisticated) or consistent with one another in the case of a traditional non-paradox brand (e.g., personality traits: rugged and outdoorsy). Across five studies, we find that many consumers prefer the paradox brand, in particular, consumers who embrace a dialectical style of thinking that is comfortable with contradiction. For these consumers, paradox brands fit well with their style of thinking, resulting in more favorable evaluations for paradox than non-paradox brands.

Our research offers several contributions. Our findings challenge the prevailing managerial wisdom that brands can only be successful if they are clearly focused, and

devoid of any contradictory or conflicting elements. The fact that paradox brands can be seen as more appealing by consumers is a novel finding, and one that suggests that guidelines for positioning and building brands may need to be revised. As brands and markets evolve over time, there is often a need to expand the meanings associated with brands to sharpen their differentiation versus other brands, appeal to new consumer segments, and resonate with changes in cultural values and consumer tastes (Keller 1999). At times, these new meanings add elements that are contradictory to each other. For example, Jeep has long been known for its rugged off-road positioning, but has recently added messaging suggesting it is also a family-friendly SUV. Clearly, the notion of a rugged car used for off road adventures is contradictory to a family car used to transport children around town. Yet, our findings suggest that this inherent contradiction in the brand need not be viewed negatively, and such a brand can be very successful in the marketplace.

Further, we explain why paradox brands can be successful, and what types of consumers are most likely to find them appealing. We identify dialectical thinking as the mechanism underlying more favorable evaluations for paradox brands. Dialectical thinking refers to a style of thinking where individuals have a tolerance for ambiguity and are comfortable with seeming contradictions (Peng and Nisbett 1999). In fact, dialectic thinkers view the world as inherently contradictory. Although dialectical thinking is prevalent among individuals in many cultures (Baltes and Staudinger 1993; Peng and Nisbett 1999; Riegel 1973), the implications for branding have yet to be fully recognized. Our findings show that dialectical thinkers are the consumer segment most likely to

embrace paradox brands, and to find them more appealing than traditional non-paradox brands.

Findings regarding the appeal of paradox brands to dialectical thinkers are particularly important given past and future demographic shifts in the U.S. population (Colby and Ortman 2015; Singer 2013). Over 13% of the U.S. population is foreign-born, and this demographic is expected to grow about four times faster (85%) than native-born residents. Further, 15% of the U.S. population is aged 65 and over, and is expected to grow by 60%, while other age groups are expected to decline. Dialectical thinking is very prevalent in individuals from Eastern cultures, particularly Asian cultures (Peng and Nisbett 1999), as well as in individuals from Western cultures from older age groups (Riegel 1973). As these groups grow within the U.S., dialectical thinking will become more prominent, and according to our findings, paradox brands will be more appealing to increasing numbers of consumers.

We proceed as follows. In the next two sections, we define the concept of paradox brands in more detail, present evidence regarding the prevalence of paradox brands in the marketplace, and discuss the concept of dialectical thinking and how it affects consumer response to paradox brands. We then present six studies to test our predictions about consumer evaluations of paradox brands, and the important role that dialectical thinking plays in these evaluations. Finally, we discuss the contributions of our findings and suggest avenues for future research.

PARADOX BRANDS

Defining Paradox Brands

We define a paradox brand as a brand whose concept encompasses contradictory brand meanings. In our research, we focus on paradox brands that include two types of contradictory brand meanings: (1) contradictory brand personalities; and (2) contradictory brand values. We describe each of these in more detail below.

Brand Personality. Brands are often defined in terms of the product attributes and benefits they deliver to consumers (Keller 1993; Aaker 1996). However, in a world where brands need to create other means of differentiation and resonate more deeply with consumers, brand managers now incorporate more human-like meanings into brand concepts (MacInnis and Folkes 2017). A prevalent example of this practice is brand personality (Aaker 1996; Batra, Lehmann, and Singh 1993; John and Torelli 2017; Keller 2012).

Brand personality is defined as the set of human personality characteristics associated with a brand. Aaker (1997) provides the most compelling conceptualization of brand personality, finding that consumers perceive brands in terms of five distinct personality dimensions: sincerity (e.g., down-to earth, honest), competence (e.g., successful, intelligent), excitement (e.g., daring, spirited), sophistication (e.g., upper class, charming), and ruggedness (e.g., tough, outdoorsy). Examples of brands that embody these personality dimensions are Hallmark (sincerity), Intel (competence), Absolut Vodka (excitement), Louis Vuitton (sophistication), and Eddie Bauer (ruggedness). A sixth dimension, peacefulness/calmness, was added in Aaker's subsequent work on brand personality (Aaker, Benet-Martinez, and Garolera 2001).

Examining the list of brand personality dimensions, we observe that some of these dimensions are opposite or contradictory to each other. For example, brands that are

viewed as rugged, such as Eddie Bauer, are unlikely to be seen as sophisticated; and, sophisticated brands, such as Louis Vuitton, are unlikely to be seen as rugged. Similarly, brand personality dimensions such as exciting and peaceful/calm are also contradictory in nature. Thus, a brand combining these contradictory brand personality dimensions would be considered a paradox brand. In our studies, we examine paradox brands described as (1) rugged and sophisticated, and (2) exciting and peaceful/calm.

Brand Values. In general, values are universal abstract representations of desired end-states that serve as guiding principles in people's lives (Schwartz 1992). According to Schwartz's original framework, there are 11 distinct values that can be categorized into four higher-order values: openness to change (self-direction, stimulation), self-enhancement (hedonism, achievement, power), conservation (tradition, security, conformity), and self-transcendence (benevolence, social concerns and concerns with nature). These values can be placed on a circular graphic, where compatible values are adjacent to one another and incompatible values are opposite to one another. For example, openness to change, which captures people's motivation to be open to change and follow their own intellectual and emotional interests, is in opposition to conservation, which captures people's motivation to be conservative and preserve the status quo and the certainty it provides in existing social relationships. Similarly, self-enhancement, which captures people's motivation to enhance their self-interests (e.g., status), is in opposition to self-transcendence, which captures people's motivation to transcend self-interests and promote the welfare of others.

Marketers imbue brands with human values to evoke the sense that brands can benefit consumers' lives in ways that are meaningful, not merely utilitarian (Durgee,

O'Connor, and Veryzer 1996). And, research shows that consumers do perceive brands as representations of human values (Allen, Gupta, and Monnier 2008; Torelli and Kaikati 2009; Torelli et al. 2012). In fact, Schwartz's (1992) value structure has been used as a basis for measuring values associated with brands (John and Torelli 2017; Torelli et. al 2012). Examples of brand-value pairings include Apple (openness to change), IBM (conservation), Rolex (self-enhancement), and Red Cross (self-transcendence).

Based on this research, some brand values are opposite or contradictory to others. Openness to change is in opposition to conservation, and self-enhancement is in opposition to self-transcendence. Thus, a brand combining these contradictory brand values would be considered a paradox brand. In our studies, we examine a paradox brand that combines openness to change (modern and trendy) and conservation (traditional and classic).

Significance of Paradox Brands

How prevalent are paradox brands? Are they a significant presence in the world of consumer brands? Based on a study we conducted, the answer is that many well-known and successful brands are perceived as having contradictory elements, and by definition, are paradox brands. For this study, we recruited 401 U.S. participants ($M_{\text{age}} = 35.85$, 47.6% male) from Amazon's Mechanical Turk by offering a small monetary payment. We randomly assigned a real brand to each participant, and asked them to rate the brand in terms of how much it was associated with a list of brand personality traits and brand values. We chose 12 brands for the study, with three brands from each of four product categories: (1) beverages: Coca-Cola, Diet Coke, Fanta; (2) automobiles: Ford, Jeep, Dodge; (3) electronics: Apple, Samsung, LG; and (4) sportswear: Nike, Adidas,

Under Armour. Brands for each category were chosen to represent different levels of brand value (proxy for success) as indicated by Young & Rubicam's Brand Asset Value (BAV) measures.

Participants rated the extent to which their assigned brand was associated with a list of four brand personality traits (sophistication, ruggedness, peacefulness, excitement) and four brand values (self-enhancement, self-transcendence, openness, conservation) on a 0 (not at all) to 8 (a great deal) scale. Using these ratings, we identified instances where a brand was rated highly (7 or 8) on two contradictory personality traits (rugged/sophisticated or exciting/peaceful) or two contradictory brand values (self-transcendence/self-enhancement or openness/conservation). For example, some participants rated Coca-Cola highly in terms of conservation (likely due to the "Classic" positioning of the brand) and highly in terms of openness (likely due to the marketing efforts by the brand to develop new products to appeal to a wide range of consumers).

Our results showed that 35.2% of the studied brands had contradictory elements, and are therefore, paradox brands. Thus, paradox brands are quite prevalent in the marketplace. Further analysis revealed that the most prevalent type of contradiction present in these brands was openness/tradition (22.9%), followed by self-enhancement/self-transcendence (20.9%), exciting/peaceful (16.7%), and rugged/sophisticated (10.7%). Of interest, we noted that paradox brands were more prevalent among higher equity brands. Specifically, paradox brands represented 28.4% of low equity brands, 33.3% of medium equity brands, and 38.3% of high equity brands (see Web Appendix for analysis details). Thus, not only are paradox brands present in substantial numbers, but they also appear to be quite successful.

CONSUMER RESPONSE TO PARADOX BRANDS

Dialectical Style of Thinking

People are often exposed to contradictions, and the extent to which they are comfortable with these contradictions depends on the mode of thought they embrace. Individuals tend to be more uncomfortable with contradiction if they subscribe to the law of non-contradiction (which states that something cannot be both true and false at the same time) and the law of the excluded middle (which states that any statement is either true or false, and that a middle ground does not exist) (Nisbett et al. 2001; Peng and Nisbett 1999). In contrast, people tend to be more comfortable with contradiction if they embrace dialectical thinking, subscribing to the principle of contradiction that asserts that two opposing arguments can be both true, and each argument can be both true and false (Nisbett et al. 2001).

Dialectical thinking has often been studied in the area of cross-cultural research, showing that individuals from Eastern cultures have a great propensity to endorse this style of thinking (Peng and Nisbett 1999). However, dialectical thinking exists both within as well as across cultures (Spencer-Rodgers, Williams, and Peng 2010). It can exist in individuals from Western cultures (Riegel 1973), and can be fostered by cues that activate cognitions and beliefs associated with dialectical thinking (Alter and Kwan 2009).

Dialectical Thinking and Evaluation of Paradox Brands

We draw upon research in dialectical thinking to examine how paradox brands, which incorporate contradictory elements, will be evaluated by consumers. People high in dialectical thinking view the world as inherently contradictory, and are more

comfortable with ambiguity, which should have implications for their response to paradox brands.

First, we predict that consumers often respond more positively to paradox (vs. non-paradox) brands, and that this more positive evaluation is seen among consumers who embrace a dialectical style of thinking. As described earlier, dialectic thinkers are comfortable with contradiction, and in fact, their view of the world incorporates contradiction. Thus, this style of thinking is compatible with paradox brands, which incorporate contradictory elements.

Second, we propose that the match between dialectical thinking (which embraces contradiction) and paradox brands (which include contradiction) produces a sense of “feeling-right,” which is a subjective experience of ease and comfort. This sense of “feeling-right” or fit between one’s style of thinking and paradox brands results in more favorable evaluations for paradox (vs. non-paradox) brands. We advance this proposition based on matching effects reported in the attitude and persuasion literatures (Fujita, et al. 2008; Lee and Aaker 2004; Petty and Wegener 1998). In general, research has found that more positive attitudes are elicited when a target (e.g., persuasive appeal or object) matches consumers’ mindsets, goals, attitude bases, or processing styles. For example, a product appeal emphasizing abstract features is more appealing than a product appeal emphasizing concrete features when individuals have an abstract mindset (Fujita, et al. 2008). Similarly, matching the content of a persuasive message (e.g., emphasizing image) to the functional basis of attitudes (e.g., based on image for high self-monitors) enhances the message’s evaluation (Petty and Wegener 1998).

Thus, for dialectic thinkers, we predict that feeling a paradox brand fits one's style of thinking will mediate the positive effect of paradox brands on brand evaluations.

When Paradox Brands Lose Their Appeal

Although we expect that dialectic thinkers will respond favorably to paradox brands, we propose that this effect will diminish when consumers evaluate brands to be used in situations with social risk, such as signaling a specific identity to others.

Brands allow consumers to satisfy identity-relevant goals, such as signaling, by conveying unobservable attributes to others (Kirmani 2009). For example, a consumer could buy a Jeep automobile to convey that he is tough and rugged (Berger and Heath 2007). Brands are effective signals when they communicate characteristics of the user clearly, and this is particularly important when the signaling context involves social risk. When a consumer perceives that it is important to convey the "right" impression, and using an inappropriate brand could create the wrong impression, a brand that can send a clear and unambiguous signal will be preferred.

Support for this prediction is found in research showing that, as social risk increases, people become more ambiguity averse (Curley, Yates, and Abrams 1986). Accordingly, the contradiction or ambiguity inherent in paradox brands should lose its appeal when the brand is to be used in a situation involving social risk, even for dialectical thinkers. Although paradox brands match the dialectical thinker's view of the world, and they are normally comfortable with the contradiction found in paradox brands, this will no longer be the case when the brand is being evaluated in the context of self-identity signaling in a situation with social risk.

OVERVIEW OF CURRENT RESEARCH

We begin our examination of paradox brands with a study that demonstrates the gap in managerial understanding of how consumers evaluate paradox brands. In study 1A, we asked consumers to read a description of a paradox brand (Modern Heritage) and a non-paradox brand (Modern Brand) of clothing, and then evaluate the brand. We found that consumers evaluated the paradox brand *more favorably* than the non-paradox brand. In study 1B, we gave marketing managers the same brand descriptions, and asked them to predict how consumers would evaluate them. Marketing managers predicted that consumers would evaluate the paradox brand *less favorably* than the non-paradox brand, which is the total opposite of what we find in study 1A.

In the next two studies, we test our prediction that more favorable evaluations of paradox brands are primarily due to consumers with a dialectical style of thinking. In study 2, we found support for this prediction by measuring individual differences in styles of thinking. Participants with a higher level of dialectical thinking were more likely to provide higher evaluations of the paradox (vs. non-paradox) brand. In study 3, we found additional support for our prediction by manipulating levels of dialectical thinking. Participants primed to think dialectically evaluated the paradox brand more favorably than the non-paradox brand; however, this more favorable view of paradox brands was absent for participants primed to think differently.

