

**HEC MONTRÉAL**  
École affiliée à l'Université de Montréal

**Consumer Empowerment :  
Conceptualization and Measurement**

**par**  
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Cette thèse intitulée :

**Consumer Empowerment :  
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## Résumé

Cette dissertation a pour but de conceptuellement clarifier le processus de prise de pouvoir des consommateurs et développer un instrument afin de mesurer la perception de pouvoir des consommateurs dans leurs relations avec les entreprises.

Dans le premier essai de cette dissertation, basé sur un examen approfondi de la littérature en marketing, sociologie et psychologie, nous avons développé un cadre conceptuel clarifiant conceptuellement le processus de prise de pouvoir du consommateur. Ce cadre conceptuel est constitué de quatre composantes : les sources de pouvoir liées au marché, les ressources nécessaires pour ressentir du pouvoir, la perception de pouvoir des consommateurs et, enfin, les conséquences de cette perception. Les facteurs liés au marché sont des entreprises, d'autres consommateurs, et des tierces parties. Les ressources nécessaires pour augmenter la perception de pouvoir incluent le choix, la connaissance, et la voix des consommateurs. La troisième composante du cadre proposé représente deux dimensions du pouvoir des consommateurs : le pouvoir personnel et le pouvoir social. Le dernier élément du cadre inclut les conséquences de la perception de pouvoir des consommateurs telles que la satisfaction et les réponses émotionnelles. Ce cadre devrait aider les chercheurs et les gestionnaires à identifier les entités et les ressources impliquées dans le processus de prise de pouvoir des consommateurs.

Dans le second essai, un instrument de mesure à deux dimensions (perception de pouvoirs personnel et social) a été développé dans le contexte de relations entre les consommateurs avec les entreprises. Une série de collectes de données a été effectuée afin de développer et valider l'instrument de mesure. Les deux dimensions du pouvoir des consommateurs (personnel et social) ont été évalués à différents stades du processus décisionnel des consommateurs (pré-achat, achat et après-vente) pour des produits différents (services de télécommunication, produits électroniques et voitures) et dans différents pays (Inde et États-Unis). L'instrument de mesure

proposé respecte les critères de fiabilité et de validité proposés dans la littérature. Cet essai se termine par une discussion au sujet des contributions théoriques, implications managériales, limites de cette recherche et avenues de recherche.

**Mots clés :** Prise de pouvoir du consommateur, pouvoir des consommateurs, échelle de mesure, prise de décision, comportement du consommateur

**Méthodes de recherche :** Analyse conceptuelle et développement d'un instrument de mesure

## **Abstract**

This dissertation aims at clarifying and empirically testing the concept of consumer power and the empowerment process. To do so, first, the factors involved in the consumer empowerment process in consumer-to-firm relationships have been identified. Second, a reliable and valid consumer power scale has been developed.

In the first paper of this dissertation, based on an extensive literature review in marketing, sociology and psychology, we developed a conceptual framework for the consumer empowerment process. The theoretical framework consists of four components: market-related sources of power, resources required to feel powerful, the subjective sense of consumer power and, finally, its consequences. The market-related factors are firms, other consumers, and third-party organizations. The resources required to enhance power perceptions include consumers' choice, knowledge, and voice. The third component of the proposed framework represents two dimensions of consumer power: personal power and social power. The last component of the framework includes the consequences of consumer power perceptions such as satisfaction and emotional responses. This framework should help researchers and managers identify the entities and resources involved in the consumer empowerment process.

In the second paper, a two-dimensional construct of consumer power has been developed in the context of consumer-to-firm relationships. A series of steps have been followed to generate and validate the scale. The paper defines the two dimensions of consumer power (i.e., personal and social power). Also, it confirms these two dimensions in different stages of the consumer's decision-making process (pre-purchase, purchase, and post-purchase) for various products (Telecommunication services, electronic products, and cars) and across different countries (India vs. the USA). The proposed scale successfully met the reliability and validity criteria. In the end,

theoretical contributions and managerial implications are discussed, and research avenues are suggested.

**Keywords:** Consumer Empowerment, Consumer Power, Scale, Measurement, Decision-making, Consumer Behavior

**Research methods:** Conceptual analysis and scale development

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## **The Introduction**

Nowadays, consumer power is an important issue for any business (Kucuk and Krishnamurthy, 2007). Although consumer power is growing, especially in recent years (Labrecque et al., 2013, Urban, 2004), research on consumer power and empowerment is still in its early stages. Reibstein et al. (2009) suggest consumer power and consumer empowerment as imperative research topics in marketing. It is believed that the sense of power for an individual has a substantial impact on emotional responses and behaviors (Anderson and Berdahl, 2002, Anderson et al., 2012). Therefore, clarifying what consumer power is, how consumers gain it, and recognizing its possible consequences are imperative for companies and researchers alike. In the marketing literature, there is a need to better define and measure consumer power and to conceptualize and test the empowerment process and its consequences. Therefore, this dissertation aims first to conceptualize the empowerment process and then to develop a scale to measure consumer power. Two essays were developed to attain these objectives.

In the first essay, based on an extensive literature review, a conceptual framework for the consumer empowerment process has been developed. This framework consists of four components: market-related sources of power, resources required to feel powerful, a subjective sense of consumer power and, finally, its consequences. The market-related sources are firms, other consumers, and third-party organizations. They are the main providers of power for consumers. The second component is composed of the resources required to enhance power perceptions, including, consumers' choice, knowledge, and voice. They are the assets required for consumers to feel powerful. The third component of the proposed framework represents two dimensions of consumer power: personal power and social power. The last component of the framework includes the consequences of consumer power perceptions such as satisfaction and emotional responses. Information technology has been recognized as the moderator in the

relationship between market-related sources and the required resources. Market-related sources are using information technologies to increase availability and accessibility of information and options and to amplify consumers' voice. This framework should help researchers and managers identify the entities and resources involved in the consumer empowerment process.

In the second essay, we developed a valid and reliable two-dimensional scale for consumer power. A comprehensive scale development procedure was followed to develop this scale (Churchill and Gilbert, 1979, Zaichkowsky, 1985, Gerbing and Anderson, 1988). First, the two dimensions were defined. After performing an extensive literature review on related topics, a preliminary pool of items (51 items) was generated. Either these items were adapted from the literature, or they were newly developed. The first study was designed to test the content validity of the proposed items (Zaichowsky, 1985; Netemeyer et al., 1995). The second study aimed to purify the scale. For this purpose, exploratory factor analysis has been performed. The results met the required criteria for convergent validity and reliability for each dimension.

The third study was designed to do further refinement and check convergent validity, composite reliability, and criterion validity. Different methods (e.g. Testing the Pearson correlation with the related constructs, measuring variance extracted and factor loadings) have been carried out to indicate the dimensions met the above criteria.

The fourth study was designed to confirm the two-dimensional model of consumer power; also, the nomological and construct validity of the consumer power scale were checked with new datasets and with new scenarios. Results confirm the two-dimensional model of consumer power; they demonstrate that the two dimensions met the required criteria for convergent and discriminant validity and were linked to a higher order factor. The Pearson correlations between consumer power and a set of related constructs were as we expected, which support the construct validity. Finally, the higher-order factor of consumer power was validated in two different networks of relationships. The mediator role of consumer power in three different relationships was supported.

To sum up, this dissertation contributes to the marketing body of knowledge in many ways. First, the consumer empowerment framework itemizes the empowerment processes leading to the perception of consumer power. Second, although the proposed consumer empowerment framework is general, it applies to a broad range of consumption situations and various decision-making stages. Third, this framework pinpoints information technology as an accelerator in the relationship between market-related sources and resources required for consumer empowerment. Fourth, the framework explicitly illustrates the relationship between consumer power perceptions and emotional responses and satisfaction. Beyond the theoretical contributions, by developing a valid and reliable scale to measure consumer power, this research takes the first and most important step toward further empirical research. Finally, from the managerial point of view, this scale enables the practitioners to assess the effectiveness of their consumer empowering strategies.

# **1. First Essay-Envisioning the Consumer Empowerment Process in the consumer-to-firm relationship: A Micro Perspective**

## **1.1. Abstract**

This paper presents a conceptual framework for consumer empowerment. We draw on an extensive body of literature exploring concepts of power and empowerment in marketing as well as in the related disciplines of psychology and sociology. By adopting a micro level of analysis and interactional perspective, this research develops a conceptual framework that integrates different theoretical approaches to understanding consumer empowerment. The framework allows us to characterize and classify consumer's perception of power and to pinpoint its antecedents and consequences. The consumer empowerment framework is used to explain various scenarios that promote consumer empowerment, such as customization, value co-creation, or consumer collaboration in service recovery. Four components outline the consumer empowerment framework. It includes market-related sources (firms, other consumers, and third party organizations), required resources (knowledge, choice, and voice), subjective sense of consumer power (consumer's perception of personal power and social power over the firm), and finally, consequences (satisfaction and emotional responses). Furthermore, the moderating role of information technology in the relationship between market-related sources and required resources is discussed. In the end, an agenda for future research is outlined.

Keywords: Empowerment, consumer empowerment, power, consumer power, conceptual framework, information technology.

## **1.2. Introduction**

There is mounting evidence pointing to the recent growth in consumer power (Urban, 2004, Labrecque et al., 2013). Stories such as “United Breaks Guitars” (Tripp and Grégoire, 2011) are regularly reported in the press as examples of how consumers are now able to influence firms. Empowered consumers make informed choices and have influenced other consumers and eventually firms. In our era of user-generated content supported by the rise of social media, consumer power is an important marketing consideration for any business.

The marketing literature illustrates how consumer empowerment operates in various situations. For example, consumers feel empowered when given opportunities to customize a product (Reis et al., 2002) or to contribute to the design of a new product (Fuchs et al., 2010). Also, they may collaborate with firms (Beckett and Nayak, 2008). Additionally, they experience a sense of empowerment when receiving a recovery service after purchase (Pranić and Roehl, 2012b) or through sharing their experience with other consumers (Rezabakhsh et al., 2006, Boyd et al., 2014). Also, they may feel it when getting help from consumer protection agencies (Kucuk and Krishnamurthy, 2007). The consumer empowerment research to date has focused either on specific situations, such as service recovery (Pranić and Roehl, 2012b), and on specific contexts, such as digital media (Labrecque et al., 2013), or has covered the phenomenon broadly. Neither describing, nor explaining the empowerment process, and without clearly defining consumer power (e.g. Hunter and Garnefeld, 2008). Furthermore, previous studies have focused mainly on recognizing consumer resistance tactics (Price and Penaloza, 1993, Holt, 2002, Penaloza and Price, 1993) and on the consumer empowerment strategies offered by firms (Fuchs et al., 2010). However, no research thus far identifies which market entities or resources promote and improve either consumer-based tactics or firm-based strategies. Therefore, the goal of our research is first to clarify this complex construct - consumer power - and then to develop an integrated framework for consumer empowerment.

Power can be construed as a multilayered and complex concept (Piper, 2005), influenced by many social resources and agents (Barbalet, 1985). Therefore, we limit our analysis to the micro level, analyzing those aspects related to the consumer's perspective. Indeed, clarifying consumer power and the empowerment framework from a consumer perspective is groundbreaking. We also take an interactional approach, focusing on the simpler interactions that take place between the consumer and the firm. In taking this combined micro (Merlo et al., 2004) and interactional (Grønmo and Ölander, 1991) approach, we develop a conceptual framework for understanding and analyzing the consumer empowerment process. We contribute to the existing marketing literature by proposing a framework that 1) classifies the subjective experiences of consumer power, 2) clarifies the consequences of consumer empowerment and 3) provides an explanation of the processes by which consumers become and feel empowered.

This framework consists of four components: market-related sources of power, required resources to feel powerful, the perception of consumer power and, finally, the consequences of this empowerment. At the first level, we identify firms, other consumers, and third party organizations as constituting the market-related sources of empowerment. The second component encompasses the required resources for enhanced power perception: choice, knowledge, and voice. The third component of the proposed framework represents two states of consumer power: personal power and social power over the firm. This research provides a starting point for defining measurable constructs for two states of perceived consumer power. The final component of the framework includes the consequences of consumer power perceptions such as satisfaction and emotional response. This framework is intended to help researchers and practitioners to distinguish between the various entities and resources at play, to more quickly identify their roles in the consumer empowerment process.

We organized this article as follows. First, we classify perceived consumer power into two main categories: personal power and social power over the firm. Then, we describe and elaborate on how a consumer may come to feel empowered, introducing the concepts of market-related sources

and required resources. In this section, we explain the different empowering mechanisms extant in the current marketplace. Next, we identify two consequences of empowerment perception for consumers. Lastly, we present the theoretical contributions and managerial implications of this framework followed by an agenda for future research.

### **1.3. Power**

The concept of power has been investigated extensively in sociology and social psychology. Power is a relational concept, and as such should be defined within the context of a social relationship. Previous research has described power as “power relations”, implying a process of constant negotiation between the agents involved in a relationship. This interplay includes the exercised power of one party against the resistance of the other party (Barbalet, 1985). According to this stream of research, one agent exercising power uses power strategies to attempt to overcome the resistance strategies of the other party (Foucault, 1982). Social entities, social sources, and resources functionalize these power and resistance strategies (Barbalet, 1985), so if certain social resources are available only to the agent exercising power, the one who is subject to this power will look to other social resources to counteract the exercised power (Barbalet, 1985). Therefore, the flow of power in a relationship is reversible (Foucault, 1982) rather than being an absolute imposition of dominance (Courpasson et al., 2012).

Alternatively, many social psychologists describe power as a psychological variable, referring to the individual’s subjective sense of feeling powerful or powerless in a relationship (Rucker et al., 2014, Anderson et al., 2012). Viewing power as a psychological variable enables us to distinguish between the motives behind, and behavioral consequences of, use of power in different relationships. Since this conceptual paper explores the antecedents and consequences of consumer power at the level of the individual, consumer power is adapted as a psychological variable. Hence, the perception of consumer power rather than the exercised or actual power of the consumer is identified and analyzed. As mentioned, the existence of power within a social relationship represents an ongoing negotiation, as any actual, exercised power is dependent on the

degree of resistance provided by the other party (Barbalet, 1985). Here, the focus is only on the perception of power experienced by an agent (the consumer) within a social relationship. This subjective sense of power is a relationship-specific construct and should not be analyzed across different types of relationships (Anderson et al., 2012). Undoubtedly, consumers may perceive the sense of power in various kinds of relationships, such as consumer-consumer or consumer-firm relationships, for example. In the present research, the focus is on the perception of consumer power in consumer-firm relationships. Indeed, this choice allows us to analyze better and understand the empowering mechanisms.

#### **1.4. Consumer Power**

Traditional views on consumer empowerment see power as transmitted from firms to consumers. However, according to more recent theories of power that emphasize on the constant negotiation of power and resistance in a relationship, this traditional view (e.g., consumer sovereignty model) has been challenged (Denegri-Knott et al., 2006).

Accordingly, recent studies in marketing use more current paradigms such as the cultural power (De Certeau, 1984) and the discursive models (Rose, 1996). These models emphasize the interplay between consumer resistance and the power of marketing (Shankar et al., 2006, Holt, 2002, Penaloza and Price, 1993, Denegri-Knott et al., 2006). These authors believe that consumers use a variety of tactics to resist the power exercised by marketers. For example, consumers may use reflective tactics to gather objective knowledge, (Ozanne and Murray, 1995) or creative tactics, such as voicing their experience (Firat and Venkatesh, 1995). These tactics help consumers to counteract the effects of powerful marketing strategies such as personalized and mass advertising, yield management, or variable pricing. Resistance tactics may lead to fundamental changes, like alterations in the marketing mix, or structural changes such as broader social and economic transformations (Herrmann, 1993). Consumer resistance tactics endow consumers with a sense of power (Kucuk, 2012). These creative and reflective tactics have improved (Labrecque et al., 2013), implying a phenomenon of evolving consumer empowerment mechanisms. In

parallel with these resistance tactics, firms are now pursuing strategies for increasing consumer power. The goal of this research is to identify and better clarify the mechanisms leading to improvement in both the resistance tactics and empowerment strategies.

### **1.5. Perceived consumer power**

In the marketing literature, consumer power in today's markets has been characterized by various states specific to different consumer contexts. Empowered consumers are described as those who are free from the influence of marketers (Powers et al., 2012); those who can make informed and independent purchases (Niininen et al., 2007). Those who can avoid pushy marketers (Urban, 2004) and make practical choices or exit if they are not interested (Kucuk, 2012, Herrmann, 1993, Harrison et al., 2006). They are able to design their product through customization (Pires et al., 2006), or can offer the price they are willing to pay (Rezabakhsh et al., 2006). Additionally, empowered consumers are also depicted as those who can make changes to existing services (Harrison et al., 2006) and co-create value (Karpen et al., 2015). They are introduced as those who change brand meanings through online communities and interactions with other consumers (Cova and Pace, 2006), punish irresponsible corporate behavior (Mainwaring, 2011, Kucuk and Krishnamurthy, 2007), make or even break a brand (Mainwaring, 2011). Furthermore, they can campaign publicly against harmful and unethical corporate practices (Mainwaring, 2011). These situations illustrate the breadth and variety of consumer empowerment mechanisms. The marketing literature has identified and described these mechanisms intensively. However, the effects of exercising these mechanisms, regarding subjective consumer experience has yet to be explored. Such an analysis requires that we first classify perceived consumer power in various marketing contexts.

