

HOW NEXTOPIA IMPACTS SATISFACTION & WOM POST-PURCHASE

AUTHORS: Andrea Goeres 40292 and Staffan Steneryd 21275

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TUTOR: Micael Dahlén

EXAMINATOR: Sara Rosengren

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Abstract: A growing number of products are being released in succession, making future related marketing concepts more relevant than ever before. Theory on the topic shows that consumers are positively biased towards the future and evaluate “to-be-released” products in a more favorable light than currently (identical) products on the market. Recent research demonstrates that positive associations from product *pre*announcements (PPAs) can spill over onto current products in a brand portfolio. As an extension of existing academic research on Nextopia theory, spillover effects and PPAs, the purpose of this quantitative study is to explore the link between the future and past by investigating if future related aspirations from PPAs also can affect satisfaction and word of mouth (WOM) in the post-purchase phase for a related product to the one *pre*announced. In this thesis, the effect is first tested in a field experiment where a movie theatre audience is manipulated by a film sequel *pre*announcement. The effect is later re-tested in a laboratory experiment. The study is the first of its kind to investigate a “kick-back effect” from a PPA to a consumed product/experience post-purchase and shows positive results in favor for PPAs. This finding adds to theory concerning future oriented marketing concepts and post-purchase behavior.

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1. INTRODUCTION

1.1 The Power of Future Aspirations

There is no medicine like hope, no incentive so great, and no tonic so powerful as expectations of something tomorrow. - Orison Swett Marden

The topic of future aspirations has recently been examined by Professor Micael Dahlén. In his book “Nextopia”, he describes an expectation society where we are constantly striving towards the “next big thing”. This “Nextopia society”, as he calls it, holds the promise that our greatest pleasures and adventures lie ahead. People are therefore not mainly deriving satisfaction from the present he argues; instead, satisfaction is linked towards aspirational dreams about an improved future. This relates to most things we do and consume, the next job, the next vacation and the next car, etc. Hence, the desire for the next “thing” around the corner is what drives pleasure today.

The question remains whether future aspirations have the power to also affect satisfaction of past experiences and products. In other words: *do consumers evaluate a product differently, if they are informed that it is connected to a future product that has not yet been released?* By taking a systematic overview of current marketing research and product trends, we identify an important issue that needs to be explored: the possible impact of future aspirations to affect past experiences. More specifically, this study will explore the link between the future and past by investigating if future oriented aspirations generated from *preannouncing* a product can be transferred back, and affect satisfaction and word of mouth (WOM) for a related product that has already been consumed.

1.2 Background to the Study

1.2.1 Connectivity – A growing phenomenon

Innovations are spinning off from the Internet fast, and the increased use of smartphones and applications has made people more connected than ever before. Products seem to follow a similar trend and are becoming ever more integrated with each other (Smeltzer 2012). In particular, books, video games and movies, show increased connectivity between each other and integrate across multiple platforms to a large extent (Jieping, Rijie and Yaqiong 2011). Further, the products in and of themselves are more strongly connected with each other and

are often launched in sequels, two-packs, prequels, trilogies or other types of series. In 2012 for example, \$3.31 billion USD - over 70 percent of box office admissions from the 10 most popular films in US theaters - came from sequel film productions. This trend has been strongly positive during the last ten years and revenue from sequels was 45 % higher in 2012 than in 2003, both in the US and Sweden (SF Anonymous, 2013).

Connectivity can also be seen in other products, the success of Apple for example, is to a large extent is linked to its competitive advantage of offering multiple products that integrate as one (Magee 2011). The trend of products becoming increasingly connected, in combination with the power of future aspirations, opens up for new marketing opportunities. Apple is a company that has capitalized on product connectivity and future desires in their marketing communication. By strategically releasing “secret” information about upcoming products, they stimulate customer’s curiosity for the next release (Kane and Fowler 2010).

1.2.2 Research on product *preannouncements*

Recent research by Dahlén, Thorbjørnsen and Sjödin (2011) demonstrates that communication that stimulates curiosity for upcoming releases can be a smart strategy. The authors prove that consumers seem to prefer forthcoming new products to identical new products that are currently available. Further, they demonstrate how future-oriented advertising in the form of product *preannouncements* (PPAs) - where the product is not yet on the market - evokes greater elaboration, and stimulates more positive evaluations of both ads and brands compared to new product announcements (NPAs) - where the new product advertised is already available. Furthermore, research by Dahlén, Thorbjørnsen and Lee (under review) investigated whether future aspirations also can affect other products for a company. Their findings show that consumers’ construal level of product *preannouncements* (PPAs) spills over to their construal of other products in the brand family, causing a positive, biased evaluation of these products. For example, by *preannouncing* that Apple will launch an improved iPhone in the future, positive associations can be transferred back to other products in its current brand portfolio, e.g. iPads and Macbooks.

1.2.3 The post-purchase stage connects to the future

The post-purchase stage has received comparatively little attention in marketing literature despite its proven importance (Braun, 1999; Wang, Liang, & Peracchio, 2011). Braun (1999) explains how consumers’ evaluations of their past product experience are continuously

affected by advertising. Over time, this post-experience advertising information can become incorporated into the brand schema and influence future product decisions. Additionally, Schacter (1996) describes how for a company or brand, the influence of advertising on consumers past experiences is likely to be greater than their ability to transform the future.

We believe it is important to understand how consumers evaluate products post-purchase, and how a company can affect our judgment of products in this phase, in order to better understand and shape the future. This is an area that makes this study particularly interesting. With a deeper understanding of how future aspirations affect past experiences, companies should be able to more accurately design and market their next new product in order to increase its fit with currently available options.

1.3 Problem Area

Nextopia marketing theory is growing to be more relevant than ever before due to the increasing connectivity among products being released in succession. Despite this, only a few studies have further contributed to this field of research and we have identified a key area that so far has been overlooked. To our best knowledge, not a single study to date has investigated the possible impact of future aspirations on judgments of products/experiences in the post-purchase phase. This is the unexplored area of research in which this thesis will try to bring new light. And by doing so, the ambition is to find new paths for marketers to follow.

1.4 Purpose of the Study

Based on previously presented information - highlighting an unexplored area in marketing research and showing a strong trend of connectivity between products, we find it suitable to examine the future effect on past consumption.

Our research will build on to Nextopia theory by answering the following main research question:

Do consumers evaluate a product differently if they are informed that it is connected to a future product that has not yet been released?