In study 4, we address the potential alternative explanation that the observed effects are driven by paradox brands being more complex (i.e., with more brand elements) than non-paradox brands. To do so, we conducted a similar study to study 3, with an additional brand condition. In this condition, participants viewed and evaluated a complex brand, which similar to the paradox brand, had two distinct brand elements,

except they were not contradictory. Results suggest that there is something unique about paradox brands, given that participants primed to think dialectically evaluated the paradox brand more favorably than both the non-paradox and complex brands. No differences emerged for participants in the low dialectical thinking condition.

Study 5 tests our prediction that dialectical thinkers find paradox brands more appealing because paradox brands, with their inclusion of contradiction, fit with a dialectical thinking style. We manipulated style of thinking, and then measured participants' perceptions that their style of thinking fit with the paradox brand. The findings revealed that, as expected, only dialectical thinkers found the paradox brands to fit their style of thinking, and these fit perceptions mediated the effect of paradox brands on brand evaluations. Also of note, in this study, the brand information for the paradox and non-paradox brands was conveyed in the form of a print advertisement, as opposed to the brand descriptions used in prior studies.

In study 6, we test our prediction about an important boundary condition for more positive evaluations of paradox brands. Once again, we manipulated levels of dialectical thinking, and exposed participants to a scenario about purchasing the paradox brand they would be evaluating. One of the scenarios described purchasing the brand in a situation where it would be important to signal one's identity to others (social risk); the second control scenario simply described purchasing the brand without any social context. As predicted, we found that dialectical thinkers evaluated the paradox brand more favorably in the control scenario than in the social risk scenario. Thus, when social risk is salient, the favorable view usually accorded to paradox brands diminishes, even for dialectical thinkers.

STUDY 1A: CONSUMER EVALUATION OF PARADOX BRANDS

Study 1A and 1B were conducted to illustrate that consumers find paradox brands appealing (study 1A), despite managers who believe quite the opposite (study 1B). In both studies, participants were presented with information about either a paradox or non-paradox brand, and then evaluated the brand. Results from study 1A show that consumers evaluate a paradox brand *more* favorably than a non-paradox brand. In contrast, results from study 1B show that marketing managers believe that consumers will evaluate a paradox brand *less* favorably than a non-paradox brand.

Sample and Procedure

Eighty-eight participants were recruited from Amazon's Mechanical Turk ($M_{\text{age}} = 35.48$, 54.5% male), who took the survey in exchange for a small monetary payment. They were randomly assigned to either the paradox brand or non-paradox brand condition.

Participants were told they would be asked to evaluate a new brand of clothing, either Modern Heritage (paradox brand) or Modern Brand (non-paradox brand). To familiarize participants with their assigned brand, they were given a brief description of the brand, which consisted of four descriptors: trendy, contemporary, up-to-date, and modern (Modern Brand) or trendy, contemporary, traditional, and classic (Modern Heritage brand). Participants were told that these four descriptors emerged from focus groups conducted with consumers, who identified the four descriptors as those most strongly associated with the brand. After reading through the brand information, participants evaluated the brand on five criteria (bad/good, dislike/like, unfavorable/favorable, unappealing/appealing, undesirable/desirable) using a 7-point

scale. Responses for the five criteria were averaged to compute a brand evaluation score ($\alpha = .95$).

Brand Pretest

The paradox brand (Modern Heritage) was designed to embody two contradictory brand values, namely openness to change and conservation. Openness to change includes stimulation values, which derive from people's fundamental need for variety and novelty, whereas conservation includes tradition values, which derive from people's inclinations to subordinate the self to socially exposed expectations (Schwartz 2012). Thus, we used two descriptors (traditional, classic) to capture the embodiment of tradition (conservation value), and two descriptors (trendy, up-to-date) to capture the embodiment of a desire for variety or novelty (openness to change value). In contrast, the non-paradox brand (Modern Brand) was described by four descriptors (trendy, up-to-date, contemporary, modern) meant to capture the embodiment of just one value type, openness to change.

We conducted a pretest to confirm that the Modern Heritage brand (paradox brand) would be viewed as more contradictory than the Modern Brand (non-paradox brand). One hundred twenty-four participants ($M_{\text{age}} = 19.96$; 58.9% male) were randomly assigned to either the paradox or non-paradox brand condition. They read the same brand information as in the main study, and were asked whether they agreed with the following statement on a 1 (not at all) to 9 (very much) scale: "There is some contradiction in this brand." As expected, participants agreed more strongly that the paradox brand (vs. non-paradox brand) incorporated contradiction ($M = 5.25$ vs. 2.98; $F(1,122) = 35.59$, $p < .001$).

Results and Discussion

An ANOVA with brand evaluation as the dependent variable and brand condition (paradox vs. non-paradox brand) as the fixed factor revealed a significant effect of brand condition ($F(1,86) = 3.80, p = .05$). As expected, consumers evaluated the paradox brand more favorably than the non-paradox brand ($M = 5.54$ vs. 5.05 , respectively).

In the next study, we asked marketing managers to evaluate the same paradox and non-paradox brands used in study 1A. In this case, managers evaluated the brands based on their beliefs about how consumers would like the brand. In addition, we examined our assumption that managers believe brands should be clear, unambiguous, and without contradictory elements in order to be successful. These beliefs imply that paradox brands should not be successful, and that consumers should not evaluate them as favorably as non-paradox brands.

STUDY 1B: MARKETERS EVALUATION OF PARADOX BRANDS

Sample and Procedure

We recruited participants by email, using a list of MBA marketing alumni from several U.S. business schools, including Columbia University and Northwestern University (Kellogg School). The recruiting email included a link to an online survey. Fifty-two managers completed the survey ($M_{\text{age}} = 45.71$, 59.5% male), with over half of the participants (64.3%) reporting more than 10 years of marketing experience.

The procedure was similar to the one described in study 1A. We presented participants with information about the paradox brand (Modern Heritage) or the non-paradox brand (Modern Brand) of clothing. They were told that these descriptions were generated by consumers who had participated in focus groups, consistent with the description provided in study 1A. Participants were then asked “as a marketer, and taking

into consideration the branding best practices you've learned," how they believed consumers would evaluate the given brand, using the same five criteria (bad/good, dislike/like, unfavorable/favorable, unappealing/appealing, undesirable/desirable) and 7-point scale described in study 1A.

Further, we directly assessed managers' beliefs about best branding practices by asking them to indicate whether they agreed with six statements regarding branding practices (e.g., "Successful branding involves a single, clearly expressed claim or concept," "Successful brands contain a simple message, without any ambiguities," and "Successful brands stand for one, and one thing only") on a 1 (not at all) to 9 (very much) scale. Stronger agreement with these statements indicates greater support for non-paradox brands, and a more critical view of paradox brands in terms of their potential for being successful and appealing to consumers. Responses to all six statements were averaged to arrive at a best branding practice score ($\alpha = .80$). Finally, participants answered several demographic questions, including years of marketing experience.

Results

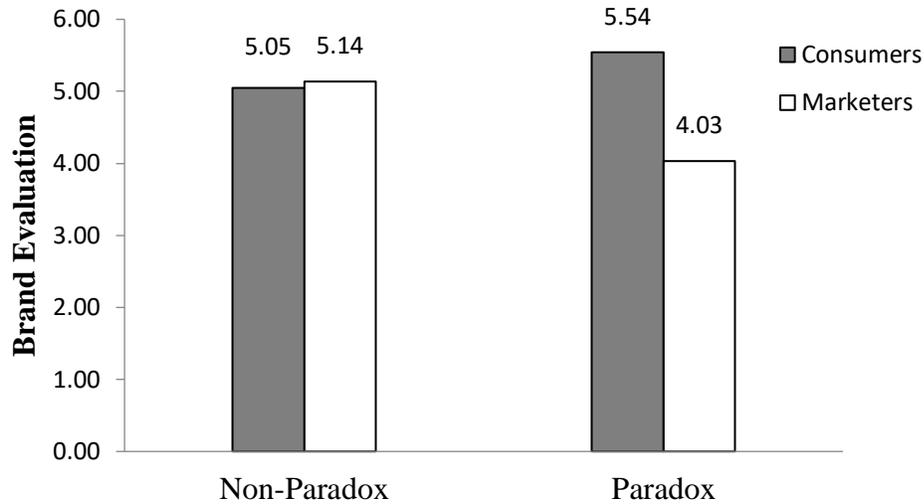
Branding best practices. We expected managers to agree that non-paradox brands (clear focus, no ambiguities) are more successful and appealing to consumers. To examine this expectation, we tested whether the mean of the branding best practices score was significantly different (and above) the midpoint of the scale. Results revealed a significant difference from the midpoint ($M = 6.99$ vs. 5.00 (midpoint); $t(51) = 10.88$, $p < .001$), indicating that managers do believe that successful brands need to be clear, unambiguous, and without contradiction.

Brand evaluation. An ANOVA with brand evaluation ($\alpha = .97$) as the dependent variable and brand condition (paradox vs. non-paradox brand) as the fixed factor revealed a significant effect of brand condition ($F(1,50) = 12.75, p = .001$). As expected, and consistent with their branding best practice beliefs, marketers rated the paradox brand as *less* appealing to consumers than the non-paradox brand ($M = 4.03$ vs. 5.14 , respectively).

We combined these data with the brand evaluation data from study 1A to directly compare the responses of managers versus consumers. We analyzed brand evaluation ($\alpha = .96$) in a 2 (group: consumers vs. marketers) \times 2 (brand: paradox vs. non-paradox) ANOVA. The results yielded a significant 2-way interaction between group and brand condition ($F(1,136) = 15.76, p < .001$; see Figure 1). For paradox brands, consumers evaluated paradox brands significantly *higher* than marketers predicted they would ($M = 5.54$ vs. $4.03, F(1,136) = 28.83, p < .001$). For non-paradox brands, there was no significant difference between consumer evaluations and marketers' predictions ($M = 5.05$ vs. $5.14, F(1,136) = .09, p = .77$).

FIGURE 1

CONSUMERS' VERSUS MARKETERS' EVALUATION OF PARADOX AND NON-PARADOX BRANDS



Discussion

Findings from study 1A and 1B confirmed the gap that exists between the views of marketing practitioners and consumers regarding paradox brands. Marketing practitioners in this study not only predicted that consumers would react less favorably to the paradox than to the non-paradox brand, but also expressed strong views that successful brands need to be unambiguous and without contradiction. Yet, when paradox brands are evaluated by consumers, we find they evaluate paradox brands more favorably than non-paradox brands.

However, we do not expect this effect to be universal across all consumers. Instead, we propose that this effect emerges for people high in dialectical thinking, who are more comfortable with ambiguity and tolerant of holding apparently contradictory beliefs (Peng and Nisbett 1999). In the next study, we measure dialectical thinking as an individual difference factor to test this prediction.

STUDY 2: THE ROLE OF DIALECTICAL THINKING

Sample and Procedure

One hundred and thirteen undergraduate students ($M_{\text{age}} = 19.97$, 60.2% male) enrolled in business classes at a large American university took part in the study for course credit. The procedure and stimuli were similar to the ones described in study 1A. Participants viewed the same information about the paradox brand (Modern Heritage) or the non-paradox brand (Modern Brand), and were then asked to evaluate their assigned brand using the same five criteria (bad/good, dislike/like, unfavorable/favorable, unappealing/appealing, undesirable/desirable) and 7-point scale used in our prior studies.

Additionally, to assess participants' level of dialectic thinking, we administered a shortened version of the attitude toward contradictions scale (Choi, Koo, and Choi 2007). Participants were asked the extent to which they agreed or disagreed with four statements (e.g., "It is more desirable to take the middle ground than to go to extremes," "It is desirable to be in harmony, rather than in discord, with others of different opinions to one's own") on a 7-point scale (1 = strongly disagree; 7 = strongly agree). Responses to the four statements were combined into an average score of dialectical thinking ($\alpha = .84$). Finally, participants answered several demographic questions, and were debriefed and dismissed.

Results

We conducted a multiple regression analysis to test our prediction that evaluations for the paradox (vs. non-paradox) brand would be more positive for people who tend to think more (vs. less) dialectically. We regressed brand evaluation onto the dialectical thinking score (continuous variable), brand condition (paradox = 1, non-paradox = 0), and their interaction. As predicted, the interaction between brand condition and dialectical thinking was significant, $\beta = .41$, $SE = .19$, $t(109) = 2.20$, $p = .03$. To explore

this interaction in more detail, we tested simple slopes at values one standard deviation above and below the mean of the dialectical thinking score (Aiken and West 1991; Cohen and Cohen 1983). We found a significant positive relationship between brand condition (paradox = 1, non-paradox = 0) and product evaluation for *high dialectical thinkers* (+1SD; $\beta = .87$, SE = .33, $t(109) = 2.65$, $p = .01$), but not for *low dialectical thinkers* (-1SD; $\beta = -.15$, SE = .33, $t(109) = -.47$, $p = .64$). As expected, the evaluation for the paradox (vs. non-paradox) brand is more positive for people who tend to think more dialectically.

Discussion

Findings from this study lend support to our theorizing that dialectical thinking drives the evaluation of paradox brands. As predicted, we find that people who embrace dialectical thinking evaluate a paradox brand more favorably than a non-paradox brand. This effect did not emerge for people who do not endorse a dialectical thinking style.

In the next study, we pursue further evidence for dialectical thinking as the driver for more favorable evaluations of paradox versus non-paradox brands. Instead of measuring dialectical thinking as an individual difference variable, in study 3, we manipulate dialectical thinking prior to asking consumers to evaluate a paradox or non-paradox brand. We anticipated that consumers who are primed to think dialectically would evaluate the paradox brand more favorably than the non-paradox brand. In contrast, this effect would not be observed for consumers who are not primed to think dialectically.

STUDY 3: MANIPULATING DIALECTICAL THINKING

Sample

One hundred and forty-nine undergraduate students ($M_{\text{age}} = 20.62$, 43.0% male) enrolled in business classes at a large American university took part in the study for course credit. Participants were assigned to one of the conditions in a 2 (dialectical thinking prime: high vs. low) \times 2 (brand: paradox vs. non-paradox) between-subjects design.