Few studies have conceptualized perceived consumer power. These studies are typically limited to specific contexts, each ascribing a different meaning to power perception. For example, Brill (1992) defines customer power as the customer's perception of resistance to and influence over salespersons. Brill characterizes customer power as a general personality trait. Looking customer

power as a personality trait challenges the dynamic and relational nature of power. Brill states that customer power has two aspects – resistance and influence – but does not elaborate on these concepts. Also, Grégoire et al. (2010) define customer power as a uni-dimensional construct, stating that power is a client’s perceived ability to influence a firm when communicating directly with the firm. This definition refers solely to customer influence over the firm and does not encompass the resistance aspect mentioned by Brill.

From these examples, we see that consumer power can be conceptualized as various states, related to different situations in the marketplace. Overbeck and Park (2001) distinguish between two primary states of power experienced by an individual: personal power and social power. Barbalet (1985) takes a similar view, saying that power is the capacity to get things done (implying personal power) or to get others to do them (meaning social power).

We integrate these two approaches to classifying perceived consumer power within consumer-to-firm relationships: consumer’s perception of personal power and consumer’s perception of social power over the firm.

#### **1.5.1. Consumer’s perception of personal power**

Personal power is defined as the ability to ignore the influence of others and control one’s outcomes independently (van Dijke and Poppe, 2006, Overbeck and Park, 2001, Lammers et al., 2009), implying the ability to act as agency and independence. To analyze feelings of personal power in the consumer-to-firm relationship, we define perceived personal consumer power as the extent to which a consumer feels about being able to ignore a firm’s persuasive efforts and to control the final decision independently, to fulfill own needs. Therefore, the consumer’s perceived ability to customize own product (Pires et al., 2006) and the perceived ability to offer the price (Rezabakhsh et al., 2006) imply the consumer’s perception of personal power.

#### **1.5.2. Consumer’s perception of social power**

Social power has been referred to as an individual’s ability to influence others despite their resistance (van Dijke and Poppe, 2006, Overbeck and Park, 2001, Lammers et al., 2009).

Anderson et al. (2012) included influence over the other party in their scale for measuring individual sense of power. The situations, in which a consumer may feel the social power, may refer to the opportunities to change the existing service (Harrison et al., 2006). It may apply to change the brand meaning through contribution in online communities (Cova and Pace, 2006), and to influence the firm through complaints to consumer protection agencies (Kucuk and Krishnamurthy, 2007). In this research, we define perceived social power over firms as the extent to which a consumer perceives about being able to influence the decisions, responses, and actions of firms.

In summary, we identify two states of consumer power. These are personal power and social power over firms. These two states of power are not mutually independent. A consumer may perceive any or both states of power depending on the situation. Having identified the two states of consumer power, we now turn to the question of how consumer empowerment manifests.

#### **1.6. Empowerment**

Empowerment occurs when an individual's power is increased (Swift and Levin, 1987). This process is defined as the mechanisms through which people with less or no power gain more control in their lives (Christens et al., 2011). Such empowerment mechanisms might be the democratic participation of an individual in social communities (Christens et al., 2011), the collaboration between patient and physician in a health encounter (Ouschan et al., 2006), or employees' participation in organizational decision-making (Spreitzer et al., 1997). The empowerment process ends with the individual's subjective feeling of being powerful (Zimmerman and Rappaport, 1988, Zimmerman, 1995). This subjective sense may be specified as perceived control, competence, volition, impact, etc. (Spreitzer et al., 1997, Ouschan et al., 2006, Christens et al., 2011).

Therefore, we define the consumer empowerment process as the set of mechanisms through which a consumer gains the control required to satisfy her needs. This consumer empowerment process leads to the subjective feeling of consumer power. The mechanisms involved include both

reflective (e.g., exiting the market, switching the brand) and creative (e.g., voicing own experience) tactics exercised by consumers as well as consumer empowering strategies exercised by firms. In the next section, we propose a conceptual framework, clarifying consumer empowerment through the integration of different perspectives on empowerment taken from the field of marketing and other disciplines.

### **1.7. Consumer empowerment framework**

Today, in a consumer-firm relationship, consumers have access to many resources (Labrecque et al., 2013, Kucuk, 2012) which they can exploit to improve their ability to resist the power of firms or influence the marketplace. For example, consumers can report their complaints to consumer support agencies (e.g., Consumeraffairs.com). When they file a claim against the firm, many more consumers will see the claim and the firm has to address it publicly. In another example, consumers are able to customize a bracelet in a Pandora store and see their final self-made product before purchase. These empowerment mechanisms are recognized in the marketing literature (e.g., Fuchs et al., 2010). However, the matter of who creates these mechanisms and how they are improved is not clear. To answer these questions a micro perspective, focusing on the behavior of the consumer (Merlo et al., 2004) with an interactional perspective, focusing on simple processes of interaction between consumers and the market entities (Grønmo and Ölander, 1991) have been taken.

We propose a consumer empowerment framework composed of four components: market-related sources, required resources, power perceptions, and consequences. The market-related sources comprising the first component are the entities that provide consumers with the resources that enable them to resist against marketers' power strategies or allow them to influence the marketers' decision-making. There are three primary market-related sources: firms, other consumers, and third-party organizations. These various sources provide and improve on different mechanisms of consumer empowerment. The second component is composed of required resources: consumer knowledge (Newholm et al., 2006), consumer choice (Harrison et al., 2006), and consumer voice

(Kucuk and Krishnamurthy, 2007, Fuchs et al., 2010, Cova and Pace, 2006). The third component refers to consumer power perceptions - the consumer's subjective sense of power and the outcome of the consumer empowerment process. As discussed earlier, there are two different states of consumer's perception of power: personal power and social power over firms. The last component of the framework refers to the consequences of consumer power perceptions. Consumer satisfaction and positive emotions are the major consequences of the consumer's perception of power. Finally, we suggest that information technology facilitates and accelerates the empowerment process since it has repeatedly been identified as a consumer empowering tool (Rezabakhsh et al., 2006, Kucuk and Krishnamurthy, 2007, Kucuk, 2009). Figure 1 illustrates the conceptual framework of consumer empowerment. The remainder of the paper elaborates on each component of the consumer empowerment framework.

### **1.8. Market-related sources**

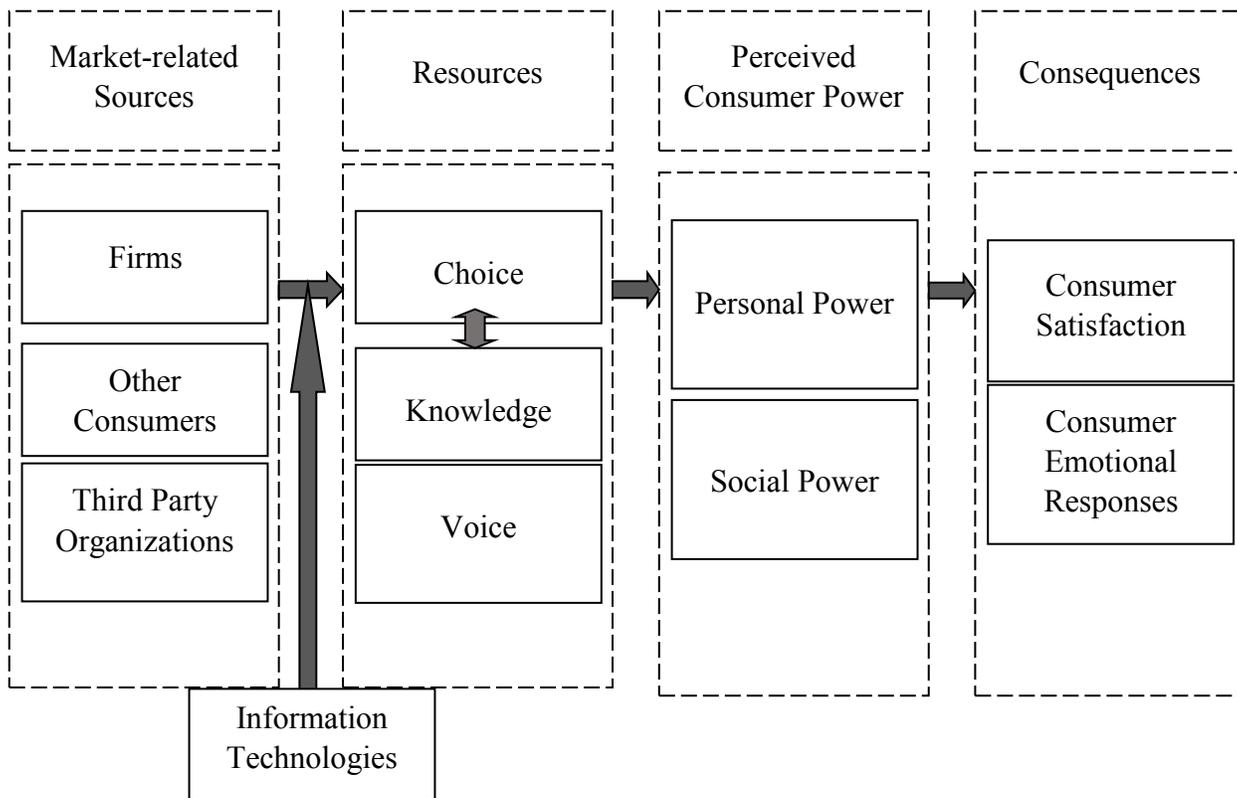
As previously mentioned, we identify three entities that help consumers to counteract the power of marketers and/or to influence marketer's decisions: firms, other consumers, and third-party organizations. Since these market-based entities provide and improve on the consumer empowerment mechanisms, we label them market-related sources of consumer power. Each of these sources provides resources required to develop consumer power.

#### **1.8.1. Firms**

A firm is in the market to fulfill specific needs and perform marketing activities to inform and persuade consumers to purchase its products and services. These activities include strategies and tactics such as segmentation, pricing, distribution, promotion, and advertising. All of these marketing activities contribute to establishing a firm's power over consumers (Penaloza and Price, 1993, Holt, 2002). Consumers respond to these persuasion efforts differently in different contexts (Penaloza and Price, 1993, Holt, 2002). For example, in a monopolistic market, consumers will accept a firm's offering because it is the only source of supply in the market. Therefore, consumers are unable to ignore the firm's power or even resist it. This inability to resist implies a lack of

perceived personal power for consumers, in the relationship between consumer and the firm. In contrast to monopolistic markets, consumers perceive higher levels of power in competitive markets (Wright et al., 2006, Shankar et al., 2006) because they can choose to select certain providers over others. When firms compete to persuade consumers to purchase their products and services, more information is available to consumers and consumers have access to more and usually superior options (Newholm et al., 2006, Shaw et al., 2006, Moynagh, 2002). In this context, consumers are able to make free and informed choices. They compare the available options and select the one that best matches their needs. Thus, competition among firms provides more choice and information for consumers, which enables them to experience resistance to the persuasion efforts exercised by firms and to control their decision-making independently, at least, to some extent (Wright et al., 2006, Shaw et al., 2006).

Figure 1 : Consumer Empowerment Framework



Interestingly, certain marketing strategies do empower consumers (Reis et al., 2002, Fuchs et al., 2010). A consumer-centric strategy such as customization is one such example (Reis et al., 2002,

Pranić and Roehl, 2012b, Moynagh, 2002, Fuchs et al., 2010). In customization, the firm manufactures the product according to the particular needs of each customer (Moynagh, 2002). Therefore, customization provides the opportunity for consumers to voice their preferences. Previous studies suggest that consumers devote higher value to the products that they designed themselves than to the professionally designed products (Franke et al., 2010). This value allocation comes from the feeling of accomplishment and preference fit of the final product (Franke et al., 2010). When consumers customize a product, they have a stronger sense of accomplishment, control, autonomy, and psychological ownership about the product than when they choose from among the “off the shelf” options (Franke et al., 2010). Araujo Pacheco et al. (2013), in a study investigating the consequences of co-production, found that the higher the consumers’ participation in a production setting, the higher their feeling of control and influence over the final product. Thus, consumers feel the personal power and to some extent, the social power over the firm's activities (Niininen et al., 2007, Fuchs et al., 2010).

Price fixation mechanisms such as negotiation, auctions, reverse auctions and pay-as-you-wish are other examples of empowerment opportunities offered by firms (Bertini and Koenigsberg, 2014). Similar to customization, these mechanisms allow consumers to resist against the existing price offers in the market and to have some influence over an element of the firm’s marketing mix. By allowing consumer participation in price setting, the firm gives consumers the opportunity to influence pricing or to determine the price they are willing to pay and thereby, the opportunity to communicate their price preferences (Bertini and Koenigsberg, 2014).

Other empowerment opportunities offered by firms are consumer collaboration on new product development (Füller et al., 2009, Fuchs et al., 2010) and customer value co-creation (Karpen et al., 2015). Here, firms invite consumers to express their opinions and preferences regarding what should be produced and launched in the market. Fuchs et al. (2010) show empirical support for the proposition that consumers who participate in new product development have stronger perceptions of their influence over firms, implying an increase in perceived social power. Finally,

customer service can also be seen as an empowerment strategy. Here, a firm gives consumers the opportunity to state their opinions, make specific requests, or voice complaints. When customer service provides positive feedback (i.e., solves a problem), customers feel that they have influence over the firm, implying a sense of social power.

### **1.8.2. Other consumers**

Other consumers constitute another important source of consumer power (Christodoulides et al., 2012, Harrison et al., 2006, Wathieu et al., 2002). Here, other consumers refer to the potential or actual consumers of products and services. This group promotes and increases consumer power in two different ways: by expressing their consumption experiences and by learning from other consumers' consumption experiences (Labrecque et al., 2013). Consumers who express their experience of a product provide a source of information for prospective buyers interested in purchasing the product (Kucuk and Krishnamurthy, 2007, Wathieu et al., 2002). Other consumers' experiences increase the general consumer knowledge base and awareness of the product. This knowledge does not derive from the firm; it comes from those who bought and used the product. Other consumers' opinions may affect the consumer decision-making process, for example, by influencing product evaluation and product selection (Burnkrant and Cousineau, 1975, Chevalier and Mayzlin, 2006, Senecal, 2009). Thus, consumers can distinguish the true functional advantages of a product from the marketers' deceptions (Ozanne and Murray, 1995, Holt, 2002). By taking others' opinions into account, the consumer can make decisions that are less dependent on the firms' persuasion messages (Wright et al., 2006), implying the ability to ignore marketing efforts and to make the final decision independently from the firm, - thus increasing consumer's perception of personal power.

The second way is when other consumers are listening to the consumer's experiences. The consumer shares own experiences to change or make an impact on other consumers' decisions or to change and make an impact on the firm (e.g. praise or take revenge). When the consumer perceives the ability to change other consumers' decisions or behaviors, she feels a sense of

influence about fellow consumers. Prospective buyers have access to previous buyers' experiences. Thus, a consumer can share a product evaluation, which may change other consumers' responses to the marketers' efforts (Burnkrant and Cousineau, 1975, Chevalier and Mayzlin, 2006, Senecal, 2009, Gu and Ye, 2014, Kozinets, 1999, Boyd et al., 2014). This influence over other consumers can have an impact on firms' sales and decisions (Chevalier and Mayzlin, 2006, Gu and Ye, 2014), amounting to social power over the firm.

### **1.8.3. Third-party organizations**

These organizations may be governmental, such as the Federal Trade Commission, or independent such as Consumer Affairs. They spread out information about firms and consumer rights, follow up business malfunctions and give voice to consumers (Day and Aaker, 1970, Delgadillo, 2013, Nardo et al., 2011, Wahlen and Huttunen, 2012, Grønmo and Ölander, 1991). They represent independent sources of information for consumers). Information provided by these organizations increases consumer knowledge and facilitates improved consumer decision-making. Additionally, they may have the power to force firms to comply with consumer protection laws. In some cases, they have the authority to stop firms from engaging in illegal and irresponsible business activities (Delgadillo, 2013). Also, these organizations serve to amplify the consumer voice, which is then more likely to be heard by firms and other consumers. For example, websites like Epinions.com provide a forum for consumers to share easily their experiences while organizations like Consumer Affairs and Better Business Bureau allow consumers to file complaints in response to irresponsible or illegal business practices. These third parties help to address consumer dissatisfaction through different resistance mechanisms such as lobbying, boycotting, and following up on consumers' complaints (Herrmann, 1993, Penaloza and Price, 1993).

## **1.9. Required resources**

In this section, we highlight the different individual resources: consumer knowledge, consumer choice, and consumer's voice. To feel socially and personally powerful, a consumer requires any or a combination of these three capabilities. Research in other disciplines suggests that access to

the necessary resources or capabilities for performing a task generates the perception of empowerment. For example, prior research in human resources management demonstrates that the possession of more resources - such as funds, material, space, and time - empowers employees (Spreitzer, 1995a, Spreitzer, 1995b).

### **1.9.1. Consumer knowledge**

Consumer knowledge refers to the consumer's awareness and understanding of a particular product/service category (Flynn and Goldsmith, 1999). This definition encompasses both information possession and the ability to control the flow of information, which is an important driver of perceived personal power (Davies and Elliott, 2006, Kucuk and Krishnamurthy, 2007, Newholm et al., 2006, Pires et al., 2006, Rezaabakhsh et al., 2006). Other disciplines frequently underline awareness and understanding as important factors in empowerment. For example, employee access to more accurate information in an organization increases empowerment perception, including such aspects as perceived competence (Spreitzer, 1995a) and perceived impact (Spreitzer, 1995a). Informed employees believe more firmly in their capability to perform work tasks and experience more control over their work role. Moreover, informed and knowledgeable patients, who understand their illnesses, causes, and care, have greater control over their treatment process (Fawcett et al., 1994, Funnell et al., 1991, Kosciulek and Merz, 2001). Pre-knowledge on performing a task will result in the feeling of more control over the outcome (Wortman, 1975). Clearly, knowledge and understanding are essential to an individual's sense of control over a situation.