Hence, the main purpose of this thesis is to explore *if* product *preannouncements*, affect satisfaction and WOM intentions for a connected product in the post-purchase stage. The secondary purpose of this thesis is to delve deeper into the understanding of this effect by investigating the following sub research questions:

1. *Is there any particular factor that could amplify or “boost” this effect?*
2. *Does the effect hold over time?*
3. *Does the effect spill over to other product categories connected to the film experience?*

1.4.1 Films are suitable to help answering the purpose of this study

To answer the purpose of this thesis, two experiments on consumer evaluations of films have been completed. First, a field experiment was carried out in a movie theatre in central Stockholm. To stimulate a future priming effect, the movie audience was exposed to a manipulated *preannouncement* of a sequel to the film they were about to see, in order to evaluate what effect it has on two key measures - satisfaction and WOM intentions - for the original film, post-purchase. This study will also investigate whether the Nextopia effect is stronger or weaker with the presence of uncertainty in the film ending. The second study, a laboratory experiment, will determine whether the Nextopia effect holds over time. More explicitly, the second study will test whether the same effect occurs if consumers are exposed to the announcement **after** they have seen a film. This study will also investigate how far this Nextopia effect reaches, particularly whether there is an additional spillover onto events or experiences a consumer experienced **in connection to** the experience on which they were exposed to a Nextopia priming effect.

Investigating the Nextopia effect on films is suitable for our research subject in several ways. To begin with, it is an area where sequel productions are common and growing, making this study particularly valuable for the film industry. Secondly, films are a product category where we considered the possible Nextopia effect to be more “pure” since no information about product features is addressed in the *preannouncement*. This is in contrast to previous research on PPAs where consumers were told about particular improvements in taste for mineral water, or specific features for electronic products (Dahlén, Thorbjørnsen and Lee, under review), which may influence positive associations. Thirdly, the movie theater setting is an area where it’s possible to conduct a field experiment under controlled circumstances while collecting a satisfying number of diverse participants in the scope of time for this thesis. Hence, the setting for our field experiment will make our findings more generalizable while controlling for high internal validity.

1.5 Expected Knowledge Contribution

This research is new in its kind and will fuel theory connected to Nextopia and post-purchase consumer behavior. We are optimistic it will add guidance for marketers in their work in terms of forming strategy regarding product *preannouncements* and serial product releases. It is important to note that this study is not investigating how future aspirations generate increased satisfaction for new products, rather we want to know if, and how, future desires for the “next thing” can affect how consumers evaluate a product **after** it is consumed, and what managerial implications this might have. Not only does consumer satisfaction with a product purchased affect brand loyalty but it also has a great impact on what consumers who have experienced a product or brand tell their friends, family and colleagues about their experience. (Ranaweera 2007). Being more knowledgeable about consumer evaluations in the post-purchase stage and what they imply for a brand or product offering should be a concern for any company.

There are currently very few academic studies about the theory of Nextopia and significant uncertainty regarding when and how to implement and strategically introduce product *preannouncements*. Not only is research in this new field sparse, but never to our knowledge has a study been conducted that examines the effects of a future prime by a *preannouncement* on consumers in the post-purchase stage. However, at the very early stages of a marketing concept, it is crucial for researchers to study various aspects of how their hypothesized effects actually occur, challenge theories and try to determine how this phenomenon affects consumers.

1.6 Definitions and Clarifications

The area of marketing and consumer behavior addressed in this thesis can be complex for the reader and several terms are used throughout this thesis that the reader may not be familiar with. We give definitions of four main terms below.

“**Nextopia**”: This theory is defined by Dahlén (2008) as a general belief among consumers that the next “thing” always will be the better one.

“**Product *preannouncements* (PPAs)**”: Our thesis defines a product *preannouncement* as the actual declaration that an upcoming new product will be released in the future.

“Future product prime” : According to Pan & Kosicki (1997), priming in a media context is “derived from the associative network model of human memory, in which an idea or concept is stored as a node in the network and is related to other ideas or concepts by semantic paths. Priming refers to the activation of a node in this network, which may serve as a filter, an interpretive frame, or a premise for further information processing or judgment formation.” Thus, we define a “future product prime” as the priming effect of a PPA on a person.

“The Nextopia effect”: Our thesis defines this as the effect of exposure to a PPA on consumer evaluations.

1.7 Delimitations

To investigate if consumers evaluate a product differently when informed that it is connected to a future product that has not yet been released, we have limited our research to investigating films and film sequels. Due to this limitation, we were bound to test the effect on films that were showing on movie theatres during the month of March and April. Furthermore, to conduct the research in the scope of time provided for this thesis, we conducted only a few interviews with people in the film industry in Sweden. More interviews would have enriched this research and provided more angles to the topic. Also, in geographical terms, we have limited this thesis to research respondents in the Stockholm region.

1.8 Film Industry Interviews

To get a more robust overview of the problem area we will focus on in this thesis, and find relevant questions for our experiment, we conducted interviews with key individuals in the Swedish film industry.

Helena Eklund, Marketing Director, SF Bio

Helena stated that the industry is conservative and that marketing is linked to other activities in the value chain such as production and licensing. She expressed her belief that movie sequels will continue to rise in popularity due to their proven financial success and the marketing benefits of leveraging a previously built reputation. She was irresolute regarding preannouncements of sequels in connection to the first movie released. She explained that announcing a sequel might be a good strategy if it doesn't decrease perceived quality for the initial film. However, she also highlighted that it's uncommon in the industry to announce a sequel before an initial success has been observed. She believed that if one could prove that

the effects of a sequel are strongly beneficial, it would make more sense to market forthcoming productions in the early stage. Such actions would require more integration between production, marketing and licensing.

Louise Lindquist, Partner, Early Bird Licensing

Louise also confirmed that sequels are becoming increasingly popular in a wide variety of areas, not only movies. She explained how it's therefore very important from a licensing perspective to know more about how sequels affect customer satisfaction and WOM. Further, she described how licensing companies today are generally risk averse, and usually wait to see if the first film will be a box office success before deciding on licensing upcoming movies. She strongly believed that it will be hard to change this practice but notes that licensing agencies are often brought in at the strategy setting stage in order to devise an optimal integrated plan with the film studio.

Charlotta Denward, Head of Production, Svensk Filmindustri

Charlotta stated that due to the rapid increase in sequel movie productions, more information is needed on how customers evaluate sequels. In terms of sequel productions, she also addressed the risk of *preannouncing* a sequel before being certain a film will be a success and described how most professionals in the industry work with “safe cards” and are risk averse. Despite this, she believed that this conservative view could change if strong evidence could prove beneficial effects of *preannouncing* movie sequels. Moreover, she expressed that movie viewers, like all types of customers, are not a homogeneous group and that some enjoy sequels while others dislike them. More “educated” customers, she supposed, are critical towards sequel hysteria and perceive sequels to be; *“disgraceful and only a means to squeeze money out of movie-goer’s pockets while diluting uniqueness associated with a high quality movie production.”* She finished by explaining that people in the movie industry do not know enough about how customers evaluate a movie or why they decide to go to see a particular film in the cinema; *“The knowledge within the film industry about the audience is not good enough. There are not many external studies done, and we don’t do a lot of studies ourselves. We have test screenings but they’ve got a really bad reputation from the start. They’re mostly used to adapt the editing a bit but that’s about it. We don’t really know our audience. What we do know is that we always work in some kind of retrospective. What **did** work? And we try to catch up like that.”*

1.9 Thesis Outline

The thesis has been divided into seven chapters. The next chapter aims at giving the reader a better understanding of current theories that can be applied to how Nextopia, product *preannouncements* (PPAs) and spillover effects can affect our judgment of products. In addition, theories about scarcity and uncertainty will be addressed. These theories are used to form four hypotheses based on the further information needed to fulfill this thesis' purposes. Chapter three deals with the methodology used to carry out the field experiment. We present a preview of the approach, design of the experiment, measures, and participants used in the research process. A discussion on reliability and validity will finish off chapter three. The fourth chapter will present the results from the field experiment. The fifth chapter will address methodology for the laboratory experiment, followed by the results from this study in the sixth chapter. The final chapter of this thesis will discuss the results from the two experiments and give suggestions for how managers can use the findings. The thesis will be concluded with a concluding discussion of the results, critique of the study and suggestions for further research.