Procedure

After a brief introduction to the study, participants were given a writing task, ostensibly as a warm-up exercise, to prime high versus low dialectical thinking. Although individuals have a chronic tendency toward either dialectical or analytic thinking, they can be persuaded to adopt a particular thinking style (DeMotta, Chao, and Kramer 2016; Parker-Tapias and Peng 2001; Spencer-Rodgers et al. 2004). Thus, we adapted manipulations used in prior research on dialectical thinking and gave participants in the high (low) dialectical thinking prime conditions the following instructions:

“Research has shown that better adjusted individuals think about the world as full of change and contradiction (relatively stable). A useful strategy to do so is to think dialectically—that is, to accept that there are going to be conflicting perspectives to any problem, including the opposing ones, without trying to reconcile them (think analytically—that is, to focus on what the one truth could be and choose the best solution to the problem). We would like you to reflect, in writing, on a time in your life when thinking of the world as being full of change and contradiction and looking at issues from different perspectives, in other words, thinking dialectically (thinking of the world as being stable and consistent

and discovering the truth, in other words, thinking analytically) has been useful.

Please write a brief paragraph about such an experience.”

Next, participants proceeded to the brand evaluation task. The procedure was similar to the one described for study 1A. Participants were told we were interested in their input on a new brand of clothing, and were shown the description for either the paradox brand (Rugged Sophistication) or the non-paradox brand (Rugged Outdoors). All participants were told that the descriptions came from recently conducted focus groups with consumers who had tried the product. The Rugged Sophistication brand included two brand personality descriptors (rugged, outdoorsy) that were contradictory to the other two brand personality descriptors (glamorous, charming). The Rugged Outdoors brand included four personality descriptors that were consistent with each other (rugged, tough, outdoorsy, hardy). To increase attention to this information, participants were asked to imagine that they got the opportunity to try the brand’s products, and were asked to write a review of the brand.

Participants were then asked to evaluate the brand on the same 5-item scale used in past studies (bad/good, dislike/like, unfavorable/favorable, unappealing/appealing, undesirable/desirable). Ratings for the five items were averaged to create an average brand evaluation score ($\alpha = .95$). After evaluating the brand, participants were asked the extent to which there was a contradiction to the brand (“There is some contradiction to this brand,” 1 = not at all, 9 = very much), which served as a manipulation check. Finally, participants answered several demographic questions, and were debriefed and dismissed.

Brand Pretests

The paradox brand (Rugged Sophistication) was designed to capture two contradictory brand personality dimensions, ruggedness and sophistication (see Aaker 1997). The ruggedness dimension includes personality traits such as outdoorsy, tough, and rugged. The sophistication dimension includes traits such as glamorous, charming, and upper class. Thus, for the paradox brand, we used two personality traits (rugged, outdoorsy) to communicate the ruggedness dimension, and two personality traits (glamorous, charming) to communicate the sophistication dimension. In contrast, the non-paradox brand (Rugged Outdoors) was described by four personality traits (rugged, tough, outdoorsy, hardy), which communicate only one brand personality dimension, namely ruggedness.

We conducted a pretest to confirm that the paradox brand was perceived as more contradictory than the non-paradox brand. Ninety-four participants ($M_{\text{age}} = 20.16$, 58.5% males) similar to those in the main study were randomly assigned to view either the Rugged Sophistication or Rugged Outdoors brand, and were asked whether they agreed with the following statement on a 1 (not at all) to 9 (very much) scale: “There is some contradiction in this brand.” As expected, participants agreed more strongly that the paradox brand (Rugged Sophistication) included more contradiction than the non-paradox brand (Rugged Outdoors) ($M = 5.28$ vs. 4.32 ; $F(1,92) = 6.94$, $p = .01$).

We included several additional questions in the pretest to rule out the possibility that the paradox and non-paradox brands varied on other dimensions that could contribute to more favorable evaluations for a paradox brand. First, we asked participants to rate the novelty of each brand on four criteria (not novel/very novel, uninteresting/very interesting, very ordinary/very special, very common/very unique) on a 7-point scale.

Responses were combined to form an average novelty score ($\alpha = .83$), which was entered into an ANOVA analysis with brand condition (paradox vs. non-paradox) as the fixed factor. Results showed the brands did not differ in terms of novelty, specialness, and uniqueness ($M = 5.24$ vs. 5.51 , $F(1,92) = .91$, $p = .34$).

Second, we asked participants to rate the extent to which the brands seemed more human, to assess the possibility that a paradox brand with some degree of contradiction might be seen as more human-like, which could lead to a higher brand evaluation (Aggarwal and McGill, 2007; Kim and Kramer, 2015; Kim and McGill 2011).

Participants were asked to agree or disagree with three statements, such as “This brand is like a person,” on a 9-point scale (Kim and McGill 2011). Responses to these statements were averaged ($\alpha = .74$), and entered into an ANOVA analysis with brand condition (paradox vs. non-paradox) as the fixed factor. Results indicated that the paradox and non-paradox brand did not differ in terms of how human-like they were perceived to be ($M = 5.24$ vs. 4.88 , $F(1,92) = 1.09$, $p = .30$).

Dialectical Thinking Manipulation Pretest

To confirm the effectiveness of the dialectical thinking manipulation, we conducted a pretest with one hundred twenty-four participants ($M_{\text{age}} = 19.96$, 58.9% males) similar to those in the main study. They were randomly assigned to either the high dialectical thinking or low dialectical thinking condition, and completed the same writing task used in the main study. Next, to assess their resulting level of dialectical thinking, participants completed the same scale as described in study 2 (Choi, Koo, and Choi 2007), which asked them to indicate the extent to which they agreed or disagreed with four statements (e.g., “It is more desirable to take the middle ground than to go to

extremes”) on a 7-point scale. Responses to the four statements were averaged into an index of endorsement of dialectical thinking style ($\alpha = .83$), which was entered into an ANOVA analysis with dialectical thinking manipulation (high vs. low) as the fixed factor. Results revealed a significant main effect of the manipulation ($F(1,122) = 7.94, p = .01$). As intended, participants primed to think more dialectically embraced more contradictions than those in the low dialectical thinking condition ($M = 4.84$ vs. 4.20 , respectively).

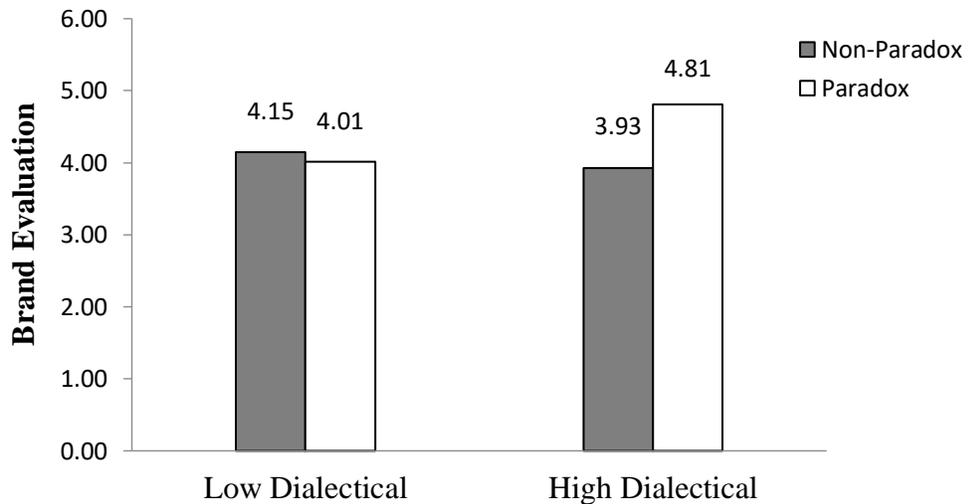
Results

Manipulation check. An ANOVA, with the brand contradiction measure as the dependent variable and the brand condition (paradox vs. non-paradox) as the fixed factor, revealed a significant effect of brand condition ($F(1,147) = 21.67, p < .001$). As intended, participants who viewed the paradox brand were more likely to perceive contradiction in the brand than those who viewed the non-paradox brand ($M = 5.44$ vs. 4.01 , respectively).

Brand evaluation. Brand evaluation was analyzed in a 2 (dialectical thinking: high vs. low) \times 2 (brand: paradox vs. non-paradox) ANOVA. The only significant effect was a 2-way interaction between dialectical thinking and brand condition ($F(1,145) = 6.03, p = .02$). As predicted, participants in the high dialectical thinking condition evaluated the paradox brand more favorably than the non-paradox brand ($M = 4.81$ vs. $3.93, F(1,145) = 9.26, p = .003$). However, in the low dialectical thinking condition, there was no difference in evaluation for the paradox brand and non-paradox brands ($M = 4.01$ vs. $4.15, F(1,145) = .23, p = .64$, see Figure 2).

FIGURE 2

EVALUATION OF PARADOX VS. NON-PARADOX BRAND BY LOW VERSUS HIGH DIALECTICAL THINKING



Discussion

Our findings provide evidence that dialectical thinking drives more positive evaluations for paradox brands. Paradox brands were evaluated more favorably than non-paradox brands only when participants were primed to engage in a high level of dialectical thinking. This difference in evaluations disappeared when participants were primed to engage in a low level of dialectical thinking.

However, one potential limitation of the previous studies is that in the paradox conditions we manipulated paradox brands by adding a contradictory brand element, whereas in the non-paradox conditions the brand participants saw had only one brand element described with two similar words. Thus, it could be argued that the effects we observe are due to the higher complexity of the paradox brands, and not due to their contradictory nature. To address this potential alternative explanation, the next study has an additional brand condition with a complex brand.

STUDY 4: RULING OUT COMPLEXITY AS AN ALTERNATIVE

EXPLANATION

Sample

Two hundred and ninety-seven members of Amazon's Mechanical Turk ($M_{\text{age}} = 34.86$, 51.5% male) took the survey in exchange for a small monetary payment.

Participants were assigned to one of the conditions in a 2 (dialectical thinking prime: high vs. low) \times 3 (brand: paradox vs. complex vs. non-paradox) between-subjects design.

Procedure

The procedure was similar to the one described for study 3, with the following two exceptions. First, to better control all potential noise, the manipulation of the brands did not include any visual representations or names of the brand, only text descriptors. As such, the non-paradox was described as "rugged, tough," the complex brand as "rugged and sincere," and the paradox brand as "rugged yet sophisticated." Second, after participants evaluated the brand using the same measure as in previous studies ($\alpha = .96$), in addition to being asked to rate the brand in terms of contradiction ("There is some contradiction to this brand," 1 = not at all, 9 = very much), they also rated it in terms of complexity ("This brand is complex," 1 = not at all, 9 = very much), which served as a manipulation checks. Finally, participants answered several demographic questions, and were debriefed and dismissed.

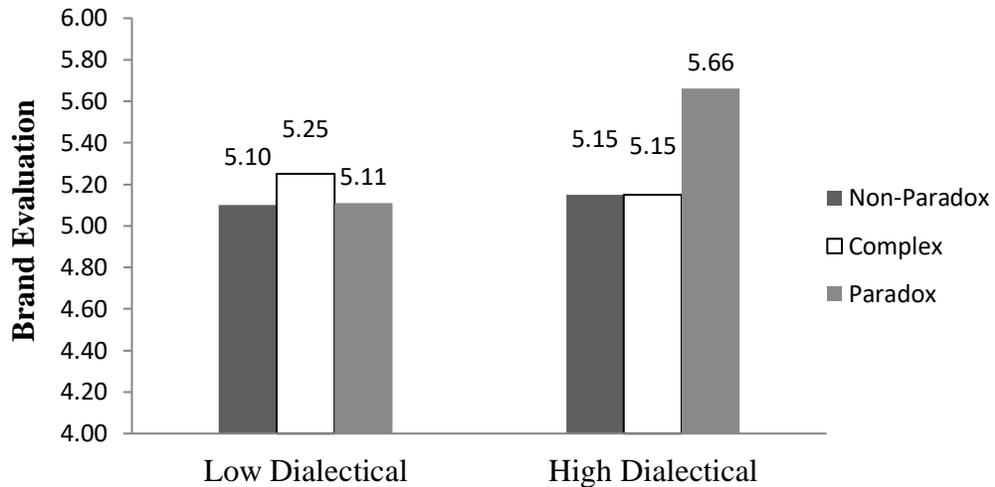
Results

Manipulation checks. An ANOVA, with the brand contradiction measure as the dependent variable and the brand condition (paradox vs. complex vs. non-paradox) as the fixed factor, revealed a significant effect of brand condition, $F(2,294) = 9.58$, $p < .001$.

As intended, contrast analyses revealed that participants who viewed the paradox brand were more likely to perceive contradiction in the brand than those who viewed the non-paradox brand ($M = 4.93$ vs. 3.49 , respectively, $p < .001$) and those who viewed the complex brand ($M = 4.22$, $p = .03$). A similar analysis, but with the complexity measure as the dependent variable, also revealed a significant effect of brand condition ($F(2,294) = 11.64$, $p < .001$). Contrast analyses revealed that participants who viewed the complex brand were more likely to perceive the brand as more complex than the non-paradox brand ($M = 5.32$ vs. 4.00 , respectively, $p < .001$). However, there were no differences when compared to the perceptions of the participants in the paradox brand condition ($M = 5.33$, $p = .98$), confirming that paradox brands are indeed perceived as complex, but they differed in terms of contradiction when compared to complex brands.

Brand evaluation. Brand evaluation was analyzed in a 2 (dialectical thinking: high vs. low) \times 3 (brand: paradox vs. complex vs. non-paradox) ANOVA. While none of the effects were significant, contrast analyses revealed a significant effect of brand only for the dialectical thinking conditions, $F(2,291) = 3.06$, $p = .05$. Participants in the high dialectical thinking condition evaluated the paradox brand more favorably than the non-paradox brand ($M = 5.66$ vs. 5.15 , $p = .04$) and the complex brand ($M = 5.15$, $p = .03$). No other contrasts were significant (see Figure 3).

FIGURE 3
EVALUATION OF PARADOX VS. COMPLEX VS. NON-PARADOX BRAND BY
LOW VERSUS HIGH DIALECTICAL THINKING



Discussion

Our findings provide further evidence that dialectical thinking drives more positive evaluations for paradox brands. While paradox brands are perceived as complex brands, results from this study rule out the possibility that complexity is driving the results, given that paradox brands were evaluated more favorably than both non-paradox brands and complex brands when participants were primed to engage in a high level of dialectical thinking. Replicating the results of the previous study, this difference in evaluations disappeared when participants were primed to engage in a low level of dialectical thinking.