Therefore, accessing to information about a product and the ability to analyze it increase consumer knowledge of what is available and what potential hazards and benefits are involved (Nardo et al., 2011). This awareness enables consumers to ignore and resist those options they do not want and to select those they do; they can make choices that are more informed and will feel they have more control over decision-making independent of the firm (Newholm et al., 2006, Wathieu et al., 2002). Holt (2002) suggests that consumers resist the power of marketing through information

gathering to separate the utilitarian advantages from marketers' persuasion efforts. Therefore, consumer knowledge increases consumer feeling of personal power. Both the quantity and quality (e.g., accuracy and organization) of the information, combined with the capability for analysis are important in consumer decision-making (Ariely, 2000, Bettman et al., 1991, Eppler and Mengis, 2008).

While a lack of adequate information decreases consumer control (Wortman, 1975), a surplus of information can result in the sensation of loss of control. It is to say that a larger volume of information requires a greater capability for processing and analysis (Aljukhadar et al., 2012, Ariely, 2000, West et al., 1999). Thus, either too much or too little information can diminish the consumer's perception of power. When there is too much available information, information technologies can be used to augment consumer ability to process and analyze the information (Eppler and Mengis, 2008). The role and impact of information technologies on consumer knowledge are explained later.

### **1.9.2. Consumer choice**

Consumer choice is recognized as the ability to choose among alternatives within a particular product/service category (Chang, 2008, Hui and Bateson, 1991). When a consumer is making a decision, she aims to solve a problem. She typically considers various alternatives, analyzes them, and selects the option that best matches her needs. Marketing research suggests that choice is a requirement for feeling empowered (Chang, 2008, Hui and Bateson, 1991). For example, availability of various health service options and service providers is recognized as a requirement for patient empowerment (Kosciulek and Merz, 2001). If patients have access to more rather than fewer options for health centers and health service providers, they experience a greater feeling of control over the treatment process. Previous studies provide empirical support for the hypothesis that choice increases consumer perceptions of control and dominance over the decision-making process (Chang, 2008, Hui and Bateson, 1991).

Similarly, to the situation with information quantity, having more options does not guarantee to gain a greater sense of control (Iyengar and Lepper, 2000). Too many options may cause confusion and render decision-making more difficult (Iyengar and Lepper, 2000, Shankar et al., 2006). Having more options also requires more processing (Aljukhadar et al., 2012, Bettman et al., 1998). Limitations in ability to evaluate all the options (Bettman et al., 1998) and feelings of regret when a consumer must choose one option and ignore others are impediments to consumer power (Wathieu et al., 2002). Therefore, a greater number of product/service options must be accompanied by the ability to analyze effectively and process product information for consumers to experience the increase in feelings of personal power that comes with more product options. Again, information technologies may address this problem by improving consumer ability to process and analyze information (Eppler and Mengis, 2008).

### **1.9.3. Consumer voice**

Individual voice has long been recognized as a resource related to empowerment. For example, employees' cooperation and participation in organizational decision-making are accompanied by an enhanced sense of dominance over and responsibility for work task (Spreitzer, 1995a). Also, patients' involvement in medical consultations increases their responsibility for and influence over the final service outcome (Ouschan et al., 2006). Moreover, when individuals voice their opinions and listen to others in a social community, they are taking advantage of the mutual help and support, which increases their psychological empowerment (Peterson et al., 2005, Speer et al., 2001).

We define consumer voice as an actual expression of ideas and opinions with an intent of changing or improving a condition. It refers to types of behaviors, which are cooperative and communication-based (Thomas et al., 2010). The effect of voice, at least, to some extent, depends on how the voice is responded by the receiver (Bashshur and Oc, 2014). The literature on human resource management supports that the effect of voice on behavioral outcomes (e.g. commitment, fairness judgment and satisfaction) would be stronger when the concept of change actually occurs.

It is to say that consumer's voice is more effective when the consumer improves or changes a behavior of the receiver. It only happens whenever the other party listens to and accepts her input. Increasing transferred information, and the strength of the tie between the parties increases the adoption and persuasion effect (Weenig and Midden, 1991). Additionally, the larger the number of listeners involved in, the greater the probability of consumer influence (Trusov et al., 2010). Hence, the number of involved individuals, the amount of transferred information exchange, and the level of acceptance are all factors that influence consumer perceptions of social power (Boyd et al., 2014, Trusov et al., 2010, Weenig and Midden, 1991).

When a firm gives a consumer the opportunity to communicate her preferences and involves her in the product development process, the consumer enjoys a greater sense of responsibility for and influence over the final product and the firm's decisions (Fuchs et al., 2010). Previous studies support the hypothesis that consumer participation in service specification and production increases both the perception of control over the service outcome (Dantas and Carrillat, 2013, Van Raaij and Pruyn, 1998) and the perception of influence over the service provider (Menon and Bansal, 2007). Some marketing strategies support this hypothesis (e.g. interactive pricing (Priceline), customization (Pandora), consumer collaboration in new product development (Threadless) and consumer value co-creation (Lego) (Karpen et al., 2015))

When a consumer uses a third party organization to communicate requests or complaints against a firm, the efficacy of this voice depends on such factors as consumer protection laws, firms' customer service strategies, and third party supporting strategies (e.g., lobbying, boycotting). Thus, opportunities for consumers to communicate with firms and third parties can increase consumers' perceptions of social power. When a consumer perceives that the firm is likely to comply with her request, her perception of social power over the firm is higher.

Also, consumer practices of shared experiences may help or harm a firm. As an example, traditionally, the creation of brand meaning is an activity that is under the control of firms. however, Cova and Pace (2006) provide empirical support for the proposition that consumer

expression of experiences in a brand community creates new brand meaning. Thus, the consumer can influence the firm by expressing her opinion to other consumers, implying consumer social power, as those views could either strengthen or weaken a firm's brand. For example, in his YouTube video "United breaks guitars" Dave Carroll retaliated for the airline's negligence by communicating his experience to billions of consumers (Bernof and Schadler, 2010).

#### **1.10. Information technology**

Research suggests that the presence of information technologies influence the consumer empowerment process (Berthon et al., 2000, Harrison et al., 2006, Hunter and Garnefeld, 2008, Kucuk and Krishnamurthy, 2007, Newholm et al., 2006, Pires et al., 2006, Shipman, 2001, Urban, 2004, Wathieu et al., 2002). By Information technologies (IT), we refer to the presence of a range of tools that assist market-related sources in providing and improving the resources required by consumers. These technologies improve consumer access to information, improve ability to evaluate and analyze options and provide means by which to filter and manage options. Also, they promote amplification of consumer's voice as measured by some listeners and amount of information exchange. It is a misconception that information technology represents a source of power in itself: the real sources are the market-related entities that provide the required resources (choice, voice, and knowledge) to consumers, with information technology being a tool that facilitates accessibility of these resources to consumers. Market-related entities use IT to provide consumers with easier and faster access to the required resources.

Firms use different technologies to support consumer knowledge and choice. Search engines (e.g. Google), mobile applications (e.g. Yelp), shopping comparison systems (e.g. ShopSavvy), virtual assistants (e.g. Anna in IKEA websites), and retail websites (e.g. Amazon) are among these (Aggarwal and Vaidyanathan, 2003, Broniarczyk and Griffin, 2014, Harrison et al., 2006, Newholm et al., 2006). These technologies serve to increase information ubiquity and consumers' access to options (Pires et al., 2006). Also, they ease filtering and evaluation of options (Senecal, 2009). Thus, processing vast amounts of information becomes easier by reducing search costs

including time and effort (Bakos, 1997). Some firms go further by using online forums (e.g., TechForum used by Futureshop), social networks (e.g., Facebook and Twitter), product design software (e.g., MC Toolkit used by Dell) and online chat services to communicate better with consumers. These tools enable consumers to communicate more quickly and directly with the firm and other consumers to share experiences, make suggestions, solve problems, and file requests or complaints. As a result, they serve to amplify consumer's voice.

Some third-party organizations rely on the Internet (e.g., Consumersaffairs.com and Tripadvisor.com) for service administration. For example, Consumeraffairs.com provides a venue for consumers to share their consumption experiences with firms. These information exchanges reach the target firms and other consumers quickly. Simultaneously, these third party websites are an independent source of information that disseminates consumers' experiences (Kucuk and Krishnamurthy, 2007, van Noort and Willemsen, 2012, Wathieu et al., 2002, Wright et al., 2006). Some third party organizations use technology to increase the range and speed of consumer access to information and products. For instance, Internet-based firms such as Comparethemarket.com and Moneysupermarket.com enable consumers to access many service providers in finance, telecom, travel, grocery, and home and furniture sectors all at once and in just a few seconds. Other search engines such as Kayak.com help consumers access a large assortment of flight or hotel options, which can be filtered, based on individual preferences. Finally, consumers may access social networks, online communities, third parties' and firms' websites to read and voice their experiences to other consumers (e.g., Facebook, YouTube, Ihatestarbucks.com, Amazon.com).

### **1.11. Consequences**

Research indicates that sense of personal power has significant effects on emotions and behaviors (Rucker et al., 2012, Rucker et al., 2014). We identify two main consequences of consumer power perception: positive emotional responses and product/service satisfaction.

### **1.11.1. Emotional responses**

Consumer emotional responses represent a range of emotions that come from consumers' experiences in the market, which include consumption experience, service, and product usage (Maute and Dube, 1999, Westbrook and Oliver, 1991). Emotional responses include both positive emotions (e.g., joy and excitement) and negative emotions (e.g., hostility and anger) (Richins, 1997) in response to different aspects of the consumer experience.

Several studies in social psychology support the theory of the effect of power on emotional responses (Anderson and Berdahl, 2002, Keltner et al., 2003). An increased feeling of power enhances the subjective experience of positive emotions such as amusement, desire, enthusiasm, happiness, and love. However, decreased power intensifies the subjective experience of negative emotions such as embarrassment, fear, guilt, sadness, and shame (Anderson and Berdahl, 2002, Keltner et al., 2003). Consistent with research in psychology, Menon and Bansal (2007) found that in a service encounter, consumer's feeling of social power enhances the experience of positive emotions while the lack of social power increases the experience of negative emotions. Similarly, Fuchs et al. (2010) suggest that consumer's impact on a firm, deriving from consumer collaboration on a new product development, engenders a heightened sense of enjoyment and fun in relation to product use. Also, some studies demonstrate that consumer control and certainty over a service encounter enhances consumer experience of positive emotions (Hui and Bateson, 1991, Hui and Toffoli, 2002, Pranić and Roehl, 2012b). In summary, these studies support the contention that the empowered consumer experiences more positive emotions than the negative emotions about the service or product.

### **1.11.2. Consumer satisfaction**

The feeling of satisfaction arises from judgement on the degree of need fulfillment (Westbrook and Oliver, 1991). Consumer satisfaction stems from the congruency between the consumer expectation and the real quality perception (Oliver, 1980). An empowered individual feels more satisfied with her completed tasks. For example, when an employee feels empowered in her work,

her job satisfaction is higher (Eylon and Bamberger, 2000, Liden et al., 2000, Spreitzer et al., 1997, Thomas and Velthouse, 1990, Wilkinson, 1998).

Marketing research indicates that consumer perceptions of greater control and influence over a task increase consumer feelings of satisfaction with both the task (e.g. Araujo Pacheco et al., 2013) and the outcome (e.g. Chang, 2008, Hunter and Garnefeld, 2008). When a consumer feels that she has influence over a firm to produce the desired outcome, or when she feels able to control an outcome independently, she feels more satisfied with both the process and the outcome (Van Raaij and Pruyn 1998, Menon and Bansal 2007, Pranić and Roehl 2012). More control and influence over the outcome provoke greater congruency between the consumer expectation and the outcome (Van Raaij and Pruyn 1998). In turn, this congruency increases consumer satisfaction. Therefore, we suggest that when a consumer experiences greater control and influence in doing a task, she feels that the outcome of the task is closer to her expectations, so she feels more satisfied. For example, when a consumer bids on a price for a product and wins, she feels the more personal power and social power over the firms. Because her offer (her expected price) is what she pays, she also feels more satisfied. Also, when a consumer has more control over a process (e.g., decision-making, sharing) she feels more confident about it, and she finds it more enjoyable (Menon and Bansal 2007). Therefore, she feels more satisfied with the process, but not necessarily with the firm.

### **1.12. Discussion**

Although the marketing literature acknowledges the existence of the consumer empowerment phenomenon, it has heretofore lacked a framework that clearly identifies the both the sources of consumer empowerment and their roles in this process. To date, the nature of perceived consumer power has not been clearly elucidated. Prior research identifies consumer resistance tactics against the power of firms (Holt, 2002, Penaloza and Price, 1993) within the consumer-marketer relationship. However, no research explored how these different tactics are continually being improved, nor what are the subjective outcomes for consumers engaged in this power relationship.

Moreover, recent studies investigating consumer empowerment were limited to separate specific contexts, such as consumer empowerment in service recovery (Pranić and Roehl 2012) and brand consumer empowerment (Boyd et al. 2014). Thus, the marketing literature lacks a conceptual model capable of describing and explaining the different consumer empowerment mechanisms. To address this gap, we performed an extensive literature review from which we established an integrated framework. This framework suggests that consumer empowerment is a process through which a consumer experiences a sense of control over her decision independent of marketers' persuasion efforts and/or through which she feels she can exert some influence firms' decisions during the decision-making process (e.g., information search, post-purchase). This framework clarifies the consumer empowerment process and, by doing so, contributes to the marketing literature as summarized below.

First, our proposed framework, developed from a real review of the literature and analysis of the combined concepts of empowerment, power, consumer power, and consumer empowerment, provides a sound base on which to ground a more detailed investigation into consumer empowerment. Second, our framework itemizes the empowerment processes leading to the perception of consumer power. Here, the key constructs of the consumer empowerment process are identified. Although power has been recognized as the central part of the empowerment process (McGregor, 2005, Menon and Bansal, 2007), to the best of our knowledge, no prior research has explicitly outlined the role of perceived consumer power as an outcome of the consumer empowerment process. Third, although the proposed consumer empowerment framework is general, it applies to a broad range of consumption situations and to various decision-making stages, as discussed in this paper. It explains pre-purchase empowerment situations such as when other consumers empower consumers during their information search. It can also contribute to the explanation of situations in which consumers make decisions about product attributes (as in product personalization) and post-purchase situations in which consumers communicate their consumption experiences to others (as in public complaints about a firm).

Fourth, this framework pinpoints information technology as an accelerator in the relationship between market-related sources and required resources. It is suggested that information technology is not a source of power per se, but rather a tool that consumers can use to access information efficiently or more accurately, to filter alternatives to find the one that best fulfills a need (Alba and Lynch, 1997). Thus, this framework clarifies the role of information technology in the consumer empowerment process. Finally, it explicitly illustrates the relationship between consumer power perceptions and emotional responses and satisfaction.

The proposed empowerment framework also has implications for firms. Although empowerment leads to positive outcomes for consumers, this consumer empowerment can lead to adverse outcomes for firms (e.g., United Airlines). Thus, this framework can help managers better understand the mechanisms behind the consumer empowerment process, which in turn can help them develop more effective strategies for dealing with consumer empowerment. For instance, in recent years marketing professionals have categorized their firm's media presence as either "paid" (through advertising), "owned" (through the firm's website), or "earned" (via word-of-mouth, expert opinions) (Stokes et al., 2011). Although earned media presence such as word-of-mouth has always existed, information technologies have helped propel this to the center stage of marketing concerns. Since earned media encompasses two of the three market-related sources proposed in the consumer empowerment framework (the third being the firm), its importance in the consumer empowerment process cannot be overlooked. Thus, a better understanding of these market-related sources and their potential consequences can assist managers in designing more effective marketing strategies.

### **1.13. Future research**

Research on consumer empowerment is in its early stages. Here, we outline a series of avenues for future studies in this area. First, our consumer empowerment framework pinpoints consumer power, taking a micro perspective and identifies consumer empowerment process, using an interactional approach. Undoubtedly, the dynamic nature of power relations implies the existence

of resistance tactics on the part of marketers as well. However, here, we only analyze perceived power from the consumer's perspective within the relationship. We encourage researchers to analyze actual and exercised consumer power in various relationships. Analysis of actual and exercised consumer power should be situation-specific.

Second, there is a notable lack of empirical studies in this area. Our classification of consumer power perceptions and the identification of the critical resources is a preliminary step in future empirical studies. Christens et al. (2011) suggest that adopting a micro perspective to study power and empowerment is a pre-requisite to measurement. This application becomes more important when we consider that an adequate scale of consumer power perceptions cannot be found in marketing literature. Existing measurement scales for consumer power and consumer empowerment have restricted application, being context-specific (Hunter and Garnefeld 2008, Pranić and Roehl 2012). A measurement scale to assess consumer power perception would assist in empirical testing on the effects of required resources and the consequences of consumer power. Therefore, we encourage research to develop a scale that covers the two states of consumer power perceptions. Development of a scale is a necessary preliminary step for performing empirical studies on this topic.

This framework should serve as the basis for future empirical studies. We encourage other researchers to contribute to this discussion through empirical testing of the effects of power perceptions on consumers' emotional responses. Third, prior research indicates purchase intention (Fuchs et al., 2010, Rucker et al., 2011), willingness to pay (Fuchs et al. 2010, Rucker et al. 2011), and psychological ownership (Pierce et al., 2001) as significant consequences of consumer's feeling of power. It would be interesting to analyze the impact of perceived consumer power on these important behavioral and perceptual consequences.