2. THEORY AND HYPOTHESIS GENERATION

To gain an understanding of how consumer reactions differ whether they are exposed to a future product prime in the form of a film sequel announcement, we used two primary measures: Satisfaction and Word of Mouth intention. Both measures are widely used in marketing research studies and literature as significantly indicators on customer evaluations.

2.1 Key measures

2.1.1 Satisfaction

Satisfaction with a product is one of the most popular measures or benchmarks used to describe customer evaluations of a product, service or experience consumed. Oliver (1980) describes the process by which satisfaction judgments are reached by the expectancy-disconfirmation framework, meaning that perceived quality of a product or service confirms or disconfirms pre-purchase expectations. In general, satisfaction can be broadly characterized as a post-purchase evaluation of product quality given pre-purchase expectations (Kotler, 1991). Although researchers disagree upon whether it is possible to accurately measure purchase intention, some authors argue that by consistently providing high satisfaction, a resulting higher repurchase intention among consumers should be observed. Cronin and Taylor (1992) found that satisfaction has a significant positive influence on repurchase intentions. These authors are supported by Anderson and Sullivan (1993), Taylor and Baker (1994), and Tsiotsou (2006) whose research produced similar conclusions. The Satisfaction measure is especially relevant for our study on the effects of a future product prime as it will allow us to measure consumers' evaluations of a product and compare them between groups.

2.1.2 Word of Mouth

Word of mouth (WOM) is another measure we use consistently throughout the study to measure consumer evaluation of the product they have consumed. WOM is defined as the passing of information from one person to another by oral communication. Murray (1991) asserts that the power of WOM derives from the fact that people consider information from personal sources to be more reliable and trustworthy than other sources. Further, WOM intention is explained as consumers' intentions to spread information or to give a recommendation to a friend or family member about a particular product or brand

(Söderlund, 2001). Various academic studies assert that WOM communication plays a key role in shaping and influencing a future consumer's attitude and behavior and has notable implications on future success for a company and brands (Dichter, 1966; Herr, Kardes & Kim, 1991; Murray, 1991). In addition, with the strong increase in Internet usage, comments about products are increasingly being spread through online-forums and review sites, making it more important than ever before. Due to this, online product opinions (we call it eWOM) have gained increased attention recently and new research proposes that this form of informal marketing has a strong influential impact on consumers prior to them selecting a product (Edelman, 2010). Hence, we have deemed WOM to be another key measure that is appropriate for the purpose of this thesis.

2.2 Hypotheses

To get a better understanding of how a product *preannouncement* can spillover from the future to the past and affect satisfaction and WOM for a related product post-purchase, we have delved deeper into theories on the topic. We must first understand the theory behind what the Nextopia effects are on preference for future products, not yet available, and then try to understand how this effect can be passed on to other currently available products in the brand portfolio that already have been consumed. We would like to underline that we are irresolute towards how the effect will play out, which is why we have looked into theories suggesting that the Nextopia effect can translate into a negative effect post-purchase as well.

2.2.1 Nextopia spillover onto products already purchased/consumed

Nextopia theory suggests that when comparing future events with past and present events, people seem to agree that "the next one will be the best one." (Dahlén 2008). This expectation is supported by the arguments in recent literature on optimism bias. Optimism bias is described by Zhang, Fishbach, and Dhar (2007) as a form of self-positivity bias and implies that people are overly positive about their own future. Together, these theories suggest that it is conceivable that people elaborate more and are more optimistic about what is to come in order to cope with the inherent uncertainty of the future, thereby forming a more enjoyable and favorable perception of a future product. Nextopia priming should evoke an optimism bias because it provides consumers with a future time perspective, prompting them to view their use of the next product through a more positive lens.

A study by Dahlén, Thorbjørnsen and Sjödin (2011), proved these theories, finding that advertising for future products will produce more positive forecast feelings than advertising for current products. “Nextopia advertising” or advertising for a future (rather than current) product was, in fact, processed more extensively, causing the advertised brand to be perceived more favorably. Further studies have determined that the farther into the future the expected product launch is, the more positive a consumer evaluation of the expected product/ experience will be (Dahlén, Thorbjørnsen and Lee, under review). This research is supported by construal level theory which proposes that temporal distance changes consumers’ responses to future events by altering their mental representation of those events (Liberman and Troupe 1998, 2003). Consumers’ mental representations of objects or events tend to be more abstract, coherent and general the greater the temporal and psychological distance is. In other words, consumers extract meaning and omit the details (Legerwood, Troupe and Chaiken 2010). More specifically, previous research has found that under high-level construal (greater distance from present), consumers are likely to focus more on abstract benefits and desirability and under low level construal (closer to present) will focus on details and practicality (Troupe and Liberman 2003; Tsai and McGill 2011). For example, a person thinking about a camping trip 6 months from now may think of it in terms of vague or general goals like “I want to get closer to nature” or “for relaxation,” whereas a person leaving on a camping trip tomorrow may think of it in terms of more specific and concrete goals such as “buying a new sleeping bag” or “putting gas in the car” (Troupe and Liberman 2003). The uncertainty concerning what will happen in the future, with a stronger construal abstraction the farther away the product or event is in time, might then be a key explanation for our tendency to evaluate the future more positively.

In a new study by Dahlén, Thorbjørnsen and Lee (under review), this effect is tested on new product announcements (NPAs) and new product *preannouncements* (PPAs) where the later has a greater temporal distance and therefore a higher construal level. The results were in line with previous research which suggested that the high level construal - primed by a new product *preannouncement* – should activate the general processes of representational abstraction and subordinate goals (Forster, Friedman and Liberman 2004). The results of the study by Dahlén, Thorbjørnsen and Lee (under review), confirmed that higher construal level of a new PPA (compared to a NPA) spills over to the construal of other current products in the brand family. Further, the authors’ study found that when exposed to a new product *preannouncement*, that is, where the brand announces that a new product will be launched in

the future, consumers also construe **current** brand products at a higher level, which in turn positively affects their evaluations of these products.