Why does a high level of dialectical thinking result in more favorable evaluations for paradox brands? We have proposed that consumers who embrace dialectical thinking feel that paradox brands match their thinking style. In the next study, we examine this explanation. We follow the same procedure used in studies 3 and 4, but also include a measure of the extent to which participants feel the brand (either paradox or non-paradox) fits their style of thinking. We anticipate that participants in the high dialectical thinking condition would feel a greater sense of fit between the paradox brand and their

thinking style, and that these feelings of fit would mediate the effect of dialectical thinking (high vs. low) on the more favorable evaluations of paradox (vs. non-paradox) brands.

In addition, we use a different manipulation for the paradox versus non-paradox brand. Instead of providing a list of descriptors, as we did in prior studies, we designed a print advertisement that communicates contradiction (no contradiction) for the paradox (non-paradox) brand. And, we used a different manipulation of contradiction (peacefulness vs. excitement) for the paradox brand to allow for greater generalization across types of contradiction.

STUDY 5: MEDIATION EVIDENCE

Sample and Procedure

One hundred and twenty-four undergraduate students ($M_{\text{age}} = 19.96$, 58.9% male) enrolled in business classes at a large American university took part in the study for course credit. Participants were assigned to one of the conditions in a 2 (dialectical thinking: low vs. high) \times 2 (brand: paradox vs. non-paradox) between-subjects design.

After a brief introduction to the study, participants engaged in a writing task intended to manipulate a high versus low level of dialectical thinking, as described in study 2. Next, participants were told they would be viewing an advertisement for a new brand of sports apparel and footwear, named FastForm. In the non-paradox brand condition, participants viewed an ad depicting a man and a woman in running apparel, with the tagline “Your Move.” This ad was designed to communicate only one brand personality dimension, namely excitement. For the paradox brand condition, participants viewed an ad with this same picture along with a second picture showing the same man

and woman meditating, with the tagline “Your Zen.” An additional tagline, adapted from a real Lululemon ad, was placed between the two images: “It’s okay to go both ways.” (see Appendix). This ad was designed to communicate two contradictory brand personality dimensions, peacefulness and excitement.

Participants then evaluated the brand using the same scale described in prior studies (bad/good, dislike/like, unfavorable/favorable, unappealing/appealing, undesirable/desirable). Ratings for the five criteria were averaged to create a brand evaluation score ($\alpha = .95$). We then asked participants to indicate the extent to which the brands matched their style of thinking on a 1 (this brand doesn’t fit my style of thinking) to 9 (this brand fits my style of thinking) scale. Then, as a brand manipulation check, participants were asked the extent to which the brand incorporated contradiction (“There is some contradiction to this brand”) on a 1 (not at all) to 9 (very much) scale. Finally, participants answered several demographic questions, and were debriefed and dismissed.

Results

Manipulation check. An ANOVA on the brand contradiction score with brand condition (paradox vs. non-paradox) as a fixed factor revealed a significant effect of brand condition ($F(1,122) = 17.60, p < .001$). As intended, participants were more likely to perceive contradiction in the paradox than the non-paradox brand ($M = 4.95$ vs. 3.35 , respectively).

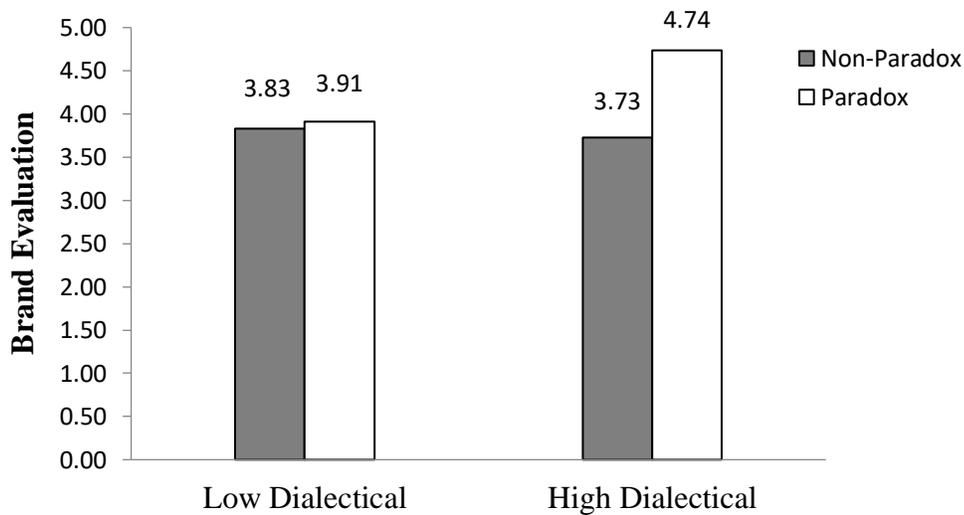
Brand evaluation. We conducted a 2 (dialectical thinking: low vs. high) \times 2 (brand: paradox vs. non-paradox) ANOVA. The key 2-way interaction between dialectical thinking and brand condition was significant ($F(1,120) = 4.36, p = .04$; see Figure 4). As expected, participants in the high dialectical thinking condition evaluated

the paradox brand more favorably than the non-paradox brand ($M = 4.74$ vs. 3.73 , $F(1,120) = 9.28$, $p = .003$). In contrast, participants in the low dialectical thinking condition did not evaluate the paradox and non-paradox brands any differently ($M = 3.91$ vs. 3.83 , $F(1,120) = .08$, $p = .78$).

FIGURE 4

EVALUATION OF PARADOX VS. NON-PARADOX BRAND BY LOW VERSUS

HIGH DIALECTICAL THINKING

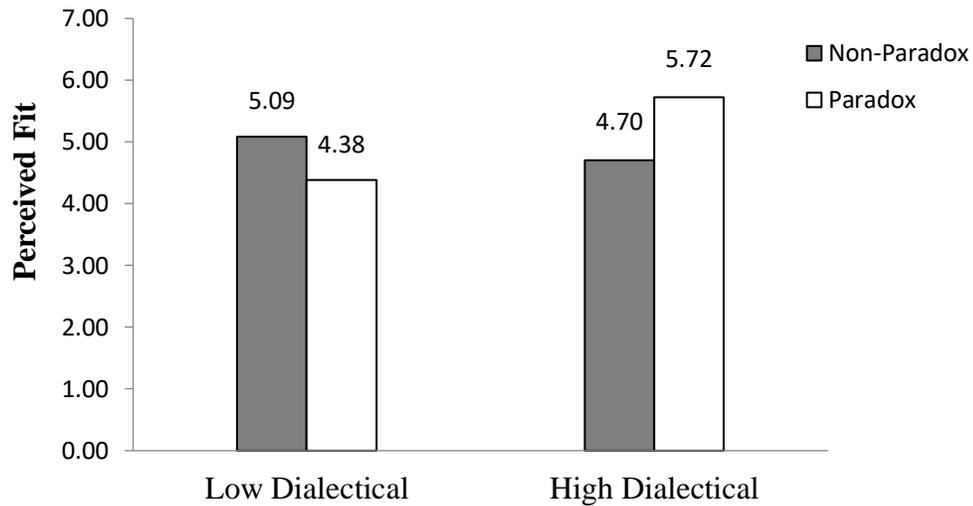


Fit with thinking style. A similar analysis with the fit measure revealed a significant 2-way interaction between dialectical thinking and brand condition, $F(1,120) = 6.11$, $p = .02$). As expected, participants in the high dialectical thinking condition rated the paradox brand to be a better fit to their style of thinking than the non-paradox brand ($M = 5.72$ vs. 4.70 , $F(1,120) = 3.83$, $p = .05$). However, there was no difference in fit perceptions for the paradox versus non-paradox brand in the low dialectical thinking condition ($M = 4.38$ vs. 5.09 , $F(1,120) = 2.30$, $p = .13$; see Figure 5).

FIGURE 5

FIT OF PARADOX VS. NON-PARADOX BRAND WITH THINKING STYLE

BY LOW VERSUS HIGH DIALECTICAL THINKING



Mediation. We expected the perceived fit between the brand and participants' thinking style to mediate the effect of brand condition (paradox vs. non-paradox brand) on brand evaluation for participants primed to think dialectically. We used the SPSS PROCESS macro (Hayes 2012) with 5,000 bootstrapped samples to calculate standard errors and 95% confidence intervals of the effect of brand condition on brand evaluation. As predicted, the perceived fit with thinking style mediated the effect of brand condition on brand evaluation (mediated effect = .40, SE = .23, 95% C.I. = .02 to .95).

Discussion

Results from this study support our theorizing that dialectical thinkers evaluate paradox brands more favorably because they feel that paradox brands fit with their thinking style. Study 5 finds that people primed to think dialectically evaluate paradox brands more favorably than non-paradox brands, replicating findings from studies 3 and 4. In addition, study 5 explains this finding by showing that dialectical thinkers evaluate paradox brands more favorably because these types of brands fit with their thinking style.

In a final study, we examine a boundary condition for the favorable evaluations of paradox brands we have observed. We propose that when consumers anticipate using a brand to unequivocally signal a desirable identity to others, and avoid embarrassment (i.e., heightened social risk), paradox brands will lose their appeal and will no longer be evaluated more favorably than non-paradox brands. We reason that, in this situation, people become more ambiguity averse (Curley et al. 1986), which reduces the appeal of paradox brands characterized by contradiction and ambiguity.

We test this prediction in the next study. The procedure is similar to the one described for study 3, where high versus low dialectical thinking is primed, brand information is presented, and participants evaluate the brand. However, there are two changes to our typical procedure. First, we limit our attention to paradox brands (Rugged Sophistication), given our interest in understanding whether perceptions of social risk can limit the appeal of these brands. Second, we manipulate social risk through a brand purchase scenario given to participants prior to viewing and evaluating the brand. We anticipate that when social risk increases, dialectical thinkers no longer evaluate a paradox brand more favorably than a non-paradox brand.

STUDY 6: WHEN PARADOX BRANDS LOSE THEIR APPEAL

Sample and Procedure

One hundred and ninety-five undergraduate students ($M_{\text{age}} = 19.80$, 54.9% male) enrolled in business classes at a large American university took part in the study for course credit. They were assigned to one of the conditions in a 2 (dialectical thinking: low vs. high) \times 2 (scenario: social risk vs. control) between-subjects design.

Participants first completed a writing task used to prime dialectical thinking, described in prior studies. Then, participants were told they were going to evaluate a new brand of clothing. Prior to receiving the brand information for the paradox brand (Rugged Sophistication), participants were given one of the purchase scenarios. In the control scenario condition, participants were asked to imagine that they were looking to purchase outdoor apparel. In the social risk condition, participants read the following scenario:

“We’d like you to imagine that the company where you’ll be doing an internship this summer invited you to a team building trip they do every year up north. This will be a great opportunity for you to get to know your future colleagues and make a good impression. You have heard that the employees at this company are notorious for their enthusiasm for the outdoors, many of them going on extreme camping trips. We would like you to imagine that you are looking to purchase outdoor apparel for this trip.”

After reading the assigned scenario, participants were asked to evaluate the Rugged Sophistication brand, recalling the specific scenario they were given, on the same 5-item scale used in prior studies (bad/good, dislike/like, unfavorable/favorable, unappealing/appealing, undesirable/desirable).

Then, we asked participants several questions that served as manipulation checks for the purchase scenarios. First, we asked participants to indicate how much the wrong choice of outdoor apparel could negatively affect the impression made on others (1 = not at all, 9 = quite a lot, adapted from Jacoby and Kaplan 1972). This question was included as a manipulation check to ensure that the social risk scenario was perceived as intended. Second, we asked participants to rate how realistic and believable the scenarios were

(hard to believe/believable, hard to relate to/relatable, unrealistic/realistic) on a 9-point scale. Responses to these questions were combined to form a believability scale ($\alpha = .89$). These questions were included to ensure that both the social risk and control scenario were believable.

Next, participants were asked about the extent to which there was a contradiction to the Rugged Sophistication brand by registering their level of agreement with two statements (“There is some contradiction to this brand,” “This brand is paradoxical”) on a 1 = not at all to 9 = very much scale. Responses to these two statements were combined ($r = .67$). These questions were included to check that the Rugged Sophistication brand was perceived as a paradox brand. After completing these manipulation checks, participants answered several demographic questions, and were then debriefed and dismissed.

Results and Discussion

Scenario manipulation checks. We conducted a one-way ANOVA, with scenario condition as the fixed factor, on responses to the question asking about the risk of making a wrong choice of outdoor apparel. Results revealed a significant effect of scenario condition ($F(1,193) = 5.56, p = .03$), indicating that participants in the social risk condition perceived more risk in the choice of outdoor apparel than those in the control condition ($M = 5.73$ vs. 5.15).

Second, we conducted a similar ANOVA analysis on responses to questions about the believability of the scenarios, with scenario condition as a fixed factor. Results revealed no significant differences between the control and social risk scenarios in how believable, relatable, and realistic the scenarios were ($M = 6.52$ vs. $6.22, F(1,193) = 1.58$,

$p = .21$). Additionally, the means for both scenarios were significantly above the midpoint of the scale, indicating that participants perceived them as believable, relatable, and realistic (social risk scenario: $t(96) = 8.97, p < .001$; control scenario: $t(97) = 7.36, p < .001$).

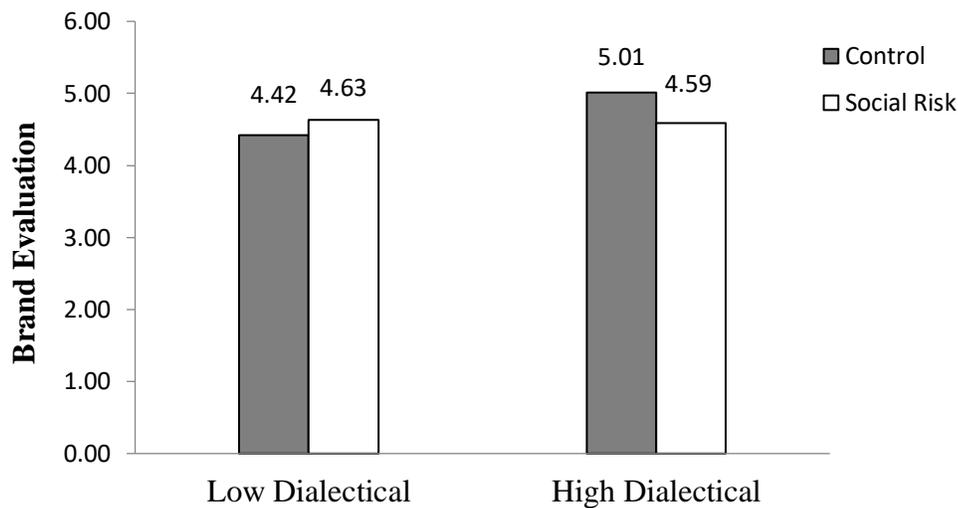
Paradox brand manipulation check. We analyzed responses to the question about the presence of contradiction in the paradox brand using a single sample t-test to compare these responses to the midpoint of the scale. As expected, results indicate that participants perceived the paradox brand (Rugged Sophistication) as having a level of contradiction greater than the midpoint ($M = 5.70$ vs. 5.00 (midpoint); $t(194) = 5.69, p < .001$).