Fourth, previous research supports the concept that the stronger the consumer's sense of empowerment, the greater the likelihood of positive psychological outcomes such as satisfaction. Based on these findings, one could assume that firms should always seek to empower their

consumers. However, since no research has yet explored this issue, the hypothesis has yet to be tested. Fifth, in this research, we only consider the impact of those market-related factors, which improve consumer power perception. However, social psychologists suggest that sense of power is always influenced by socio-economic (e.g., job status, income) and personality traits (e.g., self-efficacy, locus of control, self-esteem). Consequently, further studies should explore the impact of these factors on the consumer empowerment process.

Finally, we wish to encourage further research to differentiate the effects of quality and quantity of the required resources on consumer power. What are the optimum amounts of information and options? How much information diffusion is required to engender increased consumer power perception? Which types of content produce perceptions of greater consumer social power? Answers to these questions would help to clarify how firms can manage consumer empowerment.

## **2. Second Essay-Consumer Power: Scale Development**

### **2.1. Abstract**

This article reports the development and validation of a parsimonious scale that measures the personal and social dimensions of consumer power. The consumer power scale includes twelve items, six of them refer to the personal dimension and six of them refer to the social dimension of consumer power. The authors conducted four studies to establish unidimensionality, reliability and validity of the two personal/social subscales. Nomological validity is established by exploring the mediation role of consumer power in a network of relationships among different constructs. Results suggest that the personal and social constructs are two distinct dimensions of consumer power and are reliably and validly measured by the two-dimensional scale of consumer power.

**Keywords:** Power, Consumer Power, Scale Development, Reliability, Validity

## **2.2. Introduction**

The increasing consumer power affects every business now, whether for those who are selling apparels or electronics or even if they are selling banking services. Today, Not only have consumers easily access many options, they also are able to find independent information surrounds every product quickly. However, it is not limited to just finding the best product. It may happen when they are negotiating on a car's price, bidding for a hotel room in Priceline, and engaging in new product development (e.g. designing an apparel in Threadless). Moreover, it happens either when empowered consumers help the company (e.g. Threadless) or when they harm the company (e.g. United Break Guitars). Therefore, marketing executives and scholars draw attention to the fact that consumers now possess more power than ever before and they introduce it as a critical research topic in marketing (Labrecque, vor dem Esche, Mathwick, Novak, & Hofacker, 2013). Further to the growing nature of consumer power, generally power is an influential factor on an individual's behavioral responses (Anderson, John, & Keltner, 2012; Galinsky, Magee, Inesi, & Gruenfeld, 2006; Rucker, Hu, & Galinsky, 2014). In spite of the importance of the topic, the concept of consumer power has been barely clarified and measured. To date, the available measurement scales suffer from three serious shortcomings. First, the proposed scales have been defined in specific situations and have very restricted applications (Brill, 1992; Pranić & Roehl, 2012a). For example, Brill (1992) measures customer power as a general trait in the relationship between a customer and a salesperson. He defined two dimensions of power called influence and resistance. However, this view could be challenged since power is a contextual and dynamic concept and it varies according to the relationship that an individual is involved in (Barbalet, 1985). Second, there is inconsistency regarding the dimensionality of the concept. For example, Brill (1992) defined customer power as the customer's perception of resistance to and influence over salespersons. However, Grégoire, Laufer, and Tripp (2010) defined customer power as a uni-dimensional construct, stating that power is a client's perceived ability to influence a firm when communicating directly with the firm. This definition refers solely

to customer influence over the firm and does not encompass the resistance aspect mentioned by Brill. Third, the existing scales have not been developed and validated using a comprehensive scale development process (Deloitte, 2011; Grégoire et al., 2010; Hunter & Garnefeld, 2008). For example, Pranić and Roehl (2012a) developed a three-dimensional scale of consumer empowerment in a service recovery context. Their scale includes information, competence, and influence as dimensions. Two of these dimensions are the drivers of power rather than being a manifestation of power (as they named it consumer empowerment scale). Also, some scales suffers from poor psychometric properties (e.g. item-to-total correlations in Brill's scale < .4).

The present article contributes to the marketing literature in two ways. First, to the best of our knowledge, it constitutes the first effort to clarify the concept of consumer power applicable to different consumer-firm interactions (e.g., customization, price negotiation, brand communities, etc.). Second, it proposes a reliable and valid measurement scale to assess consumer power, which is useful for both researchers and practitioners. Following accepted scale development procedure, we took a multi-step procedure to develop the consumer power scale (Churchill & Gilbert, 1979; Gerbing & Anderson, 1988; Zaichkowsky, 1985).

### **2.3. Domain Specification: Consumer Power**

We explored the domain of consumer power through two steps: reviewing the concept of power in psychology and sociology and then considering consumer empowering situations and analyzing their outcomes. We then adopt the categorization of power perception in psychology by van Dijke and Poppe (2006), which is compatible by consumer perception of power in today's consumer empowering situations. From this point of view, an individual may experience two different states of power depending on a situation: personal power and social power. Personal power has been defined as "the ability to ignore the influence of others, to control one's outcomes, and to be personally independent" (Lammers, Stoker, & Stapel, 2009, P. 1543). On the other hand, social power has been defined as "the ability of a person to influence others and make them do things they would not do otherwise" (Lammers et al., 2009, P.1543). Both of these definitions are

relational. Therefore, from this perspective, power should be defined in a relationship between at least two parties. For example, person A has power over person B, if either person A can resist the exercised influence of person B or/and person A can influence person B. Sociologists believe that exercised power of one party receives the resistance of the other party (Barbalet, 1985). Thus, it is hard to measure the exact and actual exercised power of a person since it depends on the resistance of the other party. Therefore, measuring the perception of power instead of the actual power seems more realistic from a measurement standpoint; indeed, it is helpful to explore its relationship with other emotional and behavioral responses (Anderson et al., 2012; Galinsky et al., 2006; Rucker et al., 2014).

Both personal and social power have been manifested in today's market. For example, a powerful consumer has been defined as the one who can exit a consumer-firm relationship (Harrison, Waite, & Hunter, 2006; Herrmann, 1993; Kucuk, 2012), avoid goods and services she does not want and to choose what she does want (Shipman, 2001). Therefore, a powerful consumer feels the ability to resist against and decline what she does not desire and feels control over what she does desire. The more ability to resist they feel, the more personally powerful they feel. For more illustration, customization and negotiation situations (Pires, Stanton, & Rita, 2006; Rezaabakhsh, Bornemann, Hansen, & Schrader, 2006) enable a customer to disregard the available product and price offers in the market and getting closer to their preferences and needs. In the present research, we define consumer's perception of personal power as the extent to which a consumer perceives being able to resist against and ignore firms' persuasion efforts and to have control over her final decision. Likewise, some situations suggest consumers' experience of social power. For instance, a consumer's ability to change the existing service (Harrison et al., 2006). A consumer's capacity to change the brand meaning through contribution in online communities (Cova & Pace, 2006), and to influence a firm by complaining to consumer protection agencies (Kucuk & Krishnamurthy, 2007). We define consumer's perception of social power over the firms as the

extent to which a consumer perceives being able to influence the decisions, responses, and actions of firms.

These two states of consumer power are distinct. A consumer can experience any of these components, simultaneously or not, to varying degrees in different situations. For example, in a pre-purchase situation, when a consumer is searching for the desired product, she might feel higher personal power and lower social power. In another situation where a consumer is allowed to negotiate the price or to customize a product, both personal power and social power over the firm may be high. However, in a complaining situation to a consumer protection agency, a consumer may experience greater social power over the firm, but lower personal power.

#### **2.4. Study One: Item Generation and Content Validity**

An initial pool of 51 items (34 for personal power (PP), 17 for social power (SP)) was generated. It included adapted items from existing scales and newly developed items. Ten marketing scholars were selected to judge the content validity of the scale. The adaptability of the related items with each dimension was checked (DeVellis, 2003). The definition of each dimension of consumer power was provided, and judges were asked to indicate how much each item represents each dimension of consumer power. They indicated their opinions from 1 (not at all representative); 2 (somewhat representative); to 3 (clearly represents the construct) (Zaichkowsky, 1985). The judges were also encouraged to write their comments and add further suggestions if they had any. The items that were indicated as not representative by at least one of the judges were dropped (Netemeyer, Burton, & Lichtenstein, 1995; Zaichkowsky, 1985). The study resulted in 19 deleted items (16 items for PP, 3 items for SP). As suggested by the judges, three new items were added, and five items were modified for the personal power dimension. As a result, 35 items (21 items for PP and 14 items for SP) were used for the second study.

#### **2.5. Study Two: Item Refinement**

The second study was designed to identify and eliminate the items with poor loadings on its intended dimension. As discussed, consumer power is situation-specific. Therefore, two different

situations were defined, and each dimension was measured in a given situation. So, two separate questionnaires were used for this study. Telecommunication services were selected since it is a common service that most people use and consumers are likely to contact the provider to complain, negotiate, or request a service. We used a scenario-based questionnaire to manipulate PP and SP (Li, Edwards, & Lee, 2002; Yi & Gong, 2013). Respondents were asked to remember a situation (Situation 1 (PP): Searching to purchase a telecommunication service, Situation 2 (SP): Contacting the telecommunication service provider to communicate their dissatisfaction and make a compensation request). Then, they were requested to provide details (at least 100 characters) on what they had experienced. Also, we added some open-ended questions to involve the respondents further and check for their attention. Remedies suggested by Podsakoff et al. (2003) were used to diminish the effect of common method variance. For instance, we ensured the anonymity of the respondents' profile to decrease the impact of social desirability (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). Also, we counterbalanced the item orders to avoid order bias (Podsakoff et al., 2003). Data collection was carried out using Amazon's Mechanical Turk service, which is a common platform as we are gauging consumers' attitudes (Goodman, Cryder, & Cheema, 2013). Some attention questions (e.g. If you are reading this phrase, please choose strongly disagree.) were added to the items to check the attention of the respondents. Finally, the respondents were restricted to answer only once to the survey.

A pre-test was carried out to test the content of the questionnaires from the respondents' point of view. To do so, we asked respondents to share their opinions and feedback about the questionnaires. A sample of 30 respondents (13 for PP, 17 for SP) completed the survey. We made minor modifications to the questionnaires and scenarios in order to improve their clarity and conciseness.

In the main study, 408 responses were received excluding those who failed either to answer the attention check questions correctly or to complete the questionnaire. In addition, the open-ended questions were analyzed, and 21(5%) of respondents were discarded (10 for PP, 11 for SP)

because they failed to answer the open-ended question or to recall a relevant situation. In total, 387 questionnaires were usable, including 208 responses for PP questionnaire and 179 responses for SP questionnaire. After reversing negative items, the overall mean of items for PP was 4.95 (SD= .87) and the mean of SP items was 4.02 (SD= 1.53) on a Likert-type scale ranging from 1 to 7.

We first examined corrected item-to-total correlations for each set of items representing a dimension of consumer power. Items that had corrected item-to-total correlations below .50 were deleted (Bearden, Netemeyer, & Teel, 1989; Yi & Gong, 2013; Zaichkowsky, 1985). These deletions were applied one by one and by considering the conceptual necessity of each item. Eventually, nine items from PP scale and three items from SP were dropped. A set of principal component exploratory factor analyzes were then carried out. The Kaiser-Meyer-Olkin estimates were .920 for PP and .927 for SP, which indicates that the distribution of values was adequate in order to use factor analysis (George & Mallery, 2008). Also, the Bartlett's Tests of Sphericity were significant ( $p < .05$ ) for both dimensions, which suggested multivariate normality of each dataset and indicated that each dataset differed significantly from the identity matrix (George & Mallery, 2008). Applying an iterative exploratory factor analysis, items with factor loadings below .60 and communalities below .30 were deleted (Kim, Laroche, & Tomiuk, 2001; Yi & Gong, 2013). Results indicated that all items for each dimension were loaded on one specific factor (Table 1). Therefore, ten items for PP and 11 items for SP were retained. Both factors indicated eigenvalues exceeding 1.0 (6.126 for PP; 6.854 for SP), more than 50% of variance extracted ( $VE_{PP} = 61.259$ ;  $VE_{SP} = 68.542$ ), and Cronbach alpha exceeding the .70 cut-off value recommended by Nunnally and Bernstein (1994) ( $\alpha_{PP} = .929$ ;  $\alpha_{SP} = .948$ ).

Table 1: Factor loadings in study two and study three

Consumer		Study 2	Study 3
Power	Items		
	I was able to pick and choose the options I wanted.	.749	.625
	Between me and the ... <sup>1</sup> , I was autonomous in my decision to purchase a ... <sup>2</sup>	.766	.683
	I could choose the best desired available option.	.768	.775
	<b>I was free to choose.<sup>3</sup></b>	<b>.851</b>	<b>.787</b>
<b>Personal</b>	<b>I felt independent of the ...s' offers in my decision to purchase a ....</b>	<b>.786</b>	<b>.777</b>
<b>Power</b>	<b>Between me and the ..., I had significant autonomy to choose what I wanted.</b>	<b>.832</b>	<b>.816</b>
<b>(PP)</b>	<b>I was completely free to make up my mind about the ...s' offers.</b>	<b>.802</b>	<b>.822</b>
	<b>Between me and the ..., I was the one who made the final decision to purchase a ....</b>	<b>.753</b>	<b>.753</b>
	I was able to judge the quality of the ... independent of the information provided by the ...s.	.707	.691
	<b>Between me and the ..., I had control over my decision.</b>	<b>.802</b>	<b>.840</b>
	<b>I influenced the ...'s behavior.</b>	<b>.842</b>	<b>.746</b>
	<b>I affected the ...'s response.</b>	<b>.824</b>	<b>.804</b>
<b>Social</b>	I got the ... to consider my interests.	.864	.726
<b>Power</b>	I convinced the ... to change its decision.	.740	.838
<b>(SP)</b>	<b>I convinced the ... to comply with my needs.</b>	<b>.850</b>	<b>.768</b>
	I got the ... to give me what I needed.	.856	.847
	<b>My opinion carried much weight with the ....</b>	<b>.847</b>	<b>.824</b>
	I got the ... to do what I wanted it to do.	.866	.778
	<b>I altered the ...'s response according to my needs.</b>	<b>.770</b>	<b>.805</b>
	<b>Overall, I felt I had power over the ....</b>	<b>.810</b>	<b>.876</b>

<sup>1</sup> In Study 2: "service provider" and in Study 3: "company".

<sup>2</sup> In Study 2: telecommunication service (e.g., phone, TV or broadband) and in Study 3: electronic products (e.g., TV, laptop, or desktop computer)

<sup>3</sup> Bold items are those remained in the final scale.

## **2.6. Study Three: Further Item Refinement, Convergent and Criterion Validity Verification**

The third study aimed to refine further the scales by using confirmatory factor analysis and by verifying composite reliability, criterion, convergent, and discriminant validity. A new dataset was collected through Amazon's Mechanical Turk service. Two new scenarios were designed (Situation 1 (PP): Shopping for an electronic product, Situation 2 (SP): Contacting the manufacturer and asking for a repair). Electronic products were selected first to increase the variability of the scenarios used in this research since these are tangible products rather than services (Study 2), and second because most consumers have and frequently use these products. Again, each dimension was measured separately. In the third study, we received 394 questionnaires excluding those who failed either to answer correctly the attention check questions or to complete the questionnaires. After reading all the open-ended questions, 43 (10%) responses (27 for PP, 16 for SP) were discarded as they failed to answer the open-ended question or to recall a relevant situation. In total, 351 responses were usable, including 179 responses for the PP questionnaire and 172 for the SP questionnaire. The sample was composed of respondents from USA (58.1% in PP and 59.9% in SP) and India (38.1% in PP and 37.8% in SP). Besides, the overall mean of items for PP was 5.94 (SD= 0.86), and the mean of SP items was 4.08 (SD= 1.54). First, a set of principal component exploratory factor analyzes was conducted. All items loaded as predicted and had acceptable extracted variance (above 50%), eigenvalues for the factors (above 1.0) and factor loadings (above .6). Then, a set of confirmatory factor analyzes was carried out by using IBM SPSS AMOS. The items with both large standardized residuals ( $> .25$ ), and lambdas below .6 (Nunnally & Bernstein, 1994) were deleted. Before deletion, the conceptual necessity of each item was considered. Therefore, five items for SP and four items for PP were deleted. The chi-square for personal power was 12.179 with 9 degrees of freedom (P-value  $> .05$ ), which indicated that data fit adequately to the hypothesized model. The chi-square for social

power was 17.186 with 9 degrees of freedom and P-value is slightly less than .05, which implied that data did not fit well the hypothesized model. So, for social power, we looked at the other suggested fit indices since chi-square is sensitive to sample size. The fit indices were all at the acceptable level (CMIN/df < 2, standardized root mean residuals (SRMR) < .05; goodness-of-fit (GFI) and comparative fit index (CFI) > .95; adjusted (AGFI) > .90; root mean square error of approximation (RMSEA) < .08) (Byrne, 2001). Moreover, the validity and reliability of the dimensions were assessed based on the recommendations by Fornell and Larcker (1981). The average variance extracted (AVE) for each dimension was greater than .50, suggesting convergent validity. All factor loadings also were higher than .6 and greater than twice their standard errors with p-values smaller than .05, again indicating convergent validity (Gerbing & Anderson, 1988). The reliability of each dimension was then assessed by calculating the composite reliability and Cronbach's alpha. Table 2 demonstrates the results of the confirmatory factor analysis and the reliability assessment.