These findings reflect previous theory by (Ulkumen, Chakravarti and Morwitz, 2010) on how exposure to different types of categories or assortments creates a mindset that changes how consumers process information. Their results confirmed that this spillover is especially more likely to occur when consumers view products under the same brand portfolio as part of the same family and consequently perceive them as similar in terms of mental representation and common brand associations. Dahlén, Thorbjørnsen and Lee (under review), apply the theories of Ulkumen, Chakravarti and Morwitz (2010) on association to Nextopia theory and state that “relational proximity enhances the transferal of cognitive mindsets between evaluative processes of the brand’s future and current products and therefore, the effect of a future product prime on current product evaluations is mediated both by the construal level and consumers’ similarity judgments.” Our experiment is especially relevant as film sequels are incredibly close in terms of proximity because there is such an overlap. In most cases, a film sequel uses the same characters, the same interpersonal relationships and conflicts, a similar story or a continuation/elaboration of the same story and sometimes even the same location, causing it to be closer in terms of relational proximity than another type of brand extension, a salad dressing brand that introduces a new flavor, for example. A higher construal level evoked by the new product *preannouncement* increases participants’ attitudes and purchase intentions for the **current products** in the brand portfolio both directly, because they view them in a more favorable light, and indirectly, by way of a greater perceived similarity to the new product addition (Dahlén, Thorbjørnsen and Lee, under review)

If a product *preannouncement* causes participant evaluations of current products to increase for other products in a brand portfolio, it is plausible that the effect should spill over to post-purchase evaluations as well. Although this has never been proven in previous research, we believe that it is likely that we will see an effect. Therefore, we argue that if the Nextopia effect is so pervasive that this future bias can be applied onto current other products in the brand portfolio by a new product *preannouncement*, the same new product *preannouncement* - and all that comes with it, high level construal/ abstract benefits/ desirability – should cause a spillover effect onto products already consumed/purchased and affect customer post-purchase/ post consumption evaluations. We aim to answer the question: “*What impact does a sequel preannouncement have in the post-purchase stage on satisfaction and word of mouth for the original film*” and define our first hypothesis as:

H1a: A *preannouncement* of a film sequel will positively influence satisfaction for the original film post-purchase.

H1b: A *preannouncement* of a film sequel will positively influence WOM for the original film post-purchase.

A note of clarification for the reader: H1a and H1b will investigate this effect when the sequel *preannouncement* is made before the original film is seen. Below we have defined two complementing hypothesis that will answer the question if the same effect is present when the *preannouncement* is made *after* the original film is seen. H1a and H1b will be addressed in study 1 while study 2 will address H1c and H1d. See methodology 2 for an explicit explanation for this procedure.

H1c: A *preannouncement* of a film sequel made after the film has been consumed will positively influence satisfaction for the original film post-purchase.

H1d: A *preannouncement* of a film sequel made after the film has been consumed will positively influence WOM for the original film post-purchase.

2.2.2 Counter hypothesis

Although the theories mentioned above would infer that a *preannouncement* of a sequel will increase participants' satisfaction and WOM of the film they just saw in the post-purchase/post consumption stage, it is important to consider that most of the previous research on the topic tests the Nextopia effect by comparing preference for a future product to preference to a current product where it is implied that the future product is an improvement on the current product (a new model of a cell phone, a new and improved flavor of mineral water etc.)

It is worth it to determine if it is simply the fact that consumers assume the new model or new product will inherently be better than the current one - the belief that companies in the FMCG or Tech industries, for example, have large research and development departments that focus on continual improvement of a brand's offering. Studies have found that product *preannouncements* have become increasingly prevalent in the past few years (e.g., Sorescu, Shankar, and Kushwaha 2007). However, the findings of Dahlén, Thorbjørnsen and Lee (under review) suggest a possible explanation for this effect: that consumers seem to be

systematically biased to view forthcoming products as general improvements over currently available products, even when there are no factual claims to support such expectations.

Another consideration worth examining is scarcity theory. According to Cialdini's (1993) scarcity principle, when a resource becomes scarce, it increases in value. For example, if one thinks of time as one such limited resource, an awareness of its unavailability can increase the value of an experience, making it more likely to be enjoyed (e.g., Carstensen, Isaacowitz, & Charles, 1999). In order to increase perceived value, some companies employ practices such as advertising a product's scarcity, producing limited editions of products, distributing products through exclusive offers, prestige pricing and restricting maximum order sizes (Balachander & Farquaher, 1994; Brock & Mazzoco, 2004; Brock, 1968; Lessne & Notarantonio, 1988). Further, theories of hedonic adaptation state that being struck with the realization that a meaningful or pleasurable activity is soon ending brings its positive qualities to the forefront of one's attention along with a sense of motivation to make the most of it. (Brickman & Campbell, 1971; Parducci, 1995; Wilson & Gilbert, 2008). This suggests that events that were once sources of great pleasure or pain gradually lose their emotional power over time through repeated exposure. As a result, it is also possible that a *preannouncement* of a sequel may actually have **negative** effects on audience satisfaction and WOM of the film a consumer just recently purchased and experienced. Because the viewer is exposed to the possibility of being able to prolong the experience further, this increased exposure may, in fact, then decrease satisfaction.

Another reason satisfaction and WOM for a product may be decreased when a future product is introduced or consumers are exposed to "future priming," can be drawn from Meyvis and Cooke's (2007) study, which found that consumers systematically devalue their current choice of store when anticipating future choices. The authors' Comparative Feedback theory suggests that consumers are more critical towards their choices when there is a possibility to improve them in the future. They then tend to end up less satisfied with current choices. It is important to note, however, that research findings in this area have primarily been concerned with testing products and decisions that have a monetary consequence. For example, the possibility of finding a product at a lower price at another store makes consumers less satisfied with current store choices. In and of themselves, these findings do not give explanations as to how consumers should evaluate a consumed product. However, Comparative Feedback theory combined with Nextopia theory suggests that we strive for the next thing that will make us happy, consequently shifting our current state of mind into a

comparative mode, where we compare our current situation with the future. How is it possible for consumers to think the future is better if they do not compare it with the present? And, since they do, consumers should evaluate past consumption more negatively when compared to future consumption. Based on the reasoning above and the fact that only one study indicates a positive spillover effects to other current products, we counter hypothesize:

H2a: A *preannouncement* of a film sequel will negatively influence satisfaction for the original film post-purchase.

H2b: A *preannouncement* of a film sequel will negatively influence WOM for the original film post-purchase.

2.2.3 Uncertainty increases the fit and intensifies the Nextopia effect

Whether H1, or its counter hypothesis, H2 are found to be true, it is very possible that other factors are also at play which have the potential to enhance the future priming effect in the post-purchase stage. One such factor is uncertainty in terms of a film's plot or ending.