Brand evaluation. A 2 (dialectical thinking) x 2 (scenario) ANOVA was conducted with brand evaluation as the dependent variable. Results revealed that the key 2-way interaction between dialectical thinking and scenario was significant ($F(1,191) = 3.82, p = .05$, see Figure 6). In the control condition, participants in the high dialectical thinking condition evaluated the paradox brand more favorably than participants in the low dialectical thinking condition ($M = 5.01$ vs. $4.42, F(1,191) = 6.76, p = .01$), consistent with our prior findings. However, this effect disappears in the social risk condition, with no significant difference in brand evaluation for participants in low versus high dialectical thinking conditions ($M = 4.63$ vs. $4.59, F(1,191) = .03, p = .86$). Further, focusing on participants in the high dialectical thinking condition, brand evaluations were lower in the social risk scenario versus the control scenario conditions ($M = 4.59$ vs. $5.01; F(1,191) = 3.24, p = .07$).

These findings support our theorizing that when brands are used in higher social risk situations, such as unequivocally signaling one's identity to important others,

paradox brands lose their appeal even to consumers who engage in dialectical thinking. Thus, the appeal of paradox brands is more likely to surface in purchase situations that involve relatively lower levels of social risk.

FIGURE 6
EFFECT OF SOCIAL RISK ON PARADOX BRAND EVALUATIONS BY LOW
VERSUS HIGH DIALECTICAL THINKING



GENERAL DISCUSSION

Contrary to what marketers believe, many consumers actually prefer brands that incorporate contradictory meanings, which we refer to as paradox brands. Marketers believe that for brands to be successful, they need to be clear, unambiguous, and devoid of contradictory or conflicting elements. Based on this belief, they underestimate the consumer appeal of brands that do not follow these dictates (study 1B). Many consumers even evaluate paradox brands more favorably than traditional non-paradox brands (study 1A), aligned with the clarity and consistency that adheres to long-held beliefs about what constitutes successful branding.

Our results show that dialectical thinkers are the type of consumers likely to evaluate paradox brands more favorably than non-paradox brands. We find this effect for individual differences in dialectical thinking (study 2) as well as situational primes that encourage people to think dialectically (study 3, 4, 5, & 6). Because dialectical thinkers are comfortable with contradiction, and see the world as inherently contradictory, their style of thinking fits with paradox brands that include contradictions (study 5). Additionally, we rule out the potential alternative explanation that the observed effects are driven by paradox brands being more complex (study 4).

Further, our findings emerge across different types of paradox brands, including brands that incorporate conflicting brand values of openness and tradition (studies 1A & 2), conflicting personality traits of ruggedness and sophistication (studies 3, 4, & 6), and conflicting personality traits of exciting and peaceful (study 5). Additionally, these paradox brands represent different product categories (clothing, outdoor gear, sportswear), and information about the paradox brands was conveyed by written descriptions as well as embedded in realistic print ads.

Consumer Response to Brand Contradiction

Our research offers a new perspective on how successful brands can be developed and communicated to consumers. Our findings clearly challenge the prevailing view that, to be successful, brands must be clear, unambiguous, and without contradiction. The fact that paradox brands can be seen as more appealing by consumers is a novel finding, and suggests that current theorizing about how best to create a brand's identity should be revised. The key takeaway is that consumers have different ways of thinking about ambiguity or contradiction, and dialectical thinkers are a consumer segment that

embraces contradiction as part of their world view. We need to consider these thinking styles, and other relevant individual differences, to better understand how much flexibility managers have in expanding the meanings associated with brands to ones that may not be consistent with a singular concept.

In doing so, researchers can play an important role in examining how contradiction and incongruity between different brand associations affect consumer response. To date, a good deal of attention has been directed toward understanding contradictory information in the form of negative versus positive brand information. A typical research stream in this area examines how negative information about a brand (e.g., poor quality products, product recalls, poor-fitting brand extensions) affects the positive beliefs and attitudes about a brand that consumers hold (Ahluwalia, Burnkrant, and Unnava 2000; Cheng, White, and Chaplin 2012; John, Loken, and Joiner 1998; Monga and John 2008). Other topics in this vein include consumer response to negative and positive online product reviews (DeMotta, et al. 2016) and persuasive appeals with negative and positive emotions (Williams and Aaker 2002).

We focus on a different type of contradiction found in brands. Instead of focusing on contradiction based on valence (negative vs. positive), we examine contradiction based on brand meanings. For example, personality traits such as ruggedness and sophistication are conceptually opposed to each other, but one is not positive and the other negative. To our knowledge, there is a paucity of research examining contradictory brand meanings, and the few studies that exist do not explicitly compare brands with a set of contradictory versus consistent brand meanings (Torelli, Monga, and Kaikati 2012; Torelli, et al. 2012).

Importance of Styles of Thinking

In our studies, the role of dialectical styles of thinking take center stage as a driving factor for how consumers respond to paradox brands. Dialectical thinking has received little attention in branding research, or consumer research in general. To our knowledge, few studies have incorporated dialectical thinking, and of those that have, the context has been negative versus positive brand information (DeMotta et al. 2016) or emotions (Williams and Aaker 2002).

Our findings suggest that dialectical styles of thinking should be incorporated into branding research whenever it involves topics related to contradiction, incongruity, or inconsistency. Dialectical thinking is actually one of several dimensions defining analytic versus holistic styles of thinking (Spencer-Rodgers et al. 2010). Holistic thinking is defined as “involving an orientation to the context or field as a whole, including attention to relationships between a focal object and the field, and a preference for explaining and predicting events on the basis of such relationships” (Nisbett et al. 2001, p. 293). Analytic thinking “involves a detachment of the object from its context, a tendency to focus on attributes of the object to assign it to categories, and a preference for using rules about the categories to explain and predict the objects behavior” (Nisbett et al. 2001, p. 293).

The concept of analytic versus holistic thinking has been employed to understand several issues in branding. For example, holistic styles of thinking have been found to increase perceptions of fit and evaluations of brand extensions, particularly those that are distant from the brand’s typical products, due to holistic thinkers being able to see relationships between a brand extension and a parent brand (Monga and John 2007,

2010). However, this research has not yet incorporated the dialectical thinking dimension, which shows promise for shedding light on a variety of new branding issues.

Directions for Future Research

Given the prevalence of paradox brands, and the novel effects we have reported, further research is warranted to examine several issues outside the scope of our research. One direction for future research is to examine whether the effect extends to other types of paradoxes. For example, prior research has found that consumers perceive healthy and tasty to be contradictory (Raghunathan, Naylor, and Hoyer 2006). Could it be that dialectical thinkers are more comfortable with this contradiction, and thus, are more likely to evaluate healthy products as tastier? Such a finding could have important implications for marketing healthy products, particularly if marketers can encourage dialectical thinking in their communications to make people more comfortable with the seeming contradiction of healthy and tasty.

Second, future research could examine ways to encourage or prime dialectical thinking, perhaps using marketing communications or other tactics. Doing so would extend the number of consumers who would be accepting of contradictions in brand meanings. Over time, there is often a need to expand the meanings associated with brands to resonate with changes in consumer tastes, new consumer segments, and competition. Often, managers find that these changes add contradictions to the original brand concept. For example, a brand steeped in tradition may also have the need to communicate a sense of openness to change and modernity. Similarly, a brand positioned on the basis of competence and technological expertise may find that it needs to interject a sense of sincerity to create a stronger personal relationship with consumers. Concerns about

adding contradictory elements to the brand might be addressed if consumers could be encouraged to accept the contradiction by embracing dialectical thinking.

Finally, future research could leverage the concept of dialectical thinking to examine effects other than those we have highlighted in our studies. One particularly interesting possibility is using dialectical thinking styles to better predict how consumers will respond to unexpected events and brand crises. Prior research has shown that dialectical thinkers have more hindsight bias and constantly expect change; thus, they are less surprised by unexpected events (Spencer-Rodgers et al. 2010). Could it be that dialectical thinkers would be more forgiving when a brand suddenly fails them (e.g., a bad customer service experience or sudden product failure) because they are less surprised by it? Or, perhaps dialectical thinkers would be more accepting when brands are repositioned, or when product offerings are suddenly changed? The rate of change in markets, products, and brands is increasing, and inducing dialectical thinking may be an antidote to consumers who tend to be uncomfortable with change.

CHAPTER III:

Essay 2: Biculturalism and Paradox Brands

With globalization on the rise, the world is shrinking and people can more easily move across physical and virtual borders. If all the people living outside their home countries lived in one single country, it would be the world's fifth largest, with nearly 232 million people (United Nations 2014). With increasing immigration comes a rapidly growing number of biculturals, or individuals who have been exposed to and internalized two cultures. In the U.S. alone, bicultural consumers (i.e., Hispanics, African Americans, and Asian Americans) are 120 million strong, representing more than a third of the population. Furthermore, they are the fastest growing segment of the population, accounting for 92% of the total growth in the U.S. from 2000 to 2014 (Nielsen, 2015). In addition to these trends in international migration and growth of bicultural populations, advances in technology have drastically increased cross-cultural contact and cultural diversity across the globe, further contributing to the growth of bicultural consumers. Given these rising numbers, bicultural consumers have become crucial to the success of both local and global companies. For example, the media spending to target the fastest growing bicultural segment in the U.S., namely Hispanics, was \$9.6 billion in 2016, with Procter & Gamble at the top of the list, with a \$370 million spend (Wentz, 2017).

Considerable research in consumer behavior has investigated how consumers with distinct cultural orientations (e.g., Western vs. East Asian) interact, form judgements, or make decisions. However, the majority of this past work assumes that individuals are monocultural, that is, predominantly exposed to and influenced by a single cultural orientation. For instance, past research has explored how the content of advertising

appeals differs and impacts persuasion across collectivist and individualist cultures (e.g., J. L. Aaker & Maheswaran, 1997; Alden, Hoyer, & Lee, 1993; Han & Shavitt, 1994), while other research has explored how consumers' individualism-collectivism, as well as vertical-horizontal cultural orientations impact their liking of brand concepts representing human values (Carlos J Torelli, Özsomer, Carvalho, Keh, & Maehle, 2012). Other research has looked at how self-construal (i.e., independent vs. interdependent) impacts a brand's stretchability (Ahluwalia, 2008), how consumers form relationships with brands (Swaminathan, Page, & Gurhan-Canli, 2007), and its effects on persuasion and brand commitment (Agrawal & Maheswaran, 2005). And another stream of research has explored differences between consumers from Eastern and Western cultures, characterized by holistic and analytic thinking, respectively, in perceptions of brand extensions (Monga & John, 2007) and negative brand publicity (Monga & John, 2008). Yet, accumulating evidence shows that an increasing number of individuals may be more accurately defined as bi- or multicultural. For example, Asian-Americans who have had extensive exposure to and influence by Eastern and Western cultures, have both an independent and interdependent construal of the self (Yamada & Singelis, 1999).

Some marketers seem attuned to the fact that these fast-growing consumer segments (i.e., Hispanic Americans, African Americans, and Asian Americans) are not monocultural consumers, but instead are bicultural. For example, a few years ago Kraft launched an award-winning campaign aimed at Hispanic Americans for its Mac & Cheese brand, which highlighted the exposure to and internalization of both the Hispanic and American cultures. They did so by showing a kid and his mother trying to please each other—she, by adopting American cultural gestures like “high fives” and serving

him Mac & Cheese; he, by watching Spanish telenovelas with her and always asking for Latin food along with his Mac & Cheese (Lukovitz, 2013).

Despite the big opportunity that bicultural consumers represent and brand managers' interest in winning them over, there is relatively little research that investigates brand building practices that could be particularly successful with this type of consumer. Most of the research to date in this area has focused on advertising, specifically bilingual advertising (e.g., Kubat & Swaminathan, 2015; Luna & Peracchio, 2005; Noriega & Blair, 2008), with some exceptions (e.g., Monga & Lau-Gesk, 2007). However, the question still remains whether there are specific types of brands that are more appealing to bicultural (vs. monocultural) consumers. We explore this topic in the current research, introducing a relatively novel brand building strategy that can potentially prove successful with bicultural consumers, namely paradox branding. Despite marketers' prevalent belief that successful branding involves a single, clearly expressed claim, we propose that brands that incorporate contradictory meanings, which we refer to as paradox brands, can be more successful with bicultural consumers than traditional, singular-meaning, non-paradox brands.

Prior research has shown that paradox brands exist in the marketplace and that, contrary to marketers' beliefs, high dialectical thinking consumers, or consumers who are comfortable with contradiction, prefer these brands to non-paradox brands (Rodas, John, & Torelli, 2018). We build on this stream of research by investigating another type of consumer who would prefer brands with contradictory meanings to singular-meaning brands, namely bicultural consumers. This research would also contribute to the multicultural literature, by showing how contradiction impacts the attitudes of bicultural

consumers. Past research on bicultural consumers and contradiction has focused on biculturals' capacity to consider and combine multiple perspectives, and the resulting impact on creativity (e.g., Aytug, Rua, Brazeal, Almaraz, & González, 2018; Tadmor, Galinsky, & Maddux, 2012). In this research, we aim to show that bicultural consumers, in addition to being more capable of considering and combining sometimes contradictory perspectives, gravitate towards contradiction, by evaluating more favorably brands with contradictory meanings. We propose that this is the case because bicultural consumers have higher levels of cognitive flexibility, which allows them to simultaneously consider multiple conflicting representations of a single object. This ability, in turn, results in a clearer brand image in people's minds, which leads to stronger attitudes toward the brand.

