How Does Brand Age Influence Consumers' Attitudes to Firm's Unethical Behaviors?

Chi Zhang, Saim Kashmiri, and Melissa Cinelli

Abstract

While there is a significant amount of research investigating the impact of firm's unethical behaviors on consumers' attitudes, limited amount examines the effect of brand age, which is a potential powerful contributor to consumers' brand evaluations, on consumers' attitudes to firm's unethical behaviors. The purpose of this chapter is to investigate the effect of brand age on consumers' perceptions of the brand (e.g., brand personality) and its impact on consumers' attitudes toward firm's unethical behaviors.

The authors test hypotheses with data from 168 participants enrolled on Mturk. Participants were randomly assigned to 2 (low involvement condition: Ad fraud vs. high involvement condition: food safety) $\times$ 2 (old brand: *Since 1952* vs. young brand: *Since 2012*) between-subject designs. In order to rule out the consumers' previous brand experiences, a fictitious food brand was used in the experiment. Brand personality, brand credibility before and after the negative news, and consumers' attitudes toward the firm's unethical behaviors were measured.

The results demonstrate that brand age can influence firm's brand personality and brand credibility. Old brand is perceived more sincere and also has higher brand credibility than young brand. The relationship between brand age and brand credibility is mediated by the perceived sincerity of a brand. Moreover, the effect of brand age on consumers' attitudes toward firm's unethical behaviors differed depending on consumers' perceived involvements of firm's unethical behaviors. When consumers are in the low involvement condition (e.g., a firm is involved in Ad fraud), they are more likely to forgive the firm with old brand age. However, when consumers are in the high involvement condition (e.g., food safety), they are less likely to forgive the firm with old brand age.

C. Zhang (✉) • S. Kashmiri • M. Cinelli

University of Mississippi, University, MS, USA

e-mail: czhang@bus.olemiss.edu; skashmiri@bus.olemiss.edu; mcinelli@bus.olemiss.edu