Table 2: Study Three Confirmatory Factor Analyses

<b>Personal Power</b>	<b>Items</b>	<b>Factor loading N=179</b>
	I was free to choose.	.80
	I felt independent of the companies' offers in my decision to purchase (an electronic product).	.74
	Between me and the company, I had significant autonomy to choose what I wanted.	.75
	I was completely free to make up my mind about the companies' offers.	.82
	Between me and the company, I was the one who made the final decision to purchase (an electronic product).	.70
	Between me and the company, I had control over my decision.	.85

Mean (SD)										6.04
										(.92)
VE										66.88
$\alpha$										.899
Composite reliability										.902
	$\chi^2$	$d_f$	P- value	$\chi^2/d_f$	CFI	GFI	AGFI	RMSEA	SRMR	
	12.2	9	.230	1.353	.99	.98	.95	.045	.021	
<b>Social</b>										<b>Factor</b>
<b>Power</b>	<b>Items</b>									<b>loading</b>
										<b>N=172</b>
	I influenced the company's behaviour.									.86
	I affected the company's response.									.76
	I convinced the company to comply with my needs.									.76
	My opinion carried much weight with the company.									.81
	I altered the company's response according to my needs.									.76
	Overall, I felt I had power over the company.									.79
Mean (SD)										3.89
										(1.57)
VE										68.808
$\alpha$										.909
Composite reliability										.909
	$\chi^2$	$d_f$	P- value	$\chi^2/d_f$	CFI	GFI	AGFI	RMSEA	SRMR	
	17.2	9	.045	1.910	.98	.968	.925	.073	.026	

### **2.6.1. Convergent Validity**

Pearson correlations between our scales and the similar existing scales for consumer power and consumer empowerment were calculated to support further convergent validity (Flynn, Goldsmith, & Eastman, 1996). A one-dimensional consumer empowerment scale by Hunter et al. (2008), which is consistent with the general concept of power (includes both personal and social states) has been considered. Also, the influence dimension of consumer empowerment scale by Pranic et al. (2012) have been used as we believe Pranic et al. (2012) defined consumer empowerment as a consumer empowerment outcome and their items is consistent with social power. The results support the convergent validity. The Pearson correlation between the personal power dimension and consumer power metric proposed by Deloitte (2011) was .617 ( $P < .01$ ). It was .337 ( $P < .01$ ) between personal power and resistance (Brill, 1992) and it was .373 ( $P < .01$ ) between personal power and consumer empowerment (Hunter & Garnefeld, 2008). Also, the correlation was .860 ( $P < .01$ ) between social power dimension and the consumer power scale by Grégoire et al. (2010). The Pearson correlation between social power ( $P < .01$ ) with influence dimension of consumer empowerment scale by Pranić and Roehl (2012a) was .818; it was .415 ( $P < .01$ ) with influence dimension proposed by Brill (1992), and it was .844 ( $P < .01$ ) with consumer empowerment scale by Hunter and Garnefeld (2008). Since all the correlations were positive, significant, and above .3 (Table 3), it provided support for convergent validity (Walsh & Beatty, 2007). Also, following Fornell and Larcker (1981), the discriminant validity of each construct with the related dimension of consumer power was checked. The results suggest that the average of variance extracted for each pair (a dimension of consumer power and a related construct) was more than the square of the correlation between them. Therefore, the existing scales were discriminant from the proposed dimensions (see Table 3).

Table 3: Study Three Convergent and Discriminant Validity

	<b>Pearson</b>	<b>Discriminant</b>
<b>Personal Power</b>	<b>Correlation</b>	<b>validity<sup>4</sup></b>
Consumer Power Metric (Deloitte, 2011)	<b>.617**<sup>5</sup></b>	<b>.61 &gt; .38</b>
Consumer Empowerment (Hunter & Garnefeld, 2008)	<b>.373**</b>	<b>.66 &gt; .14</b>
Resistance (Brill, 1992)	<b>.337**</b>	<b>.65 &gt; .11</b>
<b>Social Power</b>		
Customer Power (Grégoire et al., 2010)	<b>.860**</b>	<b>.79 &gt; .74</b>
Consumer Empowerment (Hunter & Garnefeld, 2008)	<b>.844**</b>	<b>.79 &gt; .71</b>
Influence (Pranić & Roehl, 2012a)	<b>.818**</b>	<b>.75 &gt; .66</b>
Influence (Brill, 1992)	<b>.415**</b>	<b>.62 &gt; .17</b>

### 2.6.2. Criterion Validity

For this purpose, respondents were grouped in high (Mean + 1 SD) and low (Mean - 1 SD) power groups using some existing scales of consumer power and empowerment (e.g., consumer power metric, consumer empowerment outcome, customer resistance, and influence (Brill, 1992; Pranić & Roehl, 2012a)). Then, the ability of our two dimensions to predict group memberships was checked (DeVellis, 2003). Results indicate that both dimensions of consumer power can predict the high power and low power groups (Table 4).

Table 4: Study 3 Criterion Validity

			<b>P-value</b>	<b>R<sup>2</sup></b>
<b>Personal Power</b>				
Consumer Power Metric (Deloitte, 2011) (4 items, $\alpha = .915$ , VE=55.192)	Low (n= 25)	5.08	.000	.459
	High(n= 18)	6.87		
Consumer Empowerment (Hunter & Garnefeld, 2008) (4 items, $\alpha = .813$ , VE=65.028)	Low (n= 56)	5.73	.000	.225
	High(n= 28)	6.77		

<sup>4</sup>  $\frac{VE_{f1} + VE_{f2}}{2}$  (Correlation between the two factors)<sup>2</sup>

<sup>5</sup> Correlation is significant at the 0.01 level (2-tailed)

Resistance (Brill, 1992) (6 items, $\alpha = .882$ , $VE=63.035$ )	Low (n= 33)	5.75	.003	.133
	High(n= 32)	6.42		
			<b>P-value</b>	<b>R<sup>2</sup></b>
<b>Social Power</b>				
Customer Power (Grégoire et al., 2010) (4 items, $\alpha = .959$ , $VE=89.17$ )	Low (n= 38)	1.74	.000	.858
	High(n= 28)	5.60		
Consumer Empowerment (Hunter & Garnefeld, 2008) (4 items, $\alpha = .959$ , $VE=89.01$ )	Low (n= 34)	1.67	.000	.845
	High(n= 29)	5.54		
Influence (Pranić & Roehl, 2012a) (7 items, $\alpha = .961$ , $VE=80.92$ )	Low (n= 32)	1.67	.000	.858
	High(n= 26)	5.70		
Influence (Brill, 1992) (3 items, $\alpha = .600$ , $VE=56.28$ )	Low (n= 25)	2.88	.000	.282
	High(n= 29)	4.86		

The average score of personal power is high (Mean (SD) = 6.04 (.92) with median = 6.17 minimum= 2.17 and maximum=7). Same data distribution has been observed for the existing consumer power and empowerment scales. Since the scenario were supposed to impose higher personal power, the scores are inclined to be higher than midpoint. Therefore, the low power category does indicate lower power situation (not low power situation).

### 2.6.3. Cross-cultural measurement equivalence

Since two different countries composed the sample, the mean of each dimension was compared between the two countries. Therefore, a multi-group analysis to check the invariance of the measurement model for each dimension was carried out (Byrne, 2001). Regarding social power, first the configural invariance was tested. An unconstrained measurement model across the two groups (Indians, Americans) shows a good fit ( $\chi^2 = 53.87, d_f = 18, \chi^2/d_f = 2.99, CFI = .942; SRMR = .034$ ) (see Table 5). All the factor loadings were significant and large except for item 2, which had poor loading in the Indian sample. Therefore, except for item 2, other factor loadings exhibited a similar pattern across the two groups. Second, the fit estimation for the model with equality constraint for all factor loadings in two groups was  $\chi^2(d_f) = 73.42(23)$  which is significantly higher than the configural model ( $\Delta\chi^2(\Delta d_f) = 19.55(5), p - value < .01$ ). Based

on Lagrange-Multiplier  $\chi^2$ , the equality constraint of factor loading for item 2 (I affected the company's response.) should be released ( $Factor\ Loading_{India} = .34, Factor\ Loading_{USA} = .91$ ). The fit estimation for the revised measurement model was  $\chi^2(d_f) = 59.82(22)$ . Therefore, it caused the partial metric invariance between the two groups ( $\Delta\chi^2(\Delta d_f) = 5.94(5), p - value > .1$ ). Third, a model with equality constraint on error variances showed poor fit. Therefore, suggested by Lagrange-Multiplier  $\chi^2$ , equality of error variances for items 2, 3 and 4 were relaxed. The fit estimation for the revised model was  $\chi^2(df) = 64.04(25)$ . Therefore, it caused partial error variance invariance compared to the configural model ( $\Delta\chi^2(\Delta d_f) = 10.17(7), p - value > .1$ ) and compared to the partial metric invariance model ( $\Delta\chi^2(\Delta d_f) = 4.22(3), p - value > .1$ ). Finally, the fit estimation for the model with the equality constraint of the factor variance was  $\chi^2(d_f) = 65.387(26)$ . It caused full factor variance invariance between the two groups compared to the configural model ( $\Delta\chi^2(\Delta d_f) = 11.51(8), p - value > .1$ ), compared to the partial metric invariance ( $\Delta\chi^2(\Delta d_f) = 5.567(4), p - value > .1$ ) and compared to partial error variance invariance model ( $\Delta\chi^2(\Delta d_f) = 1.347(1), p - value > .1$ ).

Regarding personal power, first the configural model showed a good fit ( $\chi^2 = 28.16, d_f = 18, \chi^2/d_f = 1.56, CFI = .983; SRMR = .040$ ). All the factor loadings were significant and large in both groups. The estimation fit for the model with equality constraint for all factor loadings in two groups was  $\chi^2(d_f) = 30.543(23)$ . It supports the invariance from the configural model ( $\Delta\chi^2(\Delta d_f) = 2.383(5), p - value > .1$ ). Then, a model with equality constraint on error variances shows poor fit. Again suggested by Lagrange-Multiplier  $\chi^2$ , equality of error variances for items 2, 3 and 5 have been relaxed. The estimation fit for the revised model was  $\chi^2(d_f) = 37.07(26)$ . It caused partial error variance invariance compared to configural model ( $\Delta\chi^2(\Delta d_f) = 8.91(8), p - value > .1$ ) and compared to the full metric invariance model

( $\Delta\chi^2(\Delta d_f) = 6.527(3), p - value > .1$ ). Finally, the estimation fit for the model with the equality constraint of the factor variance was  $\chi^2(d_f)37.22(27)$  and it caused full factor variance invariance between the two groups compared to configural model ( $\Delta\chi^2(\Delta d_f) = 9.06(9), p - value > .1$ ), compared to the full metric invariance ( $\Delta\chi^2(\Delta d_f) = 6.677(4), p - value > .1$ ) and compared to partial error variance invariance model ( $\Delta\chi^2(\Delta d_f) = .15(1), p - value > .1$ ).

To sum up, results indicate that there is partial metric variance, partial error variance and full factor invariance for social power construct across the two countries. Also, there is full metric and factor variance invariance and partial error variance invariance for personal power construct across the two countries. In order to assure the appropriateness of the scale for cross-cultural analysis and further validity checks, we conducted the fourth study.

Table 5 : Study Three Cross-Cultural Comparison

<b>Social Power</b>								
	$\chi^2$	$d_f$	$\chi^2/d_f$	RMSEA	SRMR	CFI	$\Delta\chi^2(d_f)$	P-value
<b>Configural model</b>	53.87	18	2.99	.110	.034	.942	-----	-----
<b>Partial metric invariance</b>	59.82	22	2.71	.102	.03	.939	5.94 (5)	> .1
<b>Partial error variance invariance</b>	64.04	25	2.56	.097	.03	.937	10.17(7)	> .1
<b>Full factor variance invariance</b>	65.387	26	2.51	.096	.08	.936	11.51(8)	> .1
<b>Personal Power</b>								
	$\chi^2$	$d_f$	$\chi^2/d_f$	RMSEA	SRMR	CFI	$\Delta\chi^2(d_f)$	P-value
<b>Configural model</b>	28.16	18	1.56	.057	.04	.983	-----	-----
<b>Full metric invariance</b>	30.543	23	1.32	.044	.05	.988	2.38 (5)	> .1

<b>Partial error variance invariance</b>	37.07	26	1.42	.050	.05	.982	8.91 (8)	> .1
<b>Full factor variance invariance</b>	37.22	27	1.37	.047	.05	.983	9.06 (9)	> .1

## 2.7. Study 4: Further Validity Assessment

Study four aims to check the validity of a two-dimensional scale of consumer power. For this study, we chose cars since we were looking for a search situation, a negotiation situation, and a post-purchase service recovery. We believe that those who have ever bought a car are involved in at least one of the three situations. Three situations were used: Searching to purchase a car, purchasing a car involving negotiation, and making a post-purchase car repair request under warranty. In the fourth study, we received 1339 questionnaires excluding those who failed either to answer correctly the attention check questions or to complete the questionnaires. After reading all the open-ended questions, 445 (.33) questionnaires were discarded as they failed to answer the open-ended question or to recall a relevant situation. The total usable data was 884. It includes 331(58.6% from USA) responses for pre-purchase scenario, it was 281 (54.4% from USA) for negotiation scenario and it was 272 (55.5%) for post-purchase scenario. Table 6 provides demographic information of respondents.

Table 6: Study Four Descriptive Statistics

	<b>Pre-purchase</b>	<b>Negotiation</b>	<b>Post-purchase</b>
	N=331	N= 281	N= 272
	<b>Mean PP (SD)</b>	<b>Mean PP (SD)</b>	<b>Mean PP (SD)</b>
	5.99 (.90)	5.74 (.95)	4.99 (1.24)
	<b>Mean SP (SD)</b>	<b>Mean SP (SD)</b>	<b>Mean SP (SD)</b>
	4.96 (1.2)	5.38 (.94)	4.33 (1.38)
<b>Gender</b>	Male = 55.6%	Male = 54.1%	Male = 56.3%
<b>Age</b>	25-34 years old = 48%	25-34 years old = 43.8%	25-34 years old = 44.1%
<b>Education</b>	Bachelor degrees = 42.6%	Bachelor degrees = 45.9%	Bachelor degrees = 46.7%

<b>Occupation</b>	Full time workers = 71%	Full time workers = 70.8%	Full time workers = 65.4%
<b>Location</b>	USA = 58.6% India = 41.4%	USA = 54.4% India = 45.6%	USA = 55.5% India = 44.5%

Analyzing the descriptive statistics of personal and social power in each scenario, we found interesting results. First, a set of ANOVA explores the significant difference in personal power among the three scenarios. The results indicate that personal power in pre-purchase scenario is significantly higher than personal power in negotiation scenario (P-value = .012) and is significantly higher than post-purchase scenario (P-value = .000). Also, personal power in negotiation scenario is higher than post-purchase scenario (P-value = .017). This result is consistent with the definition of personal power: the higher the independence of consumer from the firm, the higher the feeling of personal power. Pre-purchase provokes highest independence since consumer has not decided yet. In negotiation, consumer is still free but has already chosen the car dealer and is eligible to voice desired price. Therefore, the relationship is based on two-way interaction and dependence. Consumer voices own opinion but its acceptance depends on the firm, which provokes higher dependence compared to the latter scenario. Finally, in service request under warranty when failure occurs, consumer feels higher dependence to the provider to repair the car under warranty, which results in lower personal power compared with other two scenarios. Second, social power is not different between pre-purchase scenario and post-purchase scenario since consumer voice (i.e. expression of opinion and having an input to change the current situation) is low in both scenarios (P-value = .945). However, social power in negotiation is higher than social power in pre-purchase and post-purchase scenarios since consumer voices own opinion and feels influence over price (P-value = .000). It is consistent with the fact that antecedents of these two states of power are different. Consumer independence is the main antecedent of different level of feeling of personal power. However, consumer voice is the main antecedent of different experience of social power.

### **2.7.1. Dimensionality, Convergent and Discriminant Validity**

Using confirmatory factor analysis, a two-dimensional model of consumer power was analyzed. The fit indices of the two-dimensional measurement model indicated good fit (Byrne, 2001) for all three scenarios (Table 7). The convergent validity was supported since all factor loadings were significant and more than .6. The covariance between the two dimensions was .41 in the product purchase scenario, .68 in the negotiation scenario, and .48 in the service request scenario, which implies an association between the two dimensions. To check the discriminant validity, we used two different methods suggested by Fornell and Larcker (1981) for all three scenarios. First, we compared the constraint model (constraining the covariance between the two dimensions to be equal 1) with the unconstrained model. Results indicate that the constraint model had poorer fit in all three scenarios (Pre-purchase:  $\Delta\chi^2(\Delta d_f) = 33.038(1)$ , Negotiation:  $\Delta\chi^2(\Delta d_f) = 19.113(1)$  and post-purchase:  $\Delta\chi^2(\Delta d_f) = 4.82(1)$ ). It supports a significant difference between the constraint model and our model. So, it provides adequate evidence of discriminant validity.

Second, since the average of variance extracted is more than the square of the correlation between the two dimensions, the discriminant validity was supported for all three scenarios (Pre-purchase:  $.66 > .17$ ; Negotiation:  $.62 > .46$ ; Post-purchase:  $.68 > .23$ ). Also, Cronbach alpha and composite reliability were over 0.84, which suggested good reliability.

### **2.7.2. Common method bias**

To avoid common method bias, Herman's single factor method was used (Podsakoff et al., 2003). We performed an exploratory factor analysis and constrained it to extract only one factor. The variance extracted for only one factor was 45.900 in the pre-purchase scenario, 49.694 in the negotiation scenario, and 50.501 in the post-purchase scenario. We further checked the single-factor model using a confirmatory factor analysis. The results of confirmatory factor analysis demonstrate worse results for a single factor model than a two-dimensional model in all three scenarios (CFI < .80; GFI < .74; RMSEA > .150; SRMR > .09), denying the existence of common method variance.