Our paper proceeds as follows. First, we provide an overview of the conceptual underpinnings of the research and present our predictions regarding bicultural consumers and paradox brands. Next, we present three studies to test our predictions. Finally, we discuss the conceptual and managerial implications of our work, and suggest several avenues for future research on this topic.

CONCEPTUAL BACKGROUND

Paradox Brands

We define a paradox brand as a brand with contradictory brand meanings (Rodas, et al., 2018). In our research, we focus on paradox brands that include two types of contradictory brand meanings: (1) contradictory brand personalities; and (2) contradictory brand values. We describe each of these in more detail below.

Brand Personality. Brands are often defined in terms of the product attributes and benefits they deliver to consumers (D. A. Aaker, 1996; Keller, 1993). However, in a world where brands need to create other means of differentiation and resonate more deeply with consumers, brand managers now incorporate more human-like meanings into brand concepts (MacInnis & Folkes, 2017). A prevalent example of this practice is brand personality (J. L. Aaker, 1997).

Brand personality is defined as the set of human personality characteristics associated with a brand. Aaker (1997) provides the most compelling conceptualization of brand personality, finding that consumers perceive brands in terms of five distinct personality dimensions: sincerity (e.g., down-to earth, honest), competence (e.g., successful, intelligent), excitement (e.g., daring, spirited), sophistication (e.g., upper class, charming), and ruggedness (e.g., tough, outdoorsy). Examples of brands that embody these personality dimensions are Hallmark (sincerity), CNN (competence), Absolut Vodka (excitement), Louis Vuitton (sophistication), and Eddie Bauer (ruggedness). Peacefulness/calmness was added as a sixth dimension in Aaker's subsequent work on brand personality (J. L. Aaker, Benet-Martinez, & Garolera, 2001).

Examining the list of brand personality dimensions, we observe that some of these dimensions are opposite or contradictory to each other. For example, brands that are viewed as rugged, such as Eddie Bauer and Jeep, are unlikely to be seen as sophisticated; and, sophisticated brands, such as Louis Vuitton and Mercedes, are unlikely to be seen as rugged. Similarly, brand personality dimensions such as exciting and sincere, or exciting and peaceful/calm, are also contradictory in nature. Thus, a brand combining these contradictory brand personality dimensions would be considered a paradox brand. In our

research, we examine paradox brands described as rugged and sophisticated, and described as exciting and peaceful/calm.

Brand Values. In general, values are universal abstract representations of desired end-states that serve as guiding principles in people's lives (Shalom H. Schwartz, 1992). According to Schwartz's original framework, there are 11 distinct values that can be categorized into four higher-order values: openness to change (self-direction, stimulation), self-enhancement (hedonism, achievement, power), conservation (security, conformity, tradition), and self-transcendence (benevolence, social concerns and concerns with nature). These values can be placed on a circular graphic, where compatible values are adjacent to one another and incompatible values are opposite to one another. For example, openness to change, which captures people's motivation to be open to change and follow their own intellectual and emotional interests, is in opposition to conservation, which captures people's motivation to be conservative and preserve the status quo and the certainty it provides in existing social relationships. Similarly, self-enhancement, which captures people's motivation to enhance their self-interests (e.g., status), is in opposition to self-transcendence, which captures people's motivation to transcend self-interests and promote the welfare of others.

Marketers imbue brands with human values to evoke the sense that the brands can benefit consumers' lives in ways that are meaningful, not merely utilitarian (Durgee, O'Connor, & Veryzer, 1996), and research shows that consumers do perceive brands as representation of human values (Allen, Gupta, & Monnier, 2008; Carlos J. Torelli & Kaikati, 2009; Carlos J. Torelli, et al., 2012). In fact, Schwartz's (1992) value structure has been used as a basis for measuring values represented by brands (Torelli et al. 2009).

Examples of brand-value pairings include Apple (openness to change), IBM (conservation), Rolex (self-enhancement), and Red Cross (self-transcendence).

Based on this research, some brand values are opposite or contradictory to others. Openness to change is in opposition to conservation, and self-enhancement is in opposition to self-transcendence. Thus, a brand combining these contradictory brand values would be considered a paradox brand. In our research, we examine paradox brands that combine openness to change (modern and trendy) and conservation (traditional and classic), and ruggedness (rugged and tough) and sophistication (glamorous and charming).

Prior research has shown that paradox brands are prevalent in the marketplace, with about a third of well-known and successful brands being perceived by consumers as having contradictory elements (Rodas et al. 2018). For example, some consumers perceive Coca-Cola as being high in terms of conservation (likely due to the “Classic” positioning of the brand), as well as openness (likely due to the marketing efforts by the brand to constantly innovate and develop new products). Past research has also found that marketers underestimate the appeal of paradox brands, despite their prevalence and that some consumers (i.e., high dialectical thinkers) prefer them (Rodas et al. 2018).

Biculturalism

Bicultural individuals may be immigrants, refugees, indigenous people, ethnic minorities, or multi-ethnic individuals (Berry, 2003). While examples of cultural minorities come to mind when one thinks of bicultural consumers (e.g., Hispanic Americans in the U.S.), this is not always the case. For example, consumers who are originally from a dominant group (e.g., non-Hispanic White Americans) who have lived

abroad and people in inter-ethnic relationships may also be bicultural (Huynh, Nguyen, & Benet-Martínez, 2011). Strictly defined, bicultural individuals are those who have been exposed to and have internalized two cultures (Benet-Martínez and Haritatos 2005).

Biculturals differ in their subjective perceptions of host and home cultures, as a result of their response to the fundamental dilemma they face when they are exposed to and engage with a different (i.e., host) culture than their own (i.e., home) culture. The dilemma is whether and to what degree they should (a) maintain their home cultural identity and (b) adopt their new host cultural identity (Berry, 1997; C. Ward & Kennedy, 1994). From these orthogonal dimensions, four different types of cultural identification patterns emerge: separation, assimilation, marginalization, and integration (Berry, 1997). Separation involves maintaining only identification with one's home culture and rejecting the host culture; assimilation involves relinquishing one's cultural heritage and identifying only with the new cultural identity; marginalization involves low identification with both the old and new cultures; and finally, integration entails simultaneously maintaining identification with one's cultural heritage while also identifying with the new cultural identity. These four outcomes are collectively referred to as acculturation strategies (Berry, 1997) and have been examined in a wide variety of populations, including long-term immigrants to new cultures and "sojourners" whose residence in a new culture is viewed as both fixed and finite (for a review see Sam & Berry, 2006).

More recent research has discovered that which acculturation strategy someone embraces impacts their thinking styles. More specifically, research has found that embracing an integration strategy, that is, identifying with both the home and host

culture, can lead to higher levels of integrative complexity, a cognitive style characterized by willingness and flexibility to acknowledge and integrate competing perspectives on the same issue (Tadmor & Tetlock, 2006). Another stream of research has found a positive link between cognitive flexibility in general and having interactions with two or more cultures (Aytug, et al., 2018), which is representative of people with an integration acculturation strategy.

Cognitive flexibility refers to the ability to simultaneously consider multiple conflicting representations of a single object or event. It reflects (i) an awareness of available communication alternatives, (ii) a willingness to adapt to the present situation, and (iii) a self-efficacy in being flexible (Martin & Rubin, 1995). Such cognitive flexibility allows individuals to efficiently switch between different behaviors and strategies when faced with novel situations and environmental demands and to easily integrate distant and conflicting ideas (Goćłowska & Crisp, 2014).

People who embrace an integration acculturation strategy, that is, those who interact with both their home and host cultures in meaningful ways, recognize that there are different ways for people to arrange their customs and lives (Rogoff, 2003). As a result, they become more likely to challenge culture-specific assumptions from their home culture, destabilize routinized and culturally-constrained responses, integrate and combine new ideas into existing cognitive structures, make novel connections between ideas, and have major new insights (Maddux, Adam, & Galinsky, 2010; Tadmor, et al., 2012). Over time, this process of understanding and integrating what is old with what is new, switching between perspectives, and resolving inconsistent cognitions between them (Benet-Martínez, Lee, & Leu, 2006; Tadmor & Tetlock, 2006; Tadmor, Tetlock, &

Peng, 2009) can lead to enhancements in generalized cognitive flexibility (Crisp & Turner, 2011). The more cultural and behavioral scripts people have, the more complex their information processing systems become and the more flexible they are (Aytug, et al., 2018). The effects of second-culture exposure on cognitive flexibility have been shown to transcend specific cultural knowledge, leading to general psychological and performance advantages. For example, Aytug and colleagues (Aytug, et al., 2018) have shown that interaction with multiple cultures results in more creative thinking, and cognitive flexibility is the underlying process. Creativity involves a flexible framing of the same problem in different ways and finding novel connections between concepts that are seemingly disconnected (T. B. Ward, Smith, & Finke, 1999), which are cognitive skills associated with cognitive flexibility.

We draw upon this past research to examine how paradox brands, which incorporate contradictory or disconnected elements, will be evaluated by bicultural consumers. Bicultural consumers, especially those who identify with both their home and host culture, are more cognitively flexible and thus more likely to find connections between seemingly conflicting brand elements.

Multiculturalism and Paradox Brands

We now turn to our predictions regarding paradox brands. First, we predict that bicultural consumers will respond more positively to paradox (vs. non-paradox) brands than monocultural consumers. Given bicultural consumers' constant exposure to inconsistencies between their cultural knowledge, we propose that they are more cognitively flexible and this flexibility results in stronger evaluations of the paradox brand. We pursue evidence of this in study 1, by comparing bicultural versus

monocultural consumers' responses to paradox and non-paradox brands and measuring their cognitive flexibility.

To provide further evidence that cognitive flexibility is at play, we propose that the positive evaluation of paradox brands will be stronger amongst individuals who tend to have higher levels of cognitive complexity, namely bicultural consumers who identify with both their home and host cultures. We pursue evidence of this by measuring acculturation strategy in study 2 and demonstrating that acculturation strategy moderates the effect, so that the effect is stronger for consumers who adopt an integrated (vs. any other) acculturation strategy.

Finally, we propose that the reason why people with higher levels of cognitive flexibility react more favorably toward brands with contradictions is because their ability to find connections between seemingly disconnected concepts allows them to form a clearer brand image. Brand clarity, or how easy a consumer can imagine a picture of the brand in their mind, is an established facet of brand knowledge and brand image, both of which contribute to brand equity (Fischer, Völckner, & Sattler, 2010; Keller, 1993). As such, higher brand clarity has a positive impact on brand attitude. Additionally, past research has found that vivid imagery in print ads, either visual or imagined, results in stronger attitudes toward the ad (Babin & Burns, 1997). Thus, we propose that the ability of people who have higher levels of cognitive flexibility to have a clearer picture of the brand in their minds (i.e., imagine the brand) leads to enhanced attitude toward the brand. To find support for this prediction, in study 3 we measure both cognitive flexibility and brand clarity. We find that for people who have higher levels of cognitive flexibility, the

extent to which they can imagine the brand mediates the positive effect of paradox brand on brand evaluation.

STUDY 1: MONOCULTURAL VS. BICULTURAL CONSUMERS

The objective of study 1 is to demonstrate that bicultural (vs. monocultural) consumers find paradox brands more appealing than non-paradox brands, and that this is driven by bicultural consumers' higher levels of cognitive flexibility. To do so, we recruited monocultural (non-Hispanic White Americans) and bicultural (Hispanic Americans) participants, presented them with information about either a paradox or non-paradox brand, and asked them to evaluate the brand. We then measured their cognitive flexibility.

Sample and Procedure

One hundred and eighty-three participants (50.3% male, $M_{age} = 35.02$, ninety non-Hispanic White U.S. citizens (from Amazon's Mechanical Turk) and ninety-three Hispanics/Latinos currently living in the U.S. (from TurkPrime's panel) took the survey in exchange for a small monetary payment. They were randomly assigned to either the paradox or non-paradox brand condition.

Participants were told that we were interested in their opinions on a new brand of clothing, either Modern Heritage (paradox brand) or Modern Brand (non-paradox brand). Past research has utilized this manipulation of paradox brand and has shown that participants perceive the paradox brand as having more contradictory elements than the non-paradox brand (Rodas et al. 2018). The paradox brand (Modern Heritage) was designed to capture two contradictory brand values, namely openness to change and conservation. Openness to change includes stimulation values, which derive from

people's fundamental need for variety and novelty, whereas conservation includes tradition values, which derive from people's inclinations to subordinate the self to socially exposed expectations (Shalom H Schwartz, 2012). Thus, the paradox brand had two descriptors (trendy, up-to-date) meant to capture the need for variety or novelty, or openness to change value, and two descriptors (traditional, classic) meant to capture the need for tradition, or conservation value. In contrast, the non-paradox brand (Modern Brand) was described by four descriptors (trendy, up-to-date, contemporary, modern) meant to capture only one of these values, namely openness to change.

To familiarize participants with their assigned brand, they read a brief description of the brand, which included the four descriptors described above. Participants were told that these four descriptors emerged from focus groups conducted with consumers, and that consumers identify the brand most with these four descriptors. To increase attention to this information, participants were asked to describe the brand to someone who is not familiar with it. Afterwards, participants rated the brand on five criteria (bad/good, dislike/like, unfavorable/favorable, unappealing/appealing, undesirable/desirable) using a 7-point scale. Participant responses for the five criteria were combined into a brand evaluation measure ($\alpha = .95$). After rating the brand and some filler tasks, participants completed a measure of cognitive flexibility. We used the 12-item Cognitive Flexibility Scale ($\alpha = .79$; Martin & Rubin, 1995) that measures participants' cognitive flexibility as a combination of their awareness that in any given situation there are behavioral options (e.g. "I have many possible ways of behaving in any given situation"), willingness to adapt to the situation (e.g. "I am willing to listen and consider alternatives for handling a problem"), and self-efficacy in being flexible (e.g. "I have the self confidence necessary

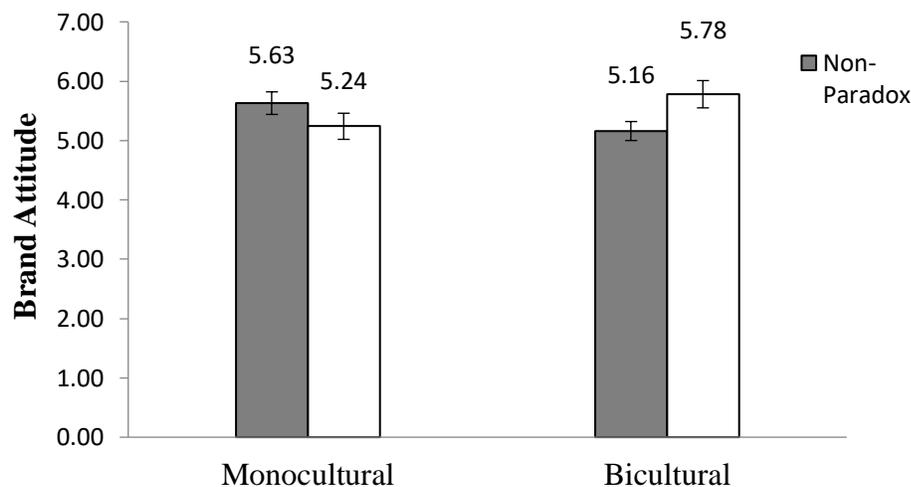
to try different ways of behaving”). Finally, participants answered several demographic questions (gender, age, bilingualism), were debriefed and dismissed.