Early uncertainty theory suggests that introducing uncertainty intensifies affective reactions to negative events. (Arenas, Tabernero, & Briones, 2006; van den Bos, Euwema, Poortvliet, & Maas, 2007; Wiggins et al., 1992) More recently, a study by Wilson, Bar-Anan and Gilbert (2009) built on these findings and proposed an “uncertainty intensification hypothesis”, whereby the authors propose that uncertainty makes unpleasant events more unpleasant (as prevailing theories suggest) but also makes pleasant events more pleasant. The authors found that introducing an element of uncertainty keeps an event accessible after it occurs and prolongs the pleasure caused by a positive event. In their study, participants watched a pleasurable movie based on a true story and were then provided with two possible accounts of what happened to the main character after the movie was made. Participants who remained in this state of uncertainty were in a good mood for longer than participants who were told either that the first or second account was true.

To announce that a sequel film is coming out, or that the current film is part of a series, can be interpreted as providing uncertainty about the future regarding the outcome of the movie seen. This should increase the fit with a following story, which theory suggests is a crucial success factor for product line extensions (Völckner and Franziska, 2006). Klink and Smith (2001) have delved deeper into this concept of fit by examining a brand's extendability in terms of the degree to which it is constrained by the level of perceived fit between the brand

and extension product categories. They explain that whether a brand can be successfully extended into a given category is dependent on consumer's perceptions of how well the extension "fits" with their idea of the initial brand or product.

Hence, a movie that the audience enjoys, should be perceived as more enjoyable due to the uncertainty element - not truly knowing how the story will end. At the same time, a movie that the audience does **not** enjoy, should show the same effect in the opposite direction. That is, the audience would perceive the film as more unpleasant due to the uncertainty. The level of perceived uncertainty should therefore boost the negative or positive effect.

Construal level theory proposes higher elaboration and more positive abstractions the further away the product or event is in time (Troupe and Liberman 2003; Tsai and McGill 2011). We find it reasonable to believe that such abstractions are connected to the inherent uncertainty that comes with a greater temporal distance. Hence, why should a similar principle not be at play when examining the uncertainty of the ending of a film? A more open and abstract ending of the film should therefore generate similar findings as the inherent uncertainty in construal level theory. So, even though we do not look into different time perspectives of when the sequel film is to be released, we consider the degree of uncertainty regarding the ending of the film to be an element that can be perceived in a similar way. A higher level of uncertainty should therefore produce similar effects as a higher abstract construal level generated by greater temporal distance.

Construal level theories, combined with theories on the effect of uncertainty and brand extension fit suggest that not only would a PPA stimulate higher satisfaction and WOM, but adding an element of uncertainty would intensify the effect. Thus, we propose our third hypothesis as follows:

H3a: The effect of a *preannouncement* of a film sequel is greater among uncertain film viewers for satisfaction.

H3b: The effect of a *preannouncement* of a film sequel is greater among uncertain film viewers for WOM.

2.2.4 Spillover onto connected products post-purchase

Lastly, we hypothesize that the Nextopia effect spills over to other products or experiences consumed in connection with the film. In other words, movie goers who are told there will be a sequel to the film they saw, who also consume another product in connection with seeing the film, will also evaluate this other product more positively.

Our study expands on research by Dahlén, Thorbjørnsen and Lee (under review) that proves that when the Nextopia effect or a PPA is applied to a given product, the positive associations created by this effect spill over onto other products in the product's brand portfolio. We assume that if a consumer has participated in an activity in connection with the film they saw – went out for dinner, grabbed a coffee with friends, went shopping etc. – and they are then exposed to a sequel PPA, the same associations that impact consumer satisfaction and WOM intention with regards to the film they just saw, will similarly affect any activity/product consumed in connection to the film. Early research by Segal and Cofer (1960) defines “priming “ as the effect of recent use of a concept in one task on its probability of usage in a subsequent unrelated task. Bargh and Chartrand (2000) elaborate on the effects of priming respondents in a particular situation by measuring the effect a particular prime on their subsequent comprehension and categorization of the world around them. The authors explain how activated cognitive procedures or “mindsets” can be transferred and applied to new situations. Similarly, research by Ulkumen, Chakravarti and Morwitz (2010) tests the effect of priming consumers with narrow and broad categorizations then observing changes in respondents' information processing styles. Their study also finds that exposure to a priming effect spills over to subsequent, unrelated tasks.

We therefore hypothesize that being exposed to a future product prime by a film sequel announcement will not only affect satisfaction and WOM intentions for the original film post-purchase, but will also spill over to products/experiences consumed in *connection* to the film. Thus, our final hypothesis are:

H4a: A *preannouncement* of a film sequel will positively influence satisfaction for a product/experience consumed in connection to the original film post-purchase.

H4b: A *preannouncement* of a film sequel will positively influence WOM for a product/experience consumed in connection to the original film post-purchase.

2.3 Summary of Hypotheses and Theories

Below please find a summary of the hypothesis and theories used in chapter two.

Table 2.3: Hypotheses and Theories

Hypothesis	Theory
H1a: A <i>preannouncement</i> of a film sequel will positively influence satisfaction for the original film post-purchase.	• Nextopia theory • Construal level theory
H1b: A <i>preannouncement</i> of a film sequel will positively influence WOM for the original film post-purchase.	
H1c: A <i>preannouncement</i> of a film sequel made after the film has been consumed will positively influence satisfaction for the original film post-purchase.	
H1d: A <i>preannouncement</i> of a film sequel made after the film has been consumed will positively influence WOM for the original film post-purchase.	
H2a: A <i>preannouncement</i> of a film sequel will negatively influence satisfaction for the original film post-purchase.	• Comparative feedback theory • Scarcity theory
H2b: A <i>preannouncement</i> of a film sequel will negatively influence WOM for the original film post-purchase.	
H3a: The effect of a <i>preannouncement</i> of a film sequel is greater among uncertain film viewers for satisfaction.	• Construal level theory • Uncertainty theory • Brand line extension theory
H3b: The effect of a <i>preannouncement</i> of a film sequel is greater among uncertain film viewers for WOM.	
H4a: A <i>preannouncement</i> of a film sequel will positively influence satisfaction for a product/experience consumed in connection to the original film post-purchase.	• Nextopia theory • Construal level theory • Post-purchase theory
H4b: A <i>preannouncement</i> of a film sequel will positively influence WOM for a product/experience consumed in connection to the original film post-purchase.	

2.4 Information Needed

As the theoretical foundation for this thesis now is established, it is possible to determine what sort of data is needed in order to answer our presented hypothesis. This will help us answer the main problem:

Do consumers evaluate a product differently if they are told that it is connected to a future product that has not yet been released?

In other words, this thesis will investigate *whether consumers that are exposed to the future priming effect by a film sequel preannouncement give more positive or negative evaluations in terms of satisfaction and WOM for the original film*. With this study, we are also interested to understand *if there are any particular factor that could intensify the effect, whether this effect holds over time, and if it spills over to other products consumed in connection to the film experience*.