Table 7: Study Four Confirmatory Factor Analysis Results

Items	Factor Loadings		
	Pre-purchase Product Scenario	Purchase Negotiation Scenario	Post- purchase Scenario
PP1: I was free to choose.	.80	.81	.82
PP2: I felt independent of the car dealers' offers in my decision to purchase a car.	.83	.70	.81
PP3: Between the car dealer, and me I had significant autonomy to choose what I wanted.	.76	.76	.81
PP4: I was completely free to make up my mind about the car dealers' offers.	.78	.77	.76
PP5: Between the car dealer, and me I was the one who made the final decision to purchase a car.	.73	.79	.69
PP6: Between the car dealer, and me I had control over my decision.	.86	.81	.80
Composite Reliability	<b>.911</b>	<b>.900</b>	<b>.905</b>
Cronbach Alpha	<b>.911</b>	<b>.901</b>	<b>.908</b>
SP1: I influenced the car dealer's behaviour.	.74	.73	.92
SP2: I affected the car dealer's response.	.68	.66	.74
SP3: I convinced the car dealer to comply with my needs.	.82	.69	.82
SP4: My opinion carried much weight with the car dealer.	.77	.68	.67
SP5: I altered the car dealer's response according to my needs.	.75	.78	.81
SP6: Overall, I felt I had power over the car dealer.	.75	.63	.75
Composite Reliability	<b>.877</b>	<b>.849</b>	<b>.907</b>
Cronbach Alpha	<b>.886</b>	<b>.844</b>	<b>.905</b>

**Fit Indices**

	VE	GFI	NFI	CFI	RMSEA	SRMR	$\chi^2$	$d_f$ (P-value)	$\chi^2/d_f$
<b>Pre-Purchase Product Negotiation</b>	66.72	.934	.944	.965	.067	.035	131.745	53 (.00)	2.48
<b>Post-purchase</b>	63.19	.915	.914	.941	.083	.0601	155.189	53 (.00)	2.928
	68.927	.907	.921	.944	.090	.0631	168.421	53 (.00)	3.178

### 2.7.3. Further Convergent Validity

As suggested by Bagozzi and Yi (1988), a single item was designed to assess each dimension. For personal power, the single item was “Please indicate how much you felt the ability to resist against the car dealer.” and for social power, the item was “Please indicate how much you felt the ability to influence the car dealer.” The Pearson correlations between the means of each dimension and its related single item in all the three scenarios were significant and greater than .3 (Appendix 1-A), which again suggest convergent validity (Bagozzi & Yi, 1988; Bearden, Money, & Nevins, 2006; Walsh & Beatty, 2007).

### 2.7.4. Second-Order Relationship

The literature on power suggests that personal power and social power are two components of power. Results of the second-order confirmatory factor analysis supported the existence of a higher order factor for the two dimensions of consumer power. Also, the standardized parameter estimates between the higher-order construct to personal and social power were significant and ranging from .53 to .85 (Table 8), which suggest the convergent validity of the second-order factor of consumer power.

Table 8: Second-Order Factor Analysis

		$\chi^2$	$d_f$	$\chi^2/d_f$	RMSEA	CFI
<b>Pre-purchase</b>	Consumer Power $\xrightarrow{.53}$ Personal Power	131.745	53	2.486	.067	.965
	Consumer Power $\xrightarrow{.78}$ Social Power					
<b>Negotiation</b>	Consumer Power $\xrightarrow{.85}$ Personal Power	155.189	53	2.928	.083	.941
	Consumer Power $\xrightarrow{.76}$ Social Power					
<b>Post-purchase</b>	Consumer Power $\xrightarrow{.67}$ Personal Power	168.421	53	3.178	.090	.944
	Consumer Power $\xrightarrow{.76}$ Social Power					

### 2.7.5. Construct Validity

To avoid redundancy, we only report results for the negotiation scenario in testing construct and nomological validity. Similar results were obtained for the two other scenarios (See Appendix 1-B and 1-C). To check the construct validity, the correlations between consumer power and other measured constructs have been shown (Table 9). According to the literature, we categorize the related constructs to two groups: power antecedents and consequences.

The results show that consumer power positively correlated with choice and self-efficacy (Kucuk, 2009; Pranić & Roehl, 2012b; Spreitzer, 1995a). Also, it indicates the positive relationship with consumer awareness and knowledge (Davies & Elliott, 2006; Kucuk & Krishnamurthy, 2007; Newholm, Laing, & Hogg, 2006; Pires et al., 2006; Rezabakhsh et al., 2006; Shaw, Newholm, & Dickinson, 2006). Moreover, the positive relationship with consumer involvement (Hunter & Garnefeld, 2008), and voice (Ouschan, Sweeney, & Johnson, 2006; Peterson, Lowe, Aquilino, & Schneider, 2005; Speer, Jackson, & Peterson, 2001), general feeling of dominance and extraversion (Anderson et al., 2012) have been supported. Finally, the results suggest that consumer power positively correlates with emotional responses (Pranić & Roehl, 2012a) and satisfaction (Hunter & Garnefeld, 2008; Spreitzer, 1995a). Also, it was positively correlated with

positive emotions and negatively associated with negative emotions (Anderson & Berdahl, 2002) (Table 9).

Table 9 : Construct Validity Results

	Number of items	Cronbach Alpha	Variance Extracted	Correlation with Consumer Power
<b>Antecedents</b>				
<b>Voice<sup>6</sup></b>	4	.777	60.037	.671** <sup>7</sup>
<b>Cognitive Control (Faranda, 2001)</b>	7	.932	72.239	.616**
<b>Subjective Knowledge (Flynn &amp; Goldsmith, 1999)</b>	5	.840	61.933	.154**
<b>Perceived Choice (Hui &amp; Bateson, 1991)</b>	3	.902	83.738	.785**
<b>Involvement (Zaichkowsky, 1985)</b>	10	.947	67.866	.351**
<b>Self-efficacy (Spreitzer, 1995b)</b>	3	.908	84.682	.611**
<b>Extraversion (John Donahue, 1991)</b>	5	.847	62.728	.191**
<b>Dominance (Wiggins, Trapnell, &amp; Phillips, 1988)</b>	6	.837	63.277	.374**
<b>Consequences</b>				
<b>Satisfaction (Hunter &amp; Garnefeld, 2008)</b>	6	.918	75.095	.484**
<b>Emotional Responses (Pranic, 2009)</b>	5	.948	83.014	.516**
<b>Positive Emotions (Anderson &amp; Berdahl, 2002)</b>	3	.745	66.554	.299**
<b>Negative Emotions (Anderson &amp; Berdahl, 2002)</b>	11	.937	62.781	-.541**
<b>Interactional Fairness (Maxham &amp; Netemeyer, 2002)</b>	4	.878	74.882	.448**
<b>Procedural Fairness (Maxham &amp; Netemeyer, 2002)</b>	4	.902	77.457	.511**
<b>Distributive Fairness (Maxham &amp; Netemeyer, 2002)</b>	4	.906	78.361	.648**
<b>Commitment (Grégoire et al., 2010)</b>	3	.958	92.218	.262**

<sup>6</sup> Four items developed by the authors to measure consumer voice.

<sup>7</sup> \*\*. The correlation is significant at the 0.01 level (2 tailed)

### 2.7.6. Nomological Validity

Nunnally and Bernstein (1994) suggest that the extent to which a construct fits into a network of expected relationships indicates its ability to measure the concept. For this purpose, two models have been validated using structural equation modeling. The mediating role of consumer power was tested in two different models.

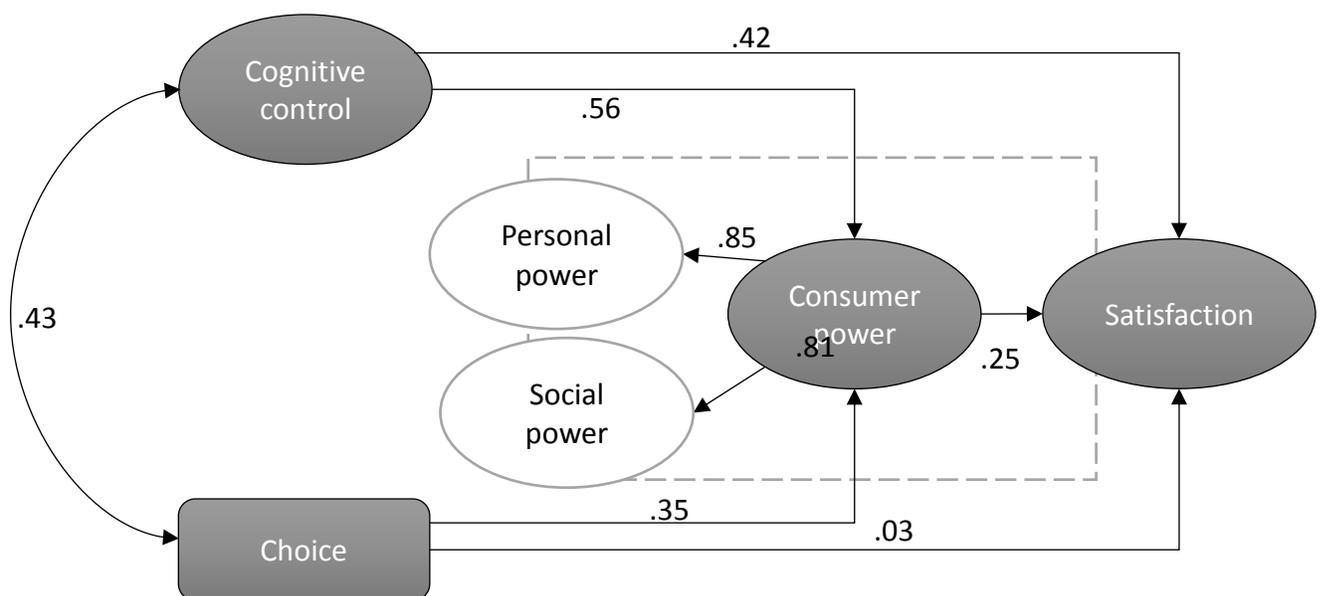
First, we examined the mediating role of consumer power between two independent variables (consumer choice and cognitive control) and one dependent variable (satisfaction, See Figure 2). The literature suggests that the formers are the required resources in the consumer empowerment process in today's market (Davies & Elliott, 2006; Kucuk & Krishnamurthy, 2007; Newholm et al., 2006; Pires et al., 2006; Rezabakhsh et al., 2006; Shaw et al., 2006; Wathieu et al., 2002). Also, the latter one is the consequence of consumer power (Hunter & Garnefeld, 2008; Pranic, 2009). To measure choice, we use the single item used by Hui and Bateson (1991). We used the seven items of cognitive control developed by Faranda (2001). We used the six items of Hunter and Garnefeld (2008) to measure consumer satisfaction. Since choice and cognitive control have been found to increase directly consumer satisfaction (Faranda, 2001; Hui & Bateson, 1991), we tested the mediation role of consumer power.

To test the mediation, the method proposed by Baron and Kenny (1986) was followed. First, we found positive and significant relationships between choice and consumer power (.56,  $P < .01$ ) and between cognitive control and consumer power (.35 ( $P < .01$ )). Second, there was a positive and significant relationship between cognitive control and satisfaction (.57 ( $P < .01$ )) and between choice and satisfaction (.11 ( $P = .037$ )). Third, there was a positive and significant association between consumer power and satisfaction (.57 ( $P < 0.01$ )). The fit estimation of the final nomological model was  $\chi^2(d_f) = 600.437(267)$ ,  $\chi^2/d_f = 2.249$ ; CFI = .937; RMSEA = .067, SRMR = .064, which suggested a good fit for the nomological model (Byrne, 2001). Since in the final model (with the mediator) there is a non-significant relationship between choice and

satisfaction, consumer power has a full mediation role; also, there is a lower significant relationship between cognitive control and satisfaction; so, consumer power had a partial mediation role there.

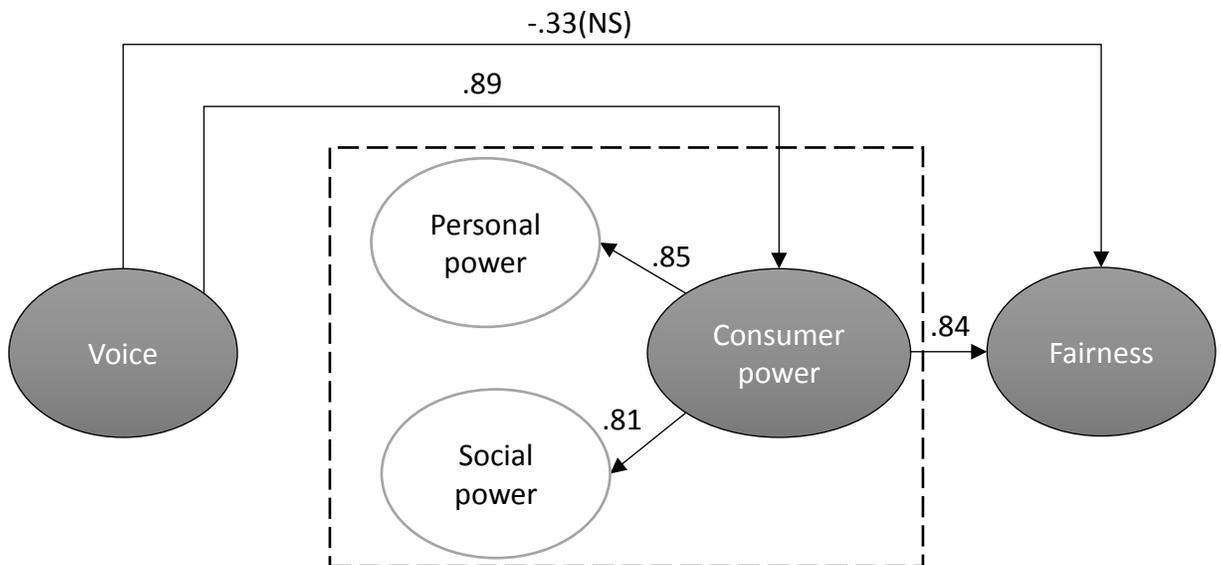
In the second nomological network, we tested the mediating role of consumer power in the relationship between consumer's voice and fairness. Consumer voice is one of the primary antecedents of consumer power. Voice refers to the expression of ideas and opinions with the intent of changing and improving a condition (Bashshur & Oc, 2014). Effective voice results in the perception of fairness (Bashshur & Oc, 2014). The effectiveness of voice procedure depends on how the voice is received and if it changes or improves a condition. If a consumer feels the change and improvement in a situation, she feels the power, and it increases the perceived fairness. In this study, the negotiation situation is an active and constructive interaction between a consumer and a firm, in which they interact to reach an agreement. When a consumer expresses an opinion and has an input in the final decision, she feels resistance against the available offers and feels the ability to change the pre-determined offers and consequently she feels fairness (Since the situation is a positive interactional situation, we only check interactional fairness).

Figure 2 : First Nomological Model



To check the mediation effect, first, we tested the positive and significant relationship between voice and consumer power (.89 (p <0.01)). Second, the results support the positive and significant relationship between voice and interactional fairness (.42 (p <0.01)). The fit estimation of the final nomological model (with the mediator) was  $\chi^2 = 350.112, d_f = 164, \chi^2/d_f = 2.135$ ; CFI= .939; RMSEA= .064; SRMR= .0583, which suggested a good fit. The final model indicated a full mediation since the relationship between voice and interactional fairness became insignificant. Since the relationship between voice and consumer power was high, we checked the discriminant validity. We found that the square root of the average variance extracted was higher than the correlation between the two factors, suggesting the presence of two different constructs. Therefore, consumer power has full mediation role in the relationship between voice and fairness. It is to say that the consumer power scale successfully met the required criteria to be nomologically valid.

Figure 3 : Second Nomological Model



### 2.7.7. Cross-cultural Measurement Equivalence

A set of multi-group analysis were applied to check if the two-dimensional measurement model of consumer power is invariant between the sample of India and the USA (Byrne, 2001). The results show a good fit for the configural model. Also, results confirm the full metric invariance

in all three scenarios (Table 10). When the factor loadings are invariant, it means that the changes in the items cause the variations in the latent factor in the same manner across countries. So, full metric invariance is suggestive of the suitability of the items to measure the same construct across countries (Steenkamp, x, Benedict, & Baumgartner, 1998). However, there is partial error variance invariance since the equality constraints for error variances of some items had to be relaxed; in product purchase scenario, equality of error variances for items 1 and 2 for PP and items 1 and 2 for SP should be relaxed. In the negotiation scenario, equality of error variances for items 1, 4 and 6 for PP and items 1, 2 and 3 for SP and in the service request scenario, equality of error variances for items 5 and 6 for PP and item 3 for SP should be relaxed. There is a partial factor variance invariance (equality of factor variance for social power should be relaxed) and full factor covariance invariance in negotiation scenario. Although in product purchase and service request scenarios, the factor variances and factor covariances were non-invariant between the two groups. Lack of full factor variance should not be a major problem as the primary objective of this study was not to compare standard measures of association (e.g., correlation coefficients) across different groups (Sharma, 2010; Steenkamp et al., 1998). In addition, since the measurement of the latent variables depends on the measurement errors and as we found the scale reliabilities across the two groups quite similar and acceptable ( $.741 < \alpha < .931$ ), the lack of full error variance invariance was not problematic (Steenkamp et al., 1998). Overall, the two-dimensional model showed full configural and full metric invariance which indicate that the two-dimensional model is appropriate to measure consumer power across the two countries (Byrne, 2001).