Results and Discussion

Brand evaluation. We analyzed brand evaluation in a 2 (culture: monocultural vs. bicultural) \times 2 (brand: paradox vs. non-paradox) ANOVA. The results yielded a significant 2-way interaction between consumer and brand condition $F(1,179) = 7.98, p = .01, \eta_{\text{partial}}^2 = .04$. The main effect of culture ($F(1,179) = .05, p = .83$) and the main effect of brand ($F(1,179) = .43, p = .51$) were not significant. As predicted, bicultural consumers evaluated the paradox brand more favorably than the non-paradox brand ($M = 5.78$ vs. 5.16 , respectively, $p = .01$) and they evaluated the paradox brand more favorably than monocultural consumers ($M = 5.24, p = .03$). No other contrasts were significant (see Figure 1 for all means).

FIGURE 1

**EVALUATION OF PARADOX VS. NON-PARADOX BRAND BY
MONOCULTURA AND BICULTURAL CONSUMERS**



Cognitive flexibility. The cognitive flexibility measure was analyzed using an ANOVA with culture (monocultural vs. bicultural) as a fixed factor. The results yielded a significant main effect, $F(1,181) = 16.47, p < .001, \eta_{\text{partial}}^2 = .08$. As expected, bicultural participants indicated a higher level of cognitive flexibility than monocultural participants ($M = 4.80$ vs. 4.38 , respectively).

Mediation analysis. To assess whether cognitive flexibility mediated the effect of culture on the evaluation of the paradox brand, we conducted a mediation analysis using only the data from the participants who viewed the paradox brand and using the cognitive flexibility measure as the mediator. Following Zhao, Lynch, and Chen (2010), we used Preacher and Hayes's (2008) method of calculating standard errors and 95% confidence intervals. This method uses 5,000 bootstrapped samples to estimate the bias corrected and accelerated confidence intervals. As predicted, results showed that higher levels of cognitive flexibility mediated the positive effect of biculturalism on the evaluation of the paradox brand (mediated effect = $.17$, $SE = .11$, 95% $CI = .02$ to $.47$).

This study provides evidence that bicultural consumers evaluate paradox (vs. non-paradox) brands more favorably than monocultural consumers, and that this is driven by biculturals' higher levels of cognitive flexibility. However, one potential limitation of this study is that Hispanics, having a vertical collectivist cultural orientation that emphasize traditional values, might have responded favorably to the embodiment of traditional values by the paradox brand. This could explain the differences we observed between them and monocultural consumers. To address this limitation, and to gather further evidence that cognitive flexibility is the driving mechanism, in the next study we only look at Hispanic consumers.

STUDY 2: ACCULTURATION STRATEGY

The objective of study 2 is to examine the underlying mechanism in more detail by looking at different types of bicultural consumers. We propose that the effect of paradox brand on brand evaluation will be stronger for bicultural consumers who have higher levels of cognitive flexibility (i.e., those who adopt an integration acculturation strategy). To examine this prediction, and similar to study 1, we recruited bicultural (Hispanic Americans) participants, asked them to evaluate either a paradox or non-paradox brand, and measured their acculturation strategy.

Sample and Procedure

Two hundred and four Hispanics currently living in the U.S. who were members of TurkPrime's panel (35.3% male, $M_{\text{age}} = 35.18$) took the survey in exchange for a small monetary payment. They were randomly assigned to either the paradox brand or non-paradox brand condition.

The procedure was similar to the one described for study 1. Participants were shown the description for either the paradox brand (Modern Heritage) or the non-paradox brand (Modern Brand). To increase attention to this information, participants were asked to describe the brand to someone who is not familiar with it. Then, participants were asked to evaluate the brand using the same measure as in previous studies. Participant's responses for the five criteria were combined into a brand evaluation score ($\alpha = .95$).

We measured acculturation strategy of the Hispanic American participants using Ward and Kennedy's (1994) Acculturation Index (AI), which assesses the two fundamental dimensions of acculturation strategies: identification with home culture (i.e., Hispanic) and identification with host culture (i.e., American). Participants were asked to

consider two questions about 21 aspects of their current lifestyle (e.g., food, recreational activities, language, values, customs): (a) “How similar are you to Hispanics in the following domains?” and (b) “How similar are you to Americans in the following domains?” Participants rated their similarity to members of each cultural group on a 7-point scale ranging from 1 (not at all similar) to 7 (extremely similar). This approach results in two scores: Hispanic cultural identification and American cultural identification. For each scale, scores can range from 21 to 147, with higher scores representing greater identification with that culture. The AI has shown both high reliability and strong predictive validity (see Ward & Kennedy, 1994). Finally, participants answered several demographic questions (gender, age, bilingualism), were debriefed and dismissed.

Results and Discussion

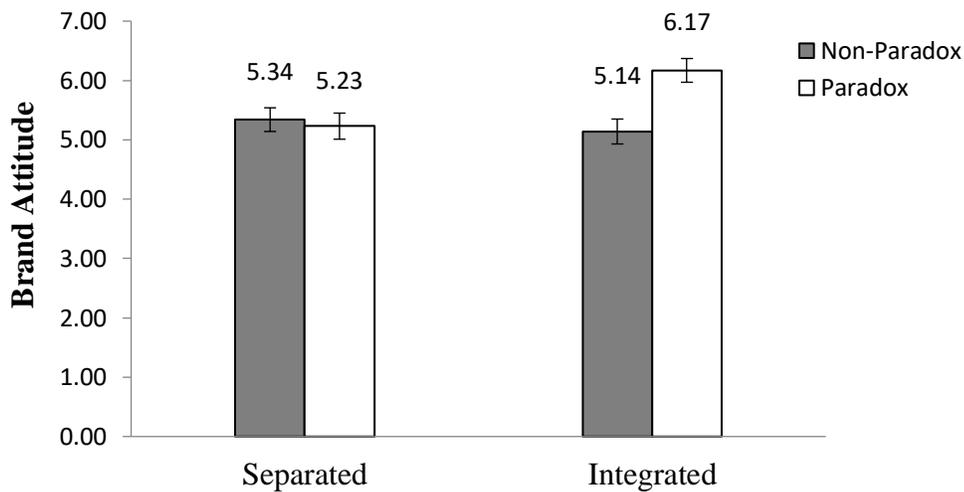
Acculturation strategy. A widely used method for classifying and analyzing acculturation strategies is to subject both the American cultural identification and the Hispanic cultural identification scales to a median split, creating a fourfold typology of acculturation strategies (Ward and Rana-Deuba, 1999; Tadmor, Tetlock, and Peng 2010). Given our focus on integrated bicultural consumers, we created a dummy variable to capture participants who highly identify with both the Hispanic and American culture (i.e., integration acculturation strategy) and those who identify with only one of the cultures (i.e., separation acculturation strategy).

Brand evaluation. We analyzed brand evaluation in a 2 (brand: paradox vs. non-paradox) \times 2 (acculturation strategy: integration vs. separation) ANOVA. The results yielded a significant 2-way interaction between brand and acculturation strategy

condition $F(1,129) = 7.09, p = .01, \eta_{\text{partial}}^2 = .05$. The main effect of brand was also significant ($F(1,129) = 4.66, p = .03, \eta_{\text{partial}}^2 = .05$) and the main effect of acculturation strategy was marginally significant ($F(1,129) = 3.03, p = .08$). As predicted, bicultural consumers with an integration acculturation strategy evaluated the paradox brand more favorably than the non-paradox brand ($M = 6.17$ vs. 5.14 , respectively, $p < .001$) and they evaluated the paradox brand more favorably than consumers with a separation acculturation strategy ($M = 5.23, p = .002$). No other contrasts were significant (see Figure 2 for all means).

FIGURE 2

EVALUATION OF PARADOX VS. NON-PARADOX BRAND BY INTEGRATED AND SEPARATED ACCULTURATION STRATEGIES



This study provides evidence that integrated bicultural consumers (i.e., those who highly identify with both their home and host cultures), evaluate paradox (vs. non-paradox) brands more favorably than those who adopt a separation acculturation strategy, providing further evidence that cognitive flexibility drives this effect. However, the question still remains of why higher levels of cognitive flexibility result in more

favorable brand evaluation. We propose that this is because people high in cognitive flexibility are more likely to form a clearer mental representation of an object with conflicting elements, or in this case, a clearer brand image of the paradox brand. We advance this proposition based on prior literature which conceives cognitive flexibility as the ease with which mental images are formed in response to conflicting environmental stimuli (Scott 1962). Thus, someone who is cognitively inflexible would have difficulty forming a mental representation of an object when confronted with conflicting stimuli, whereas a cognitively flexible person would not have this hurdle and would be able to easily conjure a mental image of the object or brand. Brand clarity, or how easy a consumer can imagine a picture of the brand in their mind, is an established facet of brand knowledge and brand image, both of which contribute to brand equity (Fischer, Völckner, & Sattler, 2010; Keller, 1993). As such, higher brand clarity has a positive impact on brand attitude. Additionally, past research has found that vivid imagery in print ads, either visual or imagined, results in stronger attitudes toward the ad (Babin & Burns, 1997). Thus, we propose that the ability of people who have higher levels of cognitive flexibility to have a clearer picture of the brand in their minds (i.e., imagine the brand) leads to enhanced attitude toward the brand. We test this in the next study. To extend the generalizability of our findings, in the next study we use a different brand with a different manipulation of paradox brand, combining the contradictory brand personality traits ruggedness and sophistication.

STUDY 3: PROCESS

The objective of study 3 is to shed more light on the underlying mechanism between cognitive complexity and brand evaluation. To do so, we measure cognitive

complexity and brand clarity, that is, the strength of the representation of the brand on participants' minds.

Sample and Procedure

One hundred and forty-nine undergraduate students ($M_{\text{age}} = 20.28$, 51.7% male) enrolled in business classes at a large American university took part in the study for course credit. They were randomly assigned to either the paradox brand or non-paradox brand condition.

The procedure was similar to the one described for previous studies, with the exception that we used contradictory brand personality traits instead of brand values. Participants were told we were interested in their input on a new brand of clothing, and were shown the description for either the paradox brand (Rugged Sophistication) or the non-paradox brand (Rugged Outdoors). All participants were told that the descriptions came from recently conducted focus groups with consumers who had tried the product. The Rugged Sophistication brand included two brand personality descriptors (rugged, outdoorsy) that are contradictory to the other two brand personality descriptors (glamorous, charming). The Rugged Outdoors brand included four personality descriptors that are consistent with each other (rugged, tough, outdoorsy, hardy). To increase attention to this information, participants were asked to describe the brand to someone who is not familiar with it. Then, participants rated the brand on five criteria (bad/good, dislike/like, unfavorable/favorable, unappealing/appealing, undesirable/desirable) using a 7-point scale. Participant's responses for the five criteria were combined into a brand evaluation score ($\alpha = .96$). After rating the brand, and as a manipulation checks, participants were asked to rate the brand in terms of contradiction

(“There is some contradiction to this brand,” 1 = not at all, 9 = very much), as well as quality (1 = bad quality, 7 = high quality), and authenticity (1 = inauthentic, 7 = authentic). Then, we used an adapted measure of brand clarity (Fischer, et al., 2010), which asks participants the extent to which the brand was easy to imagine (1 = very difficult to imagine, 9 = very easy to imagine). This question aims to capture the extent to which participants have a clear mental picture of the brand. After some filler tasks, participants completed the same measure of cognitive flexibility used in study 1. Finally, participants answered several demographic questions (gender, age), were debriefed and dismissed.

Results and Discussion

Manipulation checks. We analyzed each of the manipulations checks (i.e., contradiction in the brand, quality, and authenticity) using an ANOVA with brand (non-paradox vs. paradox) as a fixed factor. Results revealed that indeed the paradox brand was perceived to have more contradiction than the non-paradox brand ($M = 5.37$ vs. 3.33 , respectively, $p < .001$), but there were no differences in terms of quality ($M = 5.14$ vs. 4.53 , respectively, $p = .41$) nor authenticity ($M = 5.34$ vs. 3.62 , respectively, $p = .18$).

Brand evaluation. To confirm that participants high in cognitive flexibility evaluated the paradox brand more favorably, we conducted a multiple regression analysis. That is, the difference in brand evaluations for the paradox (vs. non-paradox) brand would be greater for high (vs. low) cognitive flexibility participants. We regressed brand evaluation onto the cognitive flexibility score (continuous variable), brand (paradox = 1, non-paradox = 0), and their interaction. As predicted, the interaction between brand and cognitive flexibility was significant, $\beta = .95$, $SE = .35$, $t(145) = 2.70$,

$p = .01$. To explore this interaction in more detail, we tested simple slopes at values one standard deviation above and below the mean of cognitive flexibility (Aiken and West 1991; Cohen and Cohen 1983). We found a significant positive relationship between brand (paradox vs. non-paradox) and brand evaluation for *high* cognitive flexibility participants (+1SD; $\beta = .90$, $SE = .27$, $t(145) = 3.29$, $p = .001$), but not for *low* cognitive flexibility participants (-1SD; $\beta = -.14$, $SE = .27$, $t(145) = -.52$, $p = .60$). As expected, the effect of paradox brand on brand evaluation is stronger for people high in cognitive flexibility.