In order to come to an understanding regarding the questions above, we will gather data by carrying out two experiments, one field and one laboratory. The method used for experiment 1 will be described in section three below. The method used for experiment 2 will be described after the result section from the first experiment in chapter 5.

3. METHODOLOGY STUDY 1

This chapter will provide an explanation of the research methods used in study 1. The chapter includes the scientific approach, research design, method of the study including pre-studies, the selection of variables and questionnaire used, and ends with a discussion of the reliability and validity.

3.1 Scientific Approach

As our hypotheses are developed based on existing theory and knowledge, and are tested in an authentic environment, this study has adopted a deductive research approach (Bryman & Bell, 2007). Further, as our aim is to examine if a relationship exists between a future priming effect by PPA in the form of a film sequel, and the evaluation for the original film post-purchase, a cause-and-effect relationship is studied. Hence, the research design is of a casual nature (Bryman & Bell 2007).

3.2 Experimental Research Design

We found that an experimental research design is suitable for our purpose. An experiment can, according to Söderlund (2010) be explained as; “individuals being randomly assigned to different groups, which receive different manipulations - then the reactions from the groups are compared after the manipulation”. This allows the researcher to understand if the manipulation of independent variable(s) has an effect on dependent variable(s) (Söderlund 2010). This is what we intend to understand - how a sequel announcement (independent variable) affects satisfaction and WOM (dependent variables). According to Bryman and Bell (2007), the greatest advantage of an experimental design is that it presents an opportunity to include the independent variables of interest while excluding irrelevant or confounding factors. This increases the likelihood that the relationships between independent and dependent variables are accurate. Further, Churchill and Iacobucci (2005) explain that “an experiment can provide more convincing evidence of causal relationships than an exploratory or descriptive design”; another reason why this research design was selected.

Söderlund (2010) makes a distinction between a laboratory experiment and a field experiment where laboratory experiments are conducted in an artificial setting whereas field experiments occur in a real-life setting. Lab experiments can therefore be criticized because they relate to artificial situations that have been created by the researcher (Söderlund 2010). However, our

research will use both designs, where a field experiment will be used for Study 1 and a laboratory experiment (Study 2) will complement these findings.

3.3 Experiment Design Study 1

The main experiment is of classic 1*2 experimental design carried out in the field, with one factor (a film sequel announcement) and two levels (control and experiment groups). The two levels are made up by eight groups in total, four control groups and four experiment groups, where the experiment groups are exposed to a film sequel announcement and the control groups are not. This simple design will be used to give an answer to H1 and H2. To answer H3, a 2*2 experimental design will be used where we have added a measured “uncertainty factor” to the 1*2 design.

3.4 Preparatory Work

The preparatory work needed to answer the research questions was carried out in five steps: (i) *Selection of appropriate product categories*; (ii) *Selection of a material/stimuli* (iii) *Establishing a relationship with SF Bio* (iv) *Selecting the films*, (v) *Group allocation*, (vi) *The Pilot Study*

3.4.1 Selection of appropriate product categories – films

One of the main reasons that films were the category of choice for the study was the ease and intuitiveness of surveying. Films are commonly rated both by critics and by viewers themselves and people are used to rating films based on their personal experience. Movie goers also have a generally uniform experience, that is, they all experience the product in the same environment, with the same conditions both *between* the manipulated and control groups and *within* the groups themselves. Films also lend themselves well to a future product priming effect because of the popularity of film sequels.

3.4.2 Selection of a stimuli – why film sequels specifically

One of the most important reasons film sequels were chosen as main factor/stimuli was that a film sequel announcement versus a new product *preannouncement* from a *different* category mediates the assumption that the new product will be an improvement over the last product. It is possible that perceived improvement may be a factor that adds to increased satisfaction of both future products and the Nextopia effect previously observed on products in the same brand family/ brand portfolio (Dahlén, Thorbjørnsen and Lee, under review). According to

Troup and Liberman (2003), if consumers intend to acquire a new product, the change in temporal frame they experience leads them to give more weight to high-level benefits, such as the ability of a product to help them do new things they could not do before. This implies that when comparing new products to existing products, consumers assume that the new products will help them to do things that old products could not, thus causes consumers to perceive a new product as an improvement over the old product.

Because it is not the general view that the new film will be “better” or “new and improved” – as it may be for a new Apple iPhone or a new flavor of Loka Mineral Water, for example – testing a film sequel will, in our opinion, give a more “pure” result as the impression consumers may have that a product was improved by an R&D department is not applicable to this scenario.

3.4.3 Establishing a relationship with SF

During the initial stages, we reached out to SF Bio in order to create a partnership with them, obtain permission to conduct the experiment at one of their theaters and foster cooperation with the theater staff. After initial contact with Jan Bernhardsson, CEO at SF Bio, we met with Helena Eklund, Marketing Director at SF Bio, and discussed with her which films and theater we had in mind. She confirmed that conducting the experiment at the Sergel theater location would be optimal because it would allow us to obtain a broad sample of the population. She mentioned that if we were to conduct our experiment at a theater in a more suburban area, we may obtain skewed data as the responses may not be as diverse. Helena also connected us with the theater management and staff whose cooperation was crucial.

3.4.4 Selecting the films

We began the selection process by viewing 12 potential films and evaluating them based on several factors. First, it was important to ensure that a film sequel to any of the movies would be plausible or believable for the movie goers. Any films that were based on classic novels, based on true stories or based on historical figures were eliminated, as were films with an exceptionally resolute ending, for example if the main character died at the end of the film. Films that were already part of a series or sequel were also not used. It was also important to include films that would appeal to a wide range of people and attract a mixed audience in terms of age and gender. The films selected were therefore all English “Hollywood” style films and foreign films or films that attracted only niche audiences were not considered.

Further, we were restricted to the films that SF Sergel was showing during the time we carried out the experiment, and the film choices we made were *Silver Linings Playbook*, *The Host*, *Django Unchained* and later, *A Place Beyond the Pines*. All of these film choices were approved by Helena Eklund, Marketing Director at SF Bio, who confirmed that these films would give us a diverse sample with a “mainstream” audience while also including one with a more uncertain ending (*A Place Beyond the Pines*).

3.4.5 Group allocation

Helena Eklund also confirmed our supposition that the best time of day to obtain responses would be during the evenings, during both the late and early showings, in order to eliminate low movie attendance and niche audiences. We planned to eliminate a possible bias where people were in a better mood in the early evening or the late evening. Therefore, data for the individual films (both experiment and control group) was collected during the same showing time on different days. The allocation of the groups were randomly assigned by flipping a coin. A “head” for a film would allocate it to early evening and “tail” to late evening. Once we had filled one group we would allocate the films that were left to the group that was not filled. After this we followed the same procedure when picking control and manipulation groups. If the coin showed a “head” for a film allocated in the “Early Evening” group, it would mean that it was selected as control group the first early evening and experiment group the early evening the day after. If the coin showed a “tail,” it would mean the opposite. The coin flipping resulted in the following order of groups.