Table 10 : Cross-cultural Measurement Equivalence

Pre-purchase scenario: <b>India (N=137)</b> and <b>USA (N=194)</b>							
$\chi^2$	$d_f$	$\chi^2/d_f$	RMSE	SRMR	CFI	$\Delta\chi^2(\Delta d_f)$	P-value
A							

<b>Configural model</b>	234.303	106	2.210	.061	.059	.945	-----	-----
<b>Full metric invariant</b>	250.979	116	2.164	.059	.064	.942	16.676(10)	> .1
<b>Partial error variance invariant</b>	262.812	124	2.119	.058	.065	.941	28.509(18)	> .05
							11.833(8)	> .1
<b>Factor variance- Not invariant---Factor covariance-Not invariant</b>								
Purchase with Negotiation Scenario <b>India (N= 128) and USA (N= 153)</b>								
	$\chi^2$	$d_f$	$\chi^2/d_f$	RMSE	SRMR	CFI	$\Delta\chi^2(\Delta d_f)$	P-value
			A					
<b>Configural model</b>	224.415	106	2.117	.063	.065	.932	-----	-----
<b>Full metric invariance</b>	238.314	116	2.054	.061	.0737	.930	13.89(10)	> .1
<b>Partial error variance invariance</b>	246.065	122	2.017	.060	.0704	.929	21.65(16)	> .1
							7.751(6)	> .1
<b>Partial factor variance invariance</b>	247.231	123	2.010	.060	.0686	.929	22.816(17)	> .1
							8.917(7)	> .1
							1.166 (1)	> .1
<b>Full factor covariance invariance</b>	249.920	124	2.015	.060	.0727	.928	25.505(18)	> .1
							11.606 (8)	
							3.855(2)	
							2.689(1)	

Post-purchase- service request: <b>India (N=121 ) and USA (N=151 )</b>								
	$\chi^2$	$d_f$	$\chi^2/d_f$	RMSEA	SRMR	CFI	$\Delta\chi^2(\Delta d_f)$	P-value
<b>Configural model</b>	249.406	106	2.35	.071	.0585	.925	-----	-----
			3					-
<b>Full metric invariance</b>	261.201	116	2.25	.068	.0608	.924	11.795(10	> .1
			2				)	
<b>Partial error variance invariance</b>	278.169	125	2.22	.067	.0594	.920	28.763(19	> .05
			5				)	
							16.968 (9)	> .05
<b>Factor variance- Not invariant----Factor covariance-Not invariant</b>								

## 2.8. Discussion

The primary goal of this paper was to develop a valid and reliable scale to measure consumer power. To reach this objective, a rigorous approach was followed. First, we conceptualized the consumer power construct. The two-dimensional model of consumer power has been developed based on the definition of power and by reviewing the outcomes of consumer empowering situations. Second, two six-item subscales were developed, which measure the two dimensions of consumer power. The dimensions were validated with five different consumer-firm interaction scenarios in three different product categories (telecommunication services, electronic products, and cars), and in three different stages of consumer decision-making process (pre-purchase, purchase, and post-purchase), and between two different countries (India and the USA). The two dimensions met the discriminant validity and convergent validity criteria and they are dimensions of a higher order construct, i.e., consumer power.

Third, the results indicate that the consumer power scale is behaving as it was expected in a network of relationships with related factors. We found that consumer power is a mediator in two

process models. First, it mediates the relationship between consumer choice, cognitive control, and satisfaction and second, it mediates the relationship between consumer voice and perceived fairness.

Fourth, the expected relationship between the scale and power antecedents (e.g., dominance, self-efficacy, and extraversion) and consequences (e.g. emotional responses, satisfaction, and commitment) were supported. These significant correlations further validated the proposed consumer power scale.

Fifth, results support the full metric invariance of the two-dimensional model between the two countries (India vs. USA). They support the appropriateness of the items of consumer power scale to meaningfully measure consumer power across the two countries. More interestingly, results indicate that the dimensions' mean score of consumer power are significantly different among the respondents of India and USA. As we found, this difference is not due to the systematic bias in the way respondents respond to the items. Therefore, this difference comes from differences in consumer power perceptions between the countries. Part of this difference may come from the difference in market-related factors (e.g., consumer awareness, options, voice, competition in the market etc.) in each country and it may be influenced somewhat by cultural differences.

Sixth, results indicate a significant difference in consumer power across different products and across different scenarios, which is consistent with the fact that power is a contextual and relational concept. Results indicate that social power was higher in negotiation scenario than in post-purchase and pre-purchase scenarios. The probable reason is that in a negotiation situation, consumers are more likely trying to change the firm's decision or response rather than in a search situation or service request situation. Also, results indicate that personal power was significantly higher in the pre-purchase scenario than in the post-purchase scenario. Probably when consumers are searching for a product to purchase, they are more likely experiencing resistance against the different offers to make the final decision independently and to fulfill their needs. Also, results show the post-purchase scenario, when a consumer requests a service covered under warranty as

a low-power situation for consumers. In that situation, consumers may not need any effort to resist or to influence; they have a warranty, and they are already in an agreement to receive the service. When they ask for the service, they receive it without making any extra effort. These results further imply the fact that consumer power is situation-specific.

Finally, there is a very interesting result indicating the difference between dimensions (personal and social power) in each scenario. For example, in the pre-purchase scenario, personal power was higher than social power, which implies that consumers perceive both dimensions to varying degrees in different situations.

## **2.9. Theoretical Contributions**

The marketing literature suggests that consumers have increasing power (Labrecque et al., 2013). However, without having a valid and reliable scale to properly measure it in different situations, these observations were mainly anecdotal. Power is one of the important constructs in psychology and individual behavior analyses. It has an important impact on behavioral and emotional responses of an individual. The existing scales to measure consumer power and empowerment have very restricted applications (Brill, 1992; Pranić & Roehl, 2012a). Either they measure consumer empowerment instead of consumer power (Pranić and Roehl, 2012a) or they measure the construct in a very specific situation (e.g. customer-seller relationship (Brill, 1992) or service recovery (Grégoire et al., 2010)). Therefore, our proposed scale for consumer power enable us to explore whether consumer power influences behavioral and emotional responses.

Also, a scale to measure consumer power becomes more important when as we found this power is coming from market-related factors (e.g., firms, other consumers, and third parties) and not only from the personal characteristics of an individual (Anderson et al., 2012). Therefore, the consumer power scale is very useful for academic research. This scale is a starting point in developing and empirically testing consumer empowerment process. Finding the meaningful relationship between consumer power and the related constructs - antecedents and consequences - support the scale's construct validity. These results are very important since the antecedents, not only include

consumer's personal characteristics but also include market-related variables – this represents a major contribution to the literature in marketing.

The scale has been validated in two different models, which support its nomological validity. In addition, supporting the mediator role of consumer power in three different relationships was additional evidence of the validity of the scale. The mediation role of consumer power between consumer choice, cognitive control, and satisfaction and between consumer voice and perceived fairness, illustrates two important consumer empowerment processes. Many research indicate the positive impact of consumer choice (Hui & Bateson, 1991) or cognitive control (Faranda, 2001) on satisfaction; but the mediating role of power in this relationship is novel. Also, the results imply on the full mediating role of voice on fairness. So, we added to the existing theories about the direct relationship between voice and fairness (Bashshur & Oc, 2014). Now, we show that power is a full mediator in this relationship. It is to say that the feeling of power makes that relationship possible.

## **2.10. Managerial Implications**

### **2.10.1. Firm as an empowering source**

Today, many firms conduct consumer empowerment strategies; providing various marketing mixes (Moynagh, 2002; Newholm et al., 2006; Shaw et al., 2006), customization (Niininen, Buhalis, & March, 2007) and customer collaborations in new product development (Fuchs, Prandelli, & Schreier, 2010) are among consumer empowering strategies that firms commonly use. This scale will help practitioners assess the effectiveness of their various strategies. We provide evidence that the consumer power scale can be used in different contexts (such as price negotiation and customer service) and at various stages of consumer decision-making process (pre-purchase, purchase, and post-purchase). Therefore, it works in different situations. With this scale, not only the amount of consumer power perception (second order factor) can be measured, but also, the difference between each dimension (personal vs. social) can be found. In this paper, we found the positive impact of consumer power (and each dimension) on behavioral and

emotional responses. Therefore, the scale helps practitioners to recognize the outcome of consumer power perception when different strategies are in play. Does the dimension of power always result in positive consequences? If yes, which one of them is more effective? If the impacts of the dimensions are different, so companies may deal with them differently. It is to say that exploring these relationships help us to sort out the ambiguities around the topic of consumer power and empowerment.

Today, when a consumer is purchasing a product or service, many parties are involved. Consumers are gathering information from a seller and then make a purchase online or from another retailer. Also, they may see the options in offline showrooms and then purchase the product online. So, they feel powerful. However, the question is which business is taking advantage of the consumer satisfaction and positive emotions finally.

Furthermore, we found that consumer's voice increases consumer power. With the consumer power scale, the effect of different aspects of consumer's voice (e.g. the channel of transmission, the number of listeners and viewers, the responsive messages, etc.) on consumer power can be explored. It enables practitioners to check the effectiveness of their responsive messages as well. Today, firms are also using different technologies to increase consumer power. For example, they are using search engines, comparison tools, shopbots, social networks, etc. to increase consumer power. They are increasing consumer power by easing the availability and accessibility of options and information and by amplifying consumer voice. However, until now nobody has known which tools are the most empowering one. With this scale, the effectiveness of these technology usages could be measured. They can find which dimension of power is stronger in each situation and how each one influences consumers' responses.

### **2.10.2. Consumers as empowering sources**

WOM was always a source of consumer power over the firms (Christodoulides, Michaelidou, & Argyriou, 2012; Harrison et al., 2006; Wathieu et al., 2002). Nowadays, consumers are using social media to amplify their voice. Now, the scale of consumer power gives an opportunity to

practitioners to measure and compare the impact of different aspects of WOM (the valence, the number of likes, comments, views, follows, etc.). Therefore, by finding this impact, they will be able to conduct consumer power in their favor. In addition, the important question, which will be answered now, is that when consumers are using WOM to exercise power, do they feel it?

### **2.10.3. Third party organizations as empowering sources**

Consumer protection agencies such as [consumeraffairs.com](http://consumeraffairs.com) increase the availability of accurate information and amplify consumer voice. The scale of consumer power enables practitioners to find how much power consumers are gaining from these third-party sources, which helps them to find a way to more appropriately deal with it.

## **2.11. Limitations and Research Avenues**

The findings of this paper open up a set of new avenues for further research. First, we developed a consumer power scale following a comprehensive scale development approach and validated it in different contexts. It is definitely an important first step; but since consumer power is context-based, it is interesting to check this scale in other consumer empowering situations, e.g., customization, new product development, when consumers are spreading WOM. Moreover, there are many unanswered questions. For instance, when a consumer is customizing a product for their purchase, she feels resistance against what already exists and she feels more control over the final decision, but she is also changing a decision of the firm (e.g., a new product), so the question is: does she really feel the social power? If yes, to which extent, she feels it. Moreover, in new product development, when a consumer is collaborating in developing a new product for a broader market, she feels the influence over the firm (Fuchs et al., 2010), but the question is: does she feel the resistance and control as well? If yes, which dimension is stronger than the others and which one mostly brings about emotional and behavioral consequences?

Moreover, we found that choice and awareness in a decision-making situation come up with the stronger feeling of power. Now, the scale enables practitioners to find the optimal number of

options in each product category. Also, the ideal quantity and the quality of information can be recognized.

Second, we measured consumer power perception from the consumers' point of view. Validating the consumer power scale by measuring it from the firm's point of view (peer assessment) would show further evidence of the validity of the scale as the results of the two methods could be compared.

Third, regarding the Indian sample, the English language of the questionnaire may be a reason for poorer factor loadings. It is interesting to re-validate the scale for two English-speaking samples with two different cultural characteristics (e.g., UK and the USA). At the end, designing a series of experiments to demonstrate further construct validity would be an avenue for further studies.

## Conclusion

Our review of the literature on consumer empowerment revealed significant gaps. Consumer empowerment and consumer power were ill-defined and rarely empirically tested in the literature. In order to contribute to fill these gaps in the marketing literature, this dissertation had two goals: 1) Develop a conceptual framework for the consumer empowerment process and 2) Develop a reliable and valid measure for consumer power.

For the first essay, two approaches were undertaken. First, an extensive literature review on the concept of power and empowerment in marketing, psychology, sociology, management, and health care was carried out. Second, we reviewed different consumer empowering situations in the market in order to understand and analyze the outcomes of these situations. These approaches led to the development of an integrated framework to explain the consumer empowerment phenomenon from the consumer's perspective. The proposed framework consists of five main components: Sources of consumer power, resources required to feel powerful, information technology as a facilitator, consumer power perception, and its consequences. Clarifying the model of consumer empowerment process helps both practitioners and scholars to better recognize and distinguish different consumer empowerment mechanisms and find the appropriate way to deal with them: either to take advantage of them or to control them.

The proposed model of consumer empowerment explains different consumer empowering situations. It may refer to an empowering situation during the pre-purchase phase (e.g., when consumers are searching), during the purchase phase (e.g., when they are negotiating on price) or in a post-purchase phase (e.g., when they are requesting a service or complaining to the firm). Being comprehensive, it applies to a variety of consumption situations. Furthermore, defining the domain of consumer power in consumer-to-firm relationships is a step required to further extend empirical studies. According to our findings, a

consumer may feel personally or/and socially empowered in a situation. This is to say that in consumer-firm relationships, an empowered consumer may express resistance against the firm's persuasion efforts and exercise control over the final decision and may extend and experience a feeling of influence over the firms' decisions, behaviors or responses.

Identifying the underlined resources and the potential consequences of consumers' perception of power raises new avenues for marketing research. This dissertation identifies the relevant characteristics of each resource. In fact, it explicates which resources are required for a consumer to feel personally or/and socially empowered. However, some research questions should be further investigated. For instance, how many of these different resources do they need to feel powerful? Which characteristics should such a resource display in order to empower consumers? Do the resources complement or replace each other?

Also, recognizing the principal sources of empowerment available on the market can help marketers be more aware of the process. They can more clearly distinguish where power comes from, which sources are manageable and which could be troublesome (e.g., United Break Guitars). In addition, these sources might have counter-effects. For example, as we discussed, in a monopolistic market, consumer personal power is lower than in a competitive market. Nevertheless, the firm should be aware that it (the firm) is not the only source of power for consumers. Third-party organizations, which support consumers by increasing consumers' awareness about the products and services or/and by enhancing consumer voice against the firm or even by controlling firms' activities would empower consumers both personally and socially even in a monopolistic market.

Moreover, information technologies have been recognized as the main tools that sources of empowerment are using to enhance the availability of the resources. We clarify those information technologies are not the sources of consumer power. Instead, they are the facilitators of the consumer empowerment process. What we have recognized here was the presence of information technology as a facilitator of the consumer empowerment process. Further studies are

recommended to find the facilitating role of the different aspects (e.g. quality and quantity) of these technologies.

Beyond the above findings, in the second paper of this dissertation, a valid and reliable scale to measure consumer power has been developed. It is a two-dimensional scale, assessing personal and social power. The two dimensions met the convergent and discriminant validity and were linked to a higher order factor, namely consumer power.

The consumer power scale has been validated using three various product categories (telecommunication services, electronic products, and cars), in three different stages of consumer decision-making process (pre-purchase, purchase and post-purchase), and between two various countries (India vs. USA). We found that consumer power (both the higher order factor and the dimensions) is significantly different across different products and across different stages of consumer decision-making process. It is consistent with our proposition that consumers may experience consumer power dimensions to varying degrees in different situations. Also, it implies that power is a relational and contextual concept.

Moreover, the full metric invariance between Indian and American consumers supports the appropriateness of the scale items to measure consumer power across the two countries. Therefore, the scale is psychometrically invariant across the two countries. Results indicate that the mean score of consumer power varies across the two countries. This difference might come from situational and market-related differences between the countries or stem from cultural differences. It implies that further cross-cultural studies are required to explore the reasons for this difference in the mean score of consumer power.

The scale has been validated in two different models, which support its nomological validity. In addition, supporting the mediator role of consumer power in three different relationships was additional evidence of the validity of the scale. The mediation role of consumer power between consumer choice, cognitive control and satisfaction and between consumer voice and perceived fairness, illustrates two important consumer empowerment processes. Further to the above,

finding the meaningful relationship between consumer power and the related constructs - antecedents and consequences - support the scale's construct validity. These results are very important since the antecedents, not only include consumer's personal characteristics but also include market-related variables – this represents a major contribution to the literature in marketing.

To this point, our objectives have been achieved. An integrative framework for consumer empowerment process and a valid and reliable scale to measure consumer power were obtained. This dissertation opens new doors to further studies. Further empirical studies to check the different characteristics of the required resources (e.g. quality and quantity of information), the counter-effects of different sources of consumer power, and the impact of consumer power on proactive behavioral consequences (e.g. WOM and repurchase) are avenues for future research.