Brand clarity. We find a significant relationship between cognitive flexibility and brand clarity ($r = .233$, $p = .004$). Using second stage and direct effect moderated mediation analysis, we examined whether brand clarity mediated the moderated effect of cognitive flexibility on brand evaluation (Edwards & Lambert, 2007; Hayes, 2013). The independent variable was brand (paradox = 1; non-paradox = 0), the second stage moderator was cognitive flexibility (continuous variable), the mediator was brand clarity, and the dependent variable was the brand evaluation. We used bootstrap tests with 5,000 bootstrap samples (Zhao, et al., 2010). Brand clarity mediated the moderated effect of cognitive flexibility on brand evaluation (conditional indirect effect = .31, $SE = .16$, 95% CI: .03 to .67). In other words, participants' ability to form a mental representation of the brand mediated the effect of the paradox brand on brand evaluation, but only for participants high in cognitive flexibility.

This study sheds more light onto the underlying mechanism. Specifically, this study provides support for our prediction that the reason why high levels of cognitive flexibility impact whether participants like a brand with contradiction is because they are

better able to form a mental representation of the brand, most likely because they are able to see the connection between the two seemingly conflicting elements, and thus there is little confusion. As past research has shown, brand clarity has a positive impact on the value of a brand (Keller, 1993) and a more vivid mental image of an ad or brand results in enhanced evaluations (Babin & Burns, 1997).

GENERAL DISCUSSION

Our research shows that a relatively novel brand strategy, namely paradox brands, or building brands with contradictory brand meanings, could prove successful with the much coveted consumer segment that bicultural consumers represent. We provide evidence that bicultural consumers rate paradox brands more favorably than non-paradox brands, and that their evaluations of paradox brands are higher than those of monocultural consumers. We also find that this is because bicultural consumers have higher levels of cognitive flexibility (study 1). Furthermore, we provide evidence that this effect is stronger for those bicultural consumers who embrace an integration acculturation strategy, that is, those who highly identify with both their culture of origin and their host culture. Past research has shown that an integration acculturation strategy results in higher levels of cognitive flexibility, or the capacity to accept and combine multiple perspectives. As such, we propose and find evidence that people who adopt this acculturation strategy will evaluate the paradox brand more favorably (study 2). Finally, we provide evidence that the reason why cognitive flexibility positive impacts the evaluation of paradox brands is because consumers high in cognitive flexibility have higher levels of brand clarity. We show that this stronger mental image results in an enhanced evaluation of the object (study 3).

Most of the strategies that marketers employ to win with bicultural consumers fall under two categories: They either hyper-target, for example, by developing communications specifically tailored to a type of bicultural consumer (e.g., Spanish ads for Hispanic Americans); or they take a total market approach, where they develop one ad for all cultural consumer segments, hoping they can reach bicultural consumers by incorporating some cultural nods. Our research offers another alternative, which could potentially be more successful and efficient, namely building a brand with contradictory brand meanings that could appeal to different bicultural consumers at once (e.g., Hispanic American, African American, and Asian American). And while we find evidence that the effects of paradox brands on brand evaluation are stronger for bicultural consumers who highly identify with both their home and host cultures, marketers can either help prime integration in their communications or they can target these biculturals (e.g., by advertising during shows that Hispanics watch, but in English TV).

This research also contributes to the multicultural literature, by showing how contradiction impacts the attitudes of bicultural consumers. Past research on bicultural consumers and contradiction has focused on biculturals' capacity to consider and combine multiple perspectives, and the resulting impact on creativity (e.g., Tadmor, Galinsky, and Maddux 2012). In this research, we show that bicultural consumers, in addition to being more capable of considering and combining sometimes contradictory perspectives, gravitate towards contradiction, by evaluating more favorably brands with contradictory meanings. We propose that this is because bicultural consumers have higher levels of cognitive flexibility, which allows them to form a more vivid mental representation of the brand, despite its conflicting elements. Thus, our work would also

contribute to the biculturalism literature, by showing that biculturals are more able to form mental representations of objects with conflicting elements.

Directions for Future Research

This research focuses on bicultural consumers, that is, consumers with significant exposure to more than one culture, mainly by living in a country with a culture different than their culture of origin. However, globalization is increasing people's exposure to other cultures, without extended periods living in a foreign culture, or even without having to leave their culture of origin. A growing body of research explores the effect of such multicultural experience on different outcomes. For example, past research has found that multicultural experience of non-Hispanic White Americans, either measured or primed, increases creativity (Leung & Chiu, 2010). Thus, it would be interesting to explore whether the effects of paradox brands on brand evaluation extend to multicultural experience, without fully immersing or identifying with the foreign culture.

Future research could also explore boundary conditions. Past research has shown that people who have a high need for closure, or need for firm answers in psychologically ambiguous situations (Webster & Kruglanski, 1994), tend to be less open to culturally mixed stimuli (De Keersmaecker, Van Assche, & Roets, 2016). Thus, it could be plausible that need for closure moderates the effect of paradox brands on brand evaluations, so that the effect disappears for individuals who have a chronically high need for closure or who are primed with a need for closure.

Lastly, future research could extend the investigation to other potential types of paradox brands, for example brands with culturally mixed stimuli. In globalized markets, symbols of different cultures often occupy the same space at the same time. Some

examples of this phenomenon are the presence of Starbucks in Beijing's Forbidden City, the ownership of Budweiser, an American icon, by ABInBev, a Belgian company, and Batman toys with a "Made in China" label. Prior research has shown that culture mixed products can trigger negative consumer reactions. For instance, American participants evaluate less favorably a culture mixed product (Sony cappuccino machines—the Sony brand is iconic of Japan whereas Cappuccino machines are iconic of Italy) than a monocultural product (Sony toaster oven—only the Japanese Sony is culturally-symbolic), in spite of the similar levels of moderate fit of the two products with the Sony brand (Torelli & Ahluwalia, 2012). This unfavorable evaluation is driven by the subjective experience of disfluency triggered by the simultaneous activation of two different cultural schemas. However, recent research has found that highly biculturated young Chinese consumers tend to evaluate culturally mixed brand names more favorably than monocultural ones (Keh, Torelli, Chiu & Hao, 2016). Future research could explore the role of different types of acculturation strategies and cognitive flexibility in consumers' responses to culturally mixed products and brands.

CHAPTER IV:

Summary and Future Research Directions

My dissertation offers a novel perspective on how successful brands can be developed and communicated to consumers. My findings challenge the prevailing view that, to be successful, brands must be clear, unambiguous, and without contradiction. Contrary to what marketers believe, I show in two essays that many consumers actually prefer brands that incorporate contradictory meanings, which I refer to as paradox brands. Further, my research identifies two different processes, by examining two types of consumers who, given their thinking style or exposure to different cultures, prefer paradox brands.

The first essay provides an initial examination of paradox brands, looking at monocultural consumers. The first study surveys marketers to examine their beliefs with regard to paradox brands. I find that marketers believe that for brands to be successful, they need to be clear, unambiguous, and devoid of contradictory or conflicting elements. Based on this belief, they underestimate the consumer appeal of brands that do not follow these dictates (study 1B), when in fact many consumers evaluate paradox brands more favorably than traditional non-paradox brands (study 1A). Furthermore, results show that dialectical thinkers are the type of consumers likely to evaluate paradox brands more favorably than non-paradox brands. I find this effect for individual differences in dialectical thinking (study 2) as well as situational primes that encourage people to think dialectically (studies 3, 4, & 5). Because dialectical thinkers are comfortable with contradiction, and see the world as inherently contradictory, their style of thinking fits with paradox brands that include contradictions (study 4).

The second essay examines a second type of consumers, namely bicultural consumers. Findings show that paradox brands could also prove successful with this much coveted consumer segment that bicultural consumers represent. In this essay, I provide evidence that bicultural consumers evaluate paradox brands more favorably than non-paradox brands, and that their evaluations of paradox brands are higher than those of monocultural consumers. I also find that this is because bicultural consumers have higher levels of cognitive flexibility (study 1). Providing further evidence that cognitive flexibility is at play, I find that this effect is stronger for those bicultural consumers who tend to exhibit higher levels of cognitive flexibility, namely those who embrace an integration acculturation strategy, or who highly identify with both their culture of origin and their host culture (study 2). I propose that the reason why cognitive flexibility positively impacts the evaluation of paradox brands is because consumers high in cognitive flexibility are able/more used to form a mental representation of an object with conflicting elements. I show that this stronger mental image results in an enhanced evaluation of the object (study 3).

In summary, ten studies across two essays provide compelling evidence that paradox brands, a novel brand construct, can be successful with certain consumers, despite brand managers' intuition to the contrary. Below, I discuss the contribution of the findings and suggest avenues for future research.

Potential Significance and Contribution

My research offers several contributions. First, I introduce the concept of paradox brands, and show these brands exist in the marketplace across multiple product categories. Second, my findings that consumers can evaluate paradox brands more

favorably than non-paradox brands suggests that commonly held beliefs about positioning brands need to be revised. As brands and markets evolve over time, there is often a need to expand the meanings associated with brands to sharpen their differentiation versus other brands, appeal to new consumer segments, and resonate with changes in cultural values and consumer tastes (Keller 1999). At times, these new meanings add elements that are at odds or somewhat contradictory to each other.

This research also explains why paradoxical brands and brand messaging may be effective. I examine two different types of consumers and two different processes: for monocultural consumers, the effects are driven by dialectical thinking, which refers to a style of thinking where individuals have a tolerance for ambiguity and are comfortable with seeming contradictions (Peng & Nisbett, 1999); for bicultural consumers, the underlying mechanism is cognitive flexibility, which refers to people's ability to entertain multiple, and often conflicting, representations of an object. Although dialectical thinking is prevalent among individuals and across cultures (Baltes and Staudinger 1993; Peng and Nisbett 1999; Riegel 1973), and the number of bicultural consumers continues to grow at an exponential rate, the implications for branding and advertising strategy have yet to be fully recognized. Our findings suggest that dialectic thinkers and biculturals are the consumer segments most likely to embrace paradox brands, and surprisingly, to find paradox brands more appealing than traditional singular brands.

Findings regarding the appeal of paradox brands to bicultural consumers are particularly important given past and future demographic shifts. In the U.S. alone, bicultural consumers (i.e., Hispanics, African Americans, and Asian Americans) are 120 million strong, representing more than a third of the population. Furthermore, they are the

fastest growing segment of the population, accounting for 92% of the total growth in U.S. population from 2000 to 2014 (Nielsen 2015). Given these rising numbers, bicultural consumers have become crucial to the success of both local and global companies. For example, the media spending to target the fastest growing bicultural segment in the U.S., namely Hispanics, was \$9.6 billion in 2016, with Procter & Gamble at the top of the list, spending \$370 million (Wentz 2017). As these groups grow within the U.S., paradox brands will be more appealing to increasing numbers of consumers.

Limitations and Future Directions

My dissertation explores two types of consumers who, given their thinking style or exposure to different cultures, are likely more comfortable and attuned to contradictions. However, the specific processes I explore in each essay are different. In essay 1, I find that the match or fit between dialectical thinkers' view of the world as full of contradictions and the paradox brand create a sense of "feeling right," which results in more favorable evaluations of the paradox brand. While in essay 2, I find that bicultural consumers' higher levels of cognitive flexibility allow them to entertain the contradictory characteristics of the paradox brand, thus allowing them to form a clearer picture of the brand in their minds, resulting in more favorable evaluations. The relationship between dialectical thinking and cognitive flexibility is unclear in prior research. While some research has found a positive relationship between naïve dialecticism and cognitive flexibility (Tadmor, Tetlock, & Peng, 2009), other research has found inconclusive evidence of the relationship between dialecticism and creativity, an outcome of cognitive flexibility (Paletz & Peng, 2009). Thus, future research could explore the relationship between these two constructs.

A potential limitation of this research is the surprising finding in essay 1 that we only observed a match between high dialectical thinkers and brands with contradiction, but not between low dialectical thinkers and brands without contradiction. Contrary to our initial expectations, low dialectical consumers did not perceive a greater fit or match with brands without contradiction and did not differ in their evaluation of brands with and without contradiction. While all consumers did perceive more contradiction in paradox vs. non-paradox brands, it could be that our manipulations of contradiction were too subtle. Alternatively, it could be, per our pilot study results in essay 1, that the prevalence of paradox brands in the marketplace has desensitized consumers to contradictions in brands. Furthermore, we speculate that the reason why we only observe effects in the paradox brand conditions is because we were directly manipulating contradiction. Thus, the non-paradox conditions were characterized by an absence of contradiction, and not by the presence of other brand elements that could specifically appeal to consumers low in dialectical thinking. Future research could explore why consumers low in dialectical thinking don't react more negatively to brands with contradiction.

Another limitation of this research is that it only explores general liking of the brand as the primary dependent variable, which could limit the managerial contributions of this work. Future research could explore more specific questions about brand perceptions, such as perceived quality and purchase intentions. Relatedly, future research could also explore behavioral commitment measures that go beyond brand evaluation. For example, participants could choose between receiving a t-shirt with the name of the paradox brand or a blank t-shirt. Alternatively, eye tracking could be used to assess the extent to which participants gravitate towards paradox brands.

Additionally, my research focuses on extrinsic sources of contradiction, namely brand personality and values. One direction for future research is to examine whether the effect extends to other sources of contradictions, more specifically intrinsic ones (e.g., attributes, benefits). For example, prior research has found that consumers perceive healthy and tasty to be contradictory (Raghunathan, Naylor, and Hoyer 2006). Another example could be of a software company who wants to position itself as easy-to-use, but powerful. Could it be that dialectical thinkers and bicultural consumers are more comfortable with this contradiction, and thus, are more likely to evaluate healthy products as tastier? Such a finding could have important implications for marketing a greater variety of products, particularly if marketers can encourage dialectical thinking in their communications to make people more comfortable with the seeming contradiction, or if they target bicultural consumers through segmentation.

Future research could also explore the topic of paradox brands more broadly, so that instead of looking at what type of consumers would prefer brands with contradictions, research could explore the circumstances under which consumers evaluate paradox brands more favorably. For example, it could be worth exploring whether there are certain brand or category characteristics that would lend themselves better to having contradiction (e.g., richer vs. simpler imagery brands, hedonic vs. utilitarian, high vs. low competitive categories). Relatedly, future research could explore paradox brands in the context of real brands by exploring how consumers would react to familiar brands evolving their image to incorporate contradiction.

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APPENDIX

Advertisements for Study 4 in Chapter II: Essay 1

Non-Paradox Brand Ad



Paradox Brand Ad