Table 3.4: Group Allocation

	Early Evening	Late Evening
Control Group	Django Unchained A Place Beyond the Pines	Silver Linings Playbook The Host
Manipulated Group	Django Unchained A Place Beyond the Pines	Silver Linings Playbook The Host

If we were unable to obtain responses (30 was our minimum requirement) for one of the groups during a single showing due to low attendance or audience participation, we would

return the day after we had collected respondents for its corresponding group. For example, *Django Unchained* first got a “head” and then a “tail.” Therefore, we started with the experiment group for *Django Unchained*, which was an early evening Monday showing and continued with control group early evening on Tuesday. For *Django Unchained* we did not, however, obtain enough respondents in the experiment group on Monday, which is why we returned and collected the missing responses on the early showing Wednesday evening. The responses were collected across various weekday evenings, except responses for the last film, *A Place Beyond the Pines*, which were collected over a Saturday and Sunday.

3.4.6 Pilot study – testing the questionnaire

Before launching our main questionnaire, we began with a pilot study. The purpose of the pilot study was to ensure the quality and understandability of the questionnaire, determine whether or not the manipulated group was able to comprehend the sequel information, and test the films based on uncertainty levels. Two films were tested in this study (*Silver Linings Playbook* and *Cloud Atlas*) with 10 respondents in each control and manipulated group, all together adding to 40 respondents. The respondents judged the six statements on a Likert scale ranging from 1 to 9 with numerically equal distances and with bipolar labels; “agree” vs. “disagree” (Malhotra, 2004). As recommended by Söderlund (2005), the response “disagree” was placed to the left in the scale and was represented by number (1), and “agree” was placed to the right and was represented by number (9) in the interval scale.

Originally, we had planned to include the film *Cloud Atlas* as it scored high in terms of uncertainty levels. Unfortunately, the film was subsequently dropped from the Sergel location because it was attracting too few movie goers. Although we pre-screened many other films in the search for an uncertain film, the only film we perceived to have higher than average uncertainty levels (*A Place Beyond the Pines*) was scheduled to premiere in Sweden about a month after we planned to conduct our initial study. We later conducted a 10 person control group pre-test on “*A Place Beyond the Pines*” and determined based by its scores that it would be suitable to include as a film with a higher level of uncertainty.

The pre-study presented some interesting information. At first, we had planned to include three questions to test consumer attitude toward the film they had just seen. By analyzing the results of the pre-test, as well as asking respondents what they thought of the questionnaire after they had filled it out, we found that movie goers had almost exactly the same scores on the attitude and satisfaction questions and were, in some cases, annoyed or confused at being

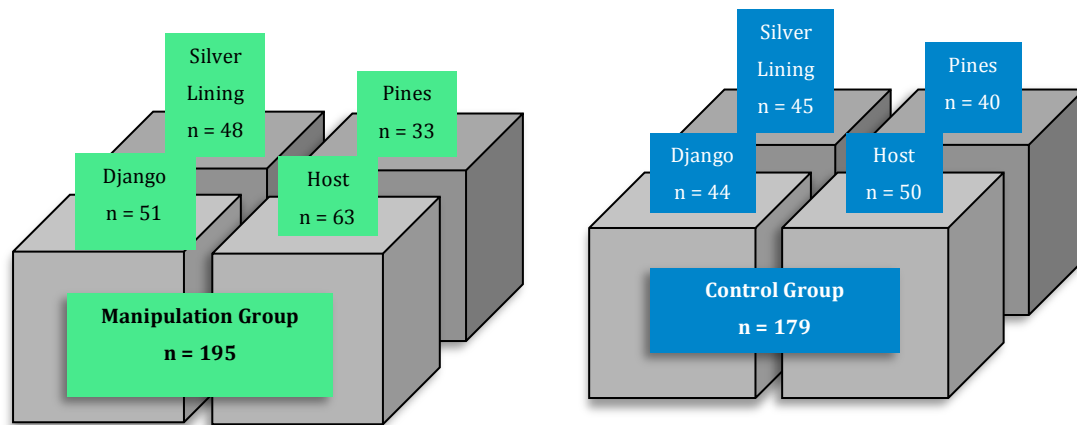
asked what they perceived as “exactly the same question” six times. We therefore determined not to include the measure of attitude toward the film in our main study. Another finding was that the films tested received very high scores on satisfaction. We felt that this could mediate the potential Nextopia effect which is why we decided to change “Unsatisfied” and “Satisfied” to “Very unsatisfied” and “Very satisfied”.

Secondly, when we tested the manipulated groups, we asked respondents after they had filled out the survey if they had understood that there was to be a sequel to the film they had just seen. We determined that some of the respondents had just skimmed over the blurb at the top of the questionnaire where we had described the new sequel coming out. This was important because it meant that some of the respondents in the manipulated group were not, in fact, being manipulated by the sequel announcement as planned. To mediate this, we decided to change tactics for the main study and both tell respondents when we handed them the questionnaires that there would be a sequel, AND have Sergel employees include the information about the sequel in the announcement they made in the salon immediately before the movie was to be shown. The manipulation check served two important purposes highlighted by Söderlund (2010). To begin with, we now felt sure that the audience would truly understand the sequel manipulation, and two, that the sequel announcement would be more believable since SF employees announced it. This worked to reduce the number of clues in terms of what an experiment is about, as recommended by (Söderlund, 2010).

3.5 The Main Study – Experiment 1

To answer our research questions, a total of eight groups were examined in a field experiment carried out at SF Sergel’s movie theatre in central Stockholm during March and April 2013. In total, four control groups (one for each film) and four experimental groups were included in the field experiment. Data for three of the films were obtained during March 25-29th, and an additional film was later added on April 13-14th.

Figure 3.5: Experiment Groups



A questionnaire was handed out as customers entered their salon in the movie theatre prior to seeing their film. In connection to this, the control groups received the information that “SF together with Stockholm School of Economics are researching people’s opinions on movies” and were asked for their kind participation by answering a short questionnaire after the film was finished. Most people (over 75 %) accepted to take a questionnaire and agreed to fill it out after the movie was finished.

For the experiment groups, it was critical that the manipulated information regarding an upcoming sequel was received and understood. Respondents were therefore told about the sequel when they received the questionnaires and were notified that information was printed at the top of the questionnaires they were given. However, to make sure respondents didn’t miss this information with the rush of entering the film salon, SF employees also announced the sequel during their welcoming announcement immediately before the start of the film, a few minutes later. This we also found important since the announcement increased the reliability and reduced potential clues that an experiment was carried out - something Söderlund (2010) recommends to strive for in an experiment. In general, over half of those who accepted the questionnaires when entering the salon also completed filling out the questionnaire after they had seen the film. A similar behavior and number of participants fulfilling their participation in the study were observed throughout all film groups. A reason for the high number of participants was that many found it fun to evaluate a movie that they had just seen, something respondents expressed in connection to handing the survey in. A low participation cost with a high number of participants reduces a skewed distribution and has therefore been proven important in order to increase the reliability of experimental outcomes (Birks & Malhotra, 2007).