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## Appendix

### Appendix 1-A: Correlation with single-item scale

		Single Item: Personal Power	Single Item: Social Power
<b>Pre-purchase</b>	Personal Power	0.583	
	Social Power		0.683
<b>Post-purchase</b>	Personal Power	0.463	
	Social Power		0.694
<b>Negotiation</b>	Personal Power	0.491	
	Social Power		0.680

### Appendix 1-B : Construct validity in the other two scenarios

	Correlation with Consumer Power	
	Pre-purchase	Post-purchase
Voice		0.485**
Cognitive Control (Faranda, 2001)	0.589**	0.536**
Subjective Knowledge (Flynn and Goldsmith, 1999)	0.265**	
Perceived Choice (Reeve et al., 2003)	0.519**	
Involvement (Zaichkowsky, 1985)	0.233**	
Extraversion (John Donahue, 1991)	0.367**	0.268**
Dominance (Wiggins et al., 1988)	0.377**	0.233**
Satisfaction (Hunter and Garnefeld, 2008)	0.619**	0.524**
Emotional Responses (Pranic, 2009)	0.501**	0.487**
Positive Emotions (Anderson and Berdahl, 2002)	0.418**	0.564**
Negative Emotions (Anderson and Berdahl, 2002)	-0.335**	-0.126**
Interactional Fairness (Maxham and Netemeyer, 2002)		0.489**

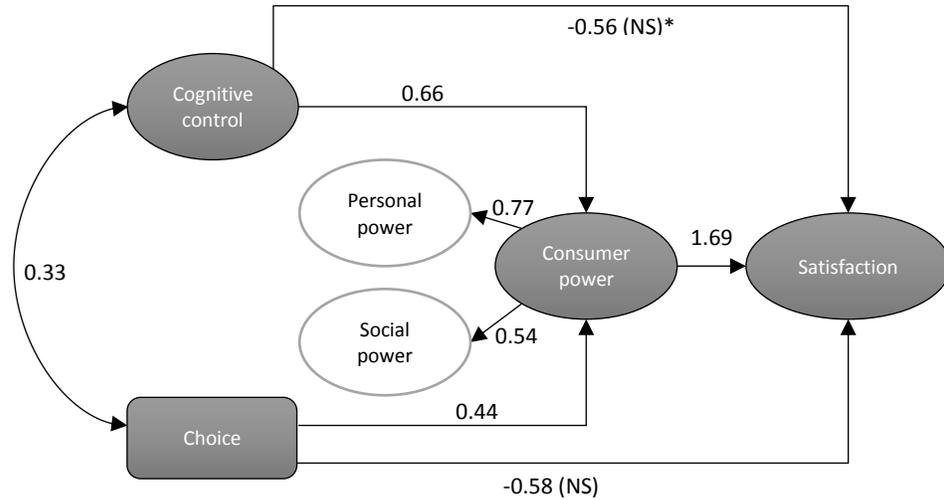
Procedural Fairness (Maxham and Netemeyer, 2002)		0.509**
Distributive Fairness (Maxham and Netemeyer, 2002)		0.483**
Commitment (Grégoire et al., 2010)		0.523**

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Black cells: To avoid having long questionnaires, the related constructs were chosen according to the scenarios. For example, we have not measured voice, commitment or fairness in pre-purchase scenario and we have not measured choice, subjective knowledge and involvement in post-purchase scenario.

**Appendix 1-C : Nomological Models in the other two scenarios**

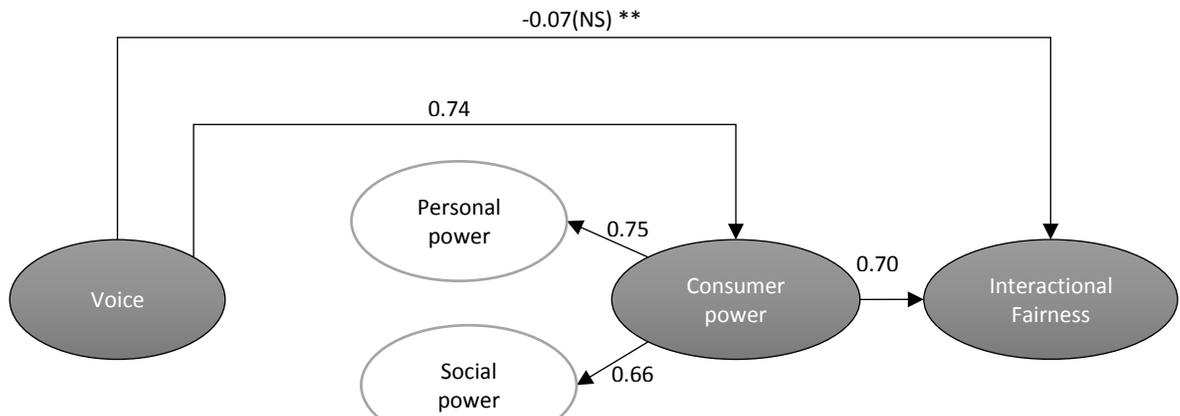
**Pre-purchase**



\* The direct relationship between choice and satisfaction was 0.16 ( $P < 0.05$ ) and the relationship between cognitive control and satisfaction was 0.56 ( $P < 0.05$ ) when consumer power was not in the model as a mediator.

$\chi^2$	$d_f$	$\chi^2/d_f$	RMSEA	SRMR	CFI	P-value
497.095	245	2.029	0.056	0.0419	0.957	0.000

**Post-purchase**



$\chi^2$	$d_f$	$\chi^2/d_f$	RSEA	SRMR	CFI	P-value
397.377	166	2.394	0.072	0.0728	0.930	0.000

\*\*The direct relationship between voice and interactional fairness was 0.45 ( $P < 0.05$ ) when consumer power was not in the model as a mediator. Also, consumer voice and consumer power were discriminant.

**Appendix 2: Scenarios in Second Study**

---

**First Scenario: Pre-purchase**

---

...think back to the last time you purchased a telecommunication service (phone plan, broadband and Internet services, or cable/satellite TV plan) from your current service provider (phone, Internet or TV). Please choose one of them and answer the following questions accordingly.

...how long ago did the purchase occur?

...how did you make the purchase?

...now, think more about your experience before this purchase and while you were making the decision including, the reason of your purchase, the different service providers, offers and options that you considered, the negotiation experience you had, and finally your last purchasing decision.

Please briefly explain your experience in at least 100 characters.

---

**Second Scenario: Post-purchase**

---

Think back to the last time you contacted your telecommunication service provider (phone plan, broadband and Internet services, or cable/satellite TV plan) in order to either communicate your dissatisfaction with a service or request something new that better met your needs.

...how long ago did you contact your provider?

...do you have the opportunity to say your opinion?

...did you receive what you expected?

Please briefly explain your experience in at least 100 characters.

---

**Appendix 3: Scenarios in Third Study**

---

**First Scenario: Pre-purchase**

---

Please choose one of the electronic products from the following menu. Think back to the most recent time that you purchased this product and please answer the questions accordingly.

...how long ago did the purchase occur?

...how did you make the purchase?

...Now, think more about your experience before this purchase and while you were making the decision including, the reason of your purchase, the different companies (retailers or stores), offers and options that you considered, the negotiation experience you had, and finally your decision.

Please briefly explain your experience in at least 100 characters in the box below.

---

**Second Scenario: Post-purchase**

---

---

First, please choose one electronic product from the following drop-down menu. Think back to the last time that this product failed to work. Therefore, you had to contact the customer service of the company (e.g. in the store, even online, or by calling the customer support team). In order to either report the failure and ask to fix the problem or report the failure, return the product and ask for refund; or even report the failure and ask to exchange it with a new product.

...how long ago did you contact your provider?

...do you have the opportunity to say your opinion?

...did you receive what you expected?

Please briefly explain about your experience, when you found the failure, what was it, what you said to the customer service, how they responded and what you received eventually, in at least 100 characters in the box below.

---

#### **Appendix 4: Scenarios in Fourth Study**

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##### **First Scenario: Pre-purchase**

---

Have you ever bought a car? YES-NO

Think back to the most recent time that you bought a car for you or your family from a car dealer (not from another person). It could refer to acquiring a used or a new car from a car dealer. You might have purchased it, financed it or even leased it. Please answer the questions accordingly.

...how long ago did the purchase occur?

...how did you acquire the car?

Now, think more about your experience before you acquired the car and while you were making the decision including, the reason of your purchase, the different dealers, websites, magazines, offers and options that you considered, the negotiation experience you had, and finally your final decision.

Please briefly explain your experience in at least 100 characters in the box below.

---

##### **Second Scenario: Post-purchase**

---

Have you ever bought a car under warranty? YES-NO

Think back to the last time that your car failed to work and you had to repair it. Therefore, you contacted one of the authorized car dealers in order to report the failure and ask to fix the problem.

...how long ago did you contact the car dealer to report the failure?

...In the above situation, do you have the opportunity to explain the problem and ask for a solution?

...did you receive what you expected?

Please briefly explain about your experience, when you found the failure, what was it, what you said to the car dealer, how they responded and what you received eventually, in at least 100 characters in the box below.

---

##### **Third Scenario: Purchase with negotiation**

---

Have you ever bought a car? YES-NO

Think back to the most recent time that you were negotiating with a company in order to buy a car for you or your family:

It could refer to negotiation on price in order to purchase a used or a new car from a company. It could refer to negotiation on the conditions of buying, financing or leasing it. It could refer to negotiation on the conditions of guarantee or warranty of the car. It could refer to negotiation

---

---

on adding or removing different options within the car. Please answer the questions accordingly.

Now, think more about your experience before this purchase and while you were making the decision including, the reason of your purchase, the different companies (retailers or stores), offers and options that you considered, the negotiation experience you had, and finally your decision.

---

## Appendix 5: Used scales in the Questionnaire

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### Personal Power

---

In the situation that I described ...

- ...I was able to pick and choose the options I wanted.
  - ...between me and the ...<sup>8</sup>, I was autonomous in my decision to purchase a ...<sup>9</sup>
  - ...I could choose the best desired available option.
  - ...at first glance, I was able to say no to any of the available ...
  - ...I was free to choose.
  - ...the ...s' recommendations influenced me.
  - ...I adapted my expectation to the ...s' offers.
  - ...I felt independent of the ...s' offers in my decision to purchase a ....
  - ...between me and the ..., I had significant autonomy to choose what I wanted.
  - ...I was completely free to make up my mind about the ...s' offers.
  - ...s' offers were irresistible.
  - ...between me and the ..., I was the one who made the final decision to purchase a ...
  - ...I was able to judge the quality of the ...s independent of the information provided by the ...
  - ...between me and the ..., I had control over my decision.
  - ...I was able to distinguish between promotions that were valuable and those that were not.
  - ...The ... did not sway my decision; I purchased the plan I was planning to purchase.
  - ...I complied with the salesperson's recommendations when purchasing my ... (R)
  - ...I accepted whatever the salesperson offered me. (R)
  - ...I accepted the offer of the salesperson while it was not my initial choice. (R)
  - ...I had to accept the offer of the salesperson. (R)
- 

<sup>8</sup> In Study 2: “service provider” and in Study 3: “company” and in study 3: “car dealer”.

<sup>9</sup> In Study 2: telecommunication service (e.g., phone, TV or broadband), in Study 3: electronic products (e.g., TV, laptop, desktop computer) and in study 4: cars

- 
- ...I absolutely relied on the salesperson's experience. (R)
- 

### **Social Power**

---

#### **In the situation that I described ...**

- I influenced the ...'s behavior.
  - I affected the ...'s response.
  - I got the ... to consider my interests.
  - I convinced the ... to change its decision.
  - I convinced the ... to comply with my needs.
  - I had little influence over the ...'s decisions.
  - I got the ... to give me what I needed.
  - My opinion carried much weight with the ...
  - My view had little sway with the ...
  - Overall, I felt I had power over the ...
  - The ... ignored my ideas.
  - I got the ... to do what I wanted it to do.
  - I altered the ...'s response according to my needs.
  - I had influence over the ...
- 

#### **Consumer Power by Grégoire et al. (2010)**

---

- ... I had the ability to influence the decisions made by the ....
  - ... I had leverage over the ....
  - ... the stronger my conviction, the more I was able to get my way with the ....
  - ...because I had a strong conviction of being right, I was able to convince the firm.
- 

#### **Consumer Empowerment Hunter and Garnefeld (2008)**

---

- In my dealings with the ..., I felt I was in control.
  - I felt good because of my ability to influence the choice set offered to me by this.
  - The ability to influence the goods and services of this ... was beneficial to me.
  - My influence over this ... increased relative to the past.
- 

#### **Influence by Pranić and Roehl (2012a)**

---

- 
- I could influence the way my request was handled by the provider.
  - I had a greater amount of participation in the request resolution.
  - I feel that I had input in the development of a solution to my request.
  - I could influence the request-related decisions taken by the provider.
  - I had significant influence over what happens after I made my request.
  - I felt very involved in the request handling process at the moment.
  - I had a great deal of control over what happens after I made my request.
- 

#### **Influence Brill (1992)**

---

- Merchants often seem as if they could care less about having my business.
  - When buying a car, I know how to negotiate a favorable price.
  - Salespeople who wait on me have to better listen to me if they want my business.
  - I hate haggling with the merchant.
  - When I shop, I generally get the salespeople to wait on me hand and foot.
  - When I go shopping, it seems like salespeople will do almost anything for me in hopes of making the sale.
- 

#### **Consumer Power Metric by Deloitte (2011)**

---

- There are a lot more choices now in this category than there used to be
  - I have convenient access to choices in this category
  - There is a lot of information about brands in this category
  - It is easy for me to avoid marketing efforts
  - I have access to customized offerings in this category
  - There is not much cost associated with switching away from this brand.
- 

#### **Resistance by Brill (1992)**

---

- I often feel that, as a customer, I am a pawn of big business.
  - I can honestly say that it has been ages since I have let a salesperson manipulate me into buying something I did not really want.
  - When I ask for help in choosing a product, I usually end up buying whatever the salesperson suggests.
  - When a salesperson and me do not agree about something, I am usually the one who ends up giving in.
  - I generally believe whatever a salesperson tells me about a product in which I am interested.
-

- 
- Sometimes I feel that a good salesperson could sell me the Brooklyn bridge.
  - Salespeople have little ability to persuade me.
  - It often seems like salespeople know that I am a real pushover.

---

**Subjective Knowledge by Flynn and Goldsmith (1999)**

---

- I know a lot about cars.
- I do not feel very knowledgeable about cars.
- Among my circle of friends, I am one of the “experts” on cars.
- Compared to most other people, I know less about cars.
- When it comes to cars, I really do not know a lot.

---

**Emotional Responses by Pranic (2009)**

---

- Unhappy...Happy
- Annoyed...Pleased
- Very disappointed...Very delighted
- Very dissatisfied...Very satisfied
- Despairing...Hopeful

---

**Positive Emotions by Anderson and Berdahl (2002)**

---

Happiness- Pride-Amusement-Self consciousness

---

**Negative Emotions by Anderson and Berdahl (2002)**

---

Anger at self, anger at merchant, guilt, shame, contempt, embarrassment, fear, sadness, discomfort, frustration, disgust

---

**Interactional Fairness by Maxham and Netemeyer (2002)**

---

- ...treated me with respect.
- ...treated me with empathy.
- ...treated me in a polite manner.
- ...gave me detailed explanations and relevant advice.

---

**Procedural Fairness by Maxham and Netemeyer (2002)**

---

- Despite the hassle caused by the problem, the firm responded fairly and quickly.
  - I feel the firm responded in a timely fashion to the problem.
-

- 
- I believe the firm has fair policies and practices to handle problems.
  - With respect to its policies and procedures, the firm handled the problem in a fair manner.

---

**Distributive Fairness by Maxham and Netemeyer (2002)**

---

- Overall, the outcomes I received from the service firm were fair.
- Given the time, money and hassle, I got fair outcomes.
- I got what I deserved.

---

**Satisfaction by Hunter and Garnefeld (2008)**

---

- Altogether, I am satisfied with the goods and services of this car dealer.
- I am totally convinced by this car dealer.
- This car dealer totally meets my expectations.
- I have made especially good experiences with this car dealer.
- I am dissatisfied with this car dealer.
- This car dealer offers me exactly what I need.

---

**Dominance Wiggins et al. (1988)**

---

- I am Self-assured.
- I am Self- confident.
- I am Assertive.
- I am Persistent.
- I am Firm.
- I am Dominant.
- I am Forceful.
- I am Domineering.

---

**Extraversion by John Donahue (1991)**

---

- I am talkative.
- I am sometimes shy, inhibited.
- I have an assertive personality.
- I am full of energy.
- I am reserved.
- I generate a lot of enthusiasm.
- I am outgoing, sociable.
- I tend to be quiet.

---

**Self-efficacy by Spreitzer (1995b)**

---

- 
- I had mastered the skills necessary to acquire the car.
  - I was confident about my ability to acquire the car.
  - I was self-assured about my capability to acquire the car.
- 

**Involvement by Zaichkowsky (1985)**

---

- Unappealing---Appealing
  - Not significant---Significant
  - Not beneficial---Beneficial
  - Don't matter---Matter to me
  - Superfluous---Vital
  - Unwanted---Wanted
  - Unimportant---Important
  - Nonessential---Essential
  - Mean nothing to me---Mean a lot to me
  - Worthless---Valuable
- 

**Perceived Choice by Reeve et al. (2003)**

---

- I believe I had choice over which car to purchase.
  - I felt like it was my own choice as to which car to purchase.
  - I felt I had control to decide which car to purchase.
- 

**Cognitive Control by (Faranda, 2001)**

---

- Ignorant---Knowledgeable
  - Unaware---Aware
  - Unknowing---Mindful
  - Uninformed---Educated
  - Helpless---Capable
  - Weak---Mighty
  - Incapable---Competent
- 

**Commitment by Verhoef (2003)**

---

- I am a loyal customer of this car dealer.
  - Because I feel a strong attachment to this car dealer, I remain a customer of it.
  - Because I feel a strong sense of belonging with this car dealer, I want to remain a customer of it.
- 

**Choice by Hui and Bateson (1991)**

---

---

How much choice do you think you had in deciding which car to purchase?

No choice---- A lot of choices

---

**Consumer Voice**

---

When you contacted the car dealer, did ...

- ...you have an input on the service you received.
  - ...you express your opinion in order to change or improve the quality of the service you received.
  - ...you express the failure to the car dealer and ask for a solution.
  - ...you have the opportunity to express your opinion in order to change or improve the quality of the service you received.
-