Are You What You Eat? How Tastes Influence Risk Preferences in Asian Consumers

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Overarching Theme

Do western flavours influence risk behaviors?
Research Questions

What is the role of self-construal and social-networks?
Research Questions

- Taste as antecedent to Self-Construal?
- Impact of Self-Construal on Risk Preferences?
- Mediating role of Social-Network Size or Strength?
• Social exclusion and desirability of warm foods (Zhong and Leonardelli, 2008)

• Sweet foods increase willingness to help others (Meier et al, 2012)

• Bitter taste and harsher judgment of moral transgressions (Eskine et al, 2011)
• Does Western food make “Asians” change risk behavior?

  – Food as social instrument in Asian cultures (Rozin, 1990), may activate self-construal

  – Eating and risky decisions activate the anterior singula (Tom et al, 2007; Wang et al, 2004)
Self-Construal

• We have both independent and interdependent mindsets (Triandis, 1989; Markus & Kitayama, 1991, 1994)
  – Asians interdependent self-view bias: maintain group harmony
  – Westerners independent self-view bias: uniqueness

• Different aspects of the self have been made salient by the following primes:
  – Similar/Dissimilar to family & friends (Trafimow et al 1991)
Distinguishing Types of Risks

How do these scenarios differ?

“Consequences of Financial Risk can be shared but Social Risk cannot”
Theoretical Basis

Cushion Hypothesis
(Weber & Hsee, 1998; 1999)

Floodlight Hypothesis
(Mandel, 2003)

Two dimensions of Self-Construal: What matters more: Size or Strength of Social Network?
Predictions

H1: As compared to eating Asian flavours, eating Western flavours is likely to increase social risk taking in Asian consumers.

H2: As compared to eating Asian flavours, eating Western flavours is likely to decrease financial risk taking in Asian consumers.
Framework

Asian Flavors

Western Flavors

Risk Preferences

Financial

Social
Taste & Consumer Risk Perception

- **Study 1:** Food & Attitude towards Risky Choices
- **Study 2:** Flavors & Risk Perception
Food & Attitude towards Risky Choices
Design and Procedure

• **2 x 2 Experiment:**
  – Manipulated between factor: type of risk (*financial vs. social*)
  – Random factor: Restaurants (*Tha Siam Noodles vs. McDonald’s*)

• **Cover Story:** market research on restaurants & promotions
  – 243 Participants approached after lunch
  – Brand loyalty questionnaire #1 (TSN/MCD)
  – DV: financial risk or social risk choice (High vs. Low)
Food & Attitude towards Risky Choices
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  – DV: financial risk or social risk choice (High vs. Low)
    • Financial: 1:20 chance of 500 Baht vs. 1:4 change of 100 Baht
    • Social: Printed vs. plain bookmark
  – Brand loyalty questionnaire #2 (MCD/TSN)
  – PANAS
Food & Attitude towards Risky Choices

Results

<table>
<thead>
<tr>
<th>Restaurant Type</th>
<th>Financial</th>
<th>Social</th>
<th>Total Participants</th>
<th>Financial</th>
<th>Social</th>
<th>Selected Risky Choice</th>
<th>% Risky Choice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian (TSN)</td>
<td>44</td>
<td>46</td>
<td>44 46 26 17</td>
<td>26</td>
<td>17</td>
<td>59.09 % 36.96 %</td>
<td>59.09 % 36.96 %</td>
</tr>
<tr>
<td>Western (McD)</td>
<td>38</td>
<td>47</td>
<td>38 47 14 27</td>
<td>14</td>
<td>27</td>
<td>36.84 % 57.45 %</td>
<td>36.84 % 57.45 %</td>
</tr>
</tbody>
</table>
Food & Attitude towards Risky Choices

Results

• Controlled for similar Restaurant preference (N = 175)

• Those from McDonald’s were more likely to select high social risk option relative to those from TSN ($\chi^2(1) = 3.92, \ p < .05$)

• Those from Tha Siam Noodles were more likely to select high financial risk option relative to those from McDonald’s ($\chi^2(1) = 4.04, \ p < .05$)
Food & Attitude towards Risky Choices

Discussion

• Eating Western food seems to impact risk choices

• Restaurant preference bias does not account for the results

• Potential for confounding factors
  – Restaurant Ambiance
  – Advertising
  – English Menu

• Self-selection, No measure of self-construal

• Study 2 is a controlled laboratory experiment
Taste & Consumer Risk Perception

- Study 1: Food & Attitude towards Risky Choices
- Study 2: Flavors & Risk Perception
• 2x2x2 Mixed Design:
  – Within factors: type of risk (*financial vs. social*), and choice domain (*gains vs. losses*)
  – Between factor: type of flavors (*Asian vs. Western*)

• Cover Story: blind taste test
  – 102 Participants taste chips (Chili Squid or Extra BBQ)
  – The chips were pretested to control for palatability and calories
  – Self-Construal Manipulation check (Kuhn & McPartland 1954)
  – Dependent measures: four risk scenarios (Mandell 2003)
  – Social Support Questionnaire (Saranson et al 1983)
  – PANAS
  – Demographic questions
Suppose that you bought a lottery ticket a week ago. You are now informed that you have won and have been given two options of how to receive the money. For each scenario, circle the option (A or B) that you prefer.

1. Would you rather...
   A. Receive $200 for sure
   B. Flip a coin, and receive $2000 if heads and $0 if tails

2. Would you rather...
   A. Receive $400 for sure
   B. Flip a coin, and receive $2000 if heads and $0 if tails

3. Would you rather...
   A. Receive $600 for sure
   B. Flip a coin, and receive $2000 if heads and $0 if tails

4. Would you rather...
   A. Receive $800 for sure
   B. Flip a coin, and receive $2000 if heads and $0 if tails

5. Would you rather...
   A. Receive $1000 for sure
   B. Flip a coin, and receive $2000 if heads and $0 if tails

6. Would you rather...
   A. Receive $1200 for sure
   B. Flip a coin, and receive $2000 if heads and $0 if tails

7. Would you rather...
   A. Receive $1400 for sure
   B. Flip a coin, and receive $2000 if heads and $0 if tails

8. Would you rather...
   A. Receive $1600 for sure
   B. Flip a coin, and receive $2000 if heads and $0 if tails

A = Safe Option
B = Risky Option
Flavors & Risk Perception
Dependent Variables (Mandel, 2003)

Financial
- Lottery Ticket
- Speeding Ticket

Social
- What to Wear
- Truth or Dare

GAIN
LOSS
Results

Calculated from how many times “Risky” option was chosen
What Explains the Results?

- Two operationalisation of self-construal:
  - Size of network
  - Strength of network

- Mediation analysis on both
Mediation Analysis

Note.- * indicates $p < .01$; $N = 102$
Mediation Analysis

Social Network Strength

Flavour

Risk Preferences

12.00*

1.35<sup>NS</sup>

4.38*

Note.- * indicates $p < .01$; $N = 102$
Discussion

• Supports robustness for findings in Study 1:
  – Flavours can impact risk-behaviors

• Social network strength (rather than size of the network) mediates the process linking construal to risk-behaviors

• Influence of social network changes depending on risk context; confirming both Cushion and Floodlight Theories
• There exists relationship between food flavour and risk taking behaviors

• Food flavours activate self-construal

• Social network strength, rather than size mediates risky behavior decisions

Issues:
• Effects are temporary

• Do Asian flavours impact Western consumers
Conclusion

• Alternative operationalisation of capturing risk perception
• Subjective priming cue, same prime might not work elsewhere
  – Foreigner eating Burger might be reminded of home therefore become more aware of friends and family
  – Foreigner eating Thai food might be a way of expressing their individuality

• Limitations:
  – Applies to Asian not valid for generalisation
  – did not take into account chronic construal

• Implications for business executives:
  – power lunches, networking drinks, corporate functions etc.

• Explanation for varying preferences of comfort food?