3.5.1 Quantitative data sampling

To obtain generalizable results, the statistical rule of thumb states that it is necessary to collect a sample size of a minimum of 30 respondents in each group (Bryman & Bell 2007). A total of 374 respondents participated in the two experiment groups, ranging from 34 to 63 in each of the eight groups (see Appendix 2). The gender distribution in the whole sample was 34% male and 66% female, and the ages ranged from 11-78 years with a mean of 30.98 years, indicating a heterogeneous sample.

When analyzing the differences in our main experiment, we combined the four manipulated groups and compared them with the four control groups. In total, 195 individuals from the four **manipulated groups** constituted the main experiment group. This group had a mean age of 28.25 and a gender distribution of 67 % female and 33 % male. The four **control groups** made up a total of 179 individuals with a mean age of 33.92 and a gender distribution of 65.2 % females and 34.8 % males. Since a difference in age and gender existed between the groups, we controlled for the impact of age on satisfaction and WOM through a regression analysis, and no significant correlation was found. We therefore have no reason to believe that the small difference in age and gender would affect the outcome between control and experiment groups.

The fact that only minor differences can be observed between demographics in the groups can be explained by our random selection approach of participants. The group order was selected by flipping a coin and everyone who entered the film salon was asked to participate. Additionally, the films were shown during similar times in the evening during weekdays, which is one reason why age and gender distributions were similar between experiment and control groups for the different films (see Appendix 2). However there were still some differences in terms of gender and age between some of the movies, where *The Host*, for example, attracted a younger audience compared to the other movies. What remains important though, is that differences are small between the control and experiment groups, something we feel content about.

3.6 Questionnaire

Respondents were asked to answer a total of 16 questions, printed on a double sided, single page questionnaire. The questions were divided into evaluation measurements for the film, and included an open question where respondents were asked to specify why they decided to

see their particular film. This question was used to get general information regarding people's decision to see a movie, but also as a control question to make sure that the customer didn't pick the movie by coincidence, which could then skew the data. In addition to this, demographic questions were included in the end of the survey (see Appendix 3 for the complete questionnaire).

The reason for the short length of the questionnaire was to maximize the number of respondents in the field experiment while minimizing respondent fatigue and the risk of response bias (Söderlund, 2005). This was observed to be important in our pre study, since film viewers often wanted to socialize with their friends and leave the theatre soon after the movie was finished. Further, as the experiment was conducted in a Swedish movie theatre with mostly Swedish customers, the questionnaire was created in Swedish to simplify understanding and thereby increase reliability in the answers.

Additionally, as recommended by Birks and Malhotra (2007), the questionnaire was designed to ask structured, dichotomous and scale questions. These types of questions specify a set of response alternatives that facilitate the analysis of the data (Birks & Malhotra, 2007). To determine a clear and structured direction of the questionnaire, responses were evaluated on a Likert scale ranging from 1 to 9 with numerically equal distances and bounded at each end by one of two bipolar adjectives, such as "positive" vs. "negative" (Esaiasson, Gilljam, Oscarsson & Wängnerud, 2002; Malhotra, 2004). As recommended by Söderlund (2005), the low value in the interval scale (1) was placed to the left and represented a low degree e.g. "Very unsatisfied" or "Do not agree", and the high value (9) was placed to the right and represented a high degree e.g. "Very satisfied" or "Completely agree". The majority of variables were measured using multi-item scales in order to achieve a high internal consistency and thereby increase the reliability (Söderlund, 2005). For each measurement, a suitable reliability test was performed to verify internal consistency. For the three-response alternatives, a Cronbachs alpha was used and for the two-response alternatives, a Pearson Co-efficient was used. Finally, two open-ended questions were used to answer why film viewers selected a particular film and to determine the age of the respondents. The former of the open questions was used to obtain information as to why people choose a certain film, something SF wanted to know, but also as a quality check question so that we could determine whether the respondent was accountable. For example, a few respondents that stated that they saw the film because their boyfriend/girlfriend wanted to go and scored their questionnaires with exceptionally low numbers (all 1s) were excluded.

More specifically, to investigate whether a sequel PPA has an effect on consumers' evaluation of a film, the questionnaire was designed to measure: (i) perceived satisfaction (ii) word of mouth intentions (iii) uncertainty. All but the open questions were answered on a 1-9 Likert scale. (The questions stated in this section are translated from Swedish, real questions used may be found in the Appendix 1)

Perceived Satisfaction. The perceived satisfaction was measured by three questions:

1. "How satisfied are you overall with the movie you just saw?"
2. "How satisfied are you with the film you just saw compared to your idea of a perfect film?"
3. "How satisfied are you according to your expectations?"

Respondents answered the questions on a scale with bipolar labels "Very dissatisfied" vs. "Very satisfied". Johan Parmler, CEO of Svenskt Kvalitetsindex, suggested the specific questions. An index of the satisfaction battery was created with a Cronbach's alpha of 0.91.

Word-of-Mouth intention. WOM intention was measured by using two questions suggested by Reicheld (2003); "I would like to talk to others about *this* film", and "It is likely that I will recommend *this* film to others" with bipolar labels "disagree" vs. "agree" and "unlikely" vs. "likely". Internal consistency was approved after calculating a Pearson co-efficient of 0.84.

Uncertainty. To measure consumer's uncertainty regarding the ending of the film, three questions were formulated together with our tutor Professor Micael Dahlén. This was necessary since no suitable questions were found from previous research related to the specific topic.

1. "I think that the story of the film had a clear ending"
2. "I feel certain about what happens to the characters in the film after it was over"
3. "I feel certain about what happens in the plot of the movie after it was over"

The respondents answered the questions by stating if they "Do not agree" vs. "Agree completely". An index for uncertainty was created with a Cronbach's alpha of 0.84. Note here that the certainty questions were used to create a measured factor of uncertainty, hence, a low score on certainty translates to a high degree of uncertainty.

Bonus questions. In addition to the questions presented above, six bonus questions were added in the end of the survey:

1. “What were your expectations for the film before you saw it?”
2. “How engaging did you find the film?”
3. “Would you like to see a sequel to the film?”
4. “What are your expectations for a sequel to the film?”
5. “What do you think about films that have sequels in general?”
6. Open question: “Why did you go and see this particular film?”

Due to these being single response questions, no Cronbach alpha or Pearson's correlation tests could be created for these questions. The purpose of the bonus questions was to generate ideas and useful information for our second experiment.

3.7 Reliability

Reliability refers to the consistency of a study and concerns the question of whether the results of a study can be replicated over time. In quantitative research, this is of particular importance and can be evaluated in terms of *stability* over time, *internal reliability* and *inter-observer consistency* (Bryman & Bell, 2007).

Stability over time refers to “whether or not a measure is stable over time” (Bryman & Bell, 2007) and was confirmed in this thesis by testing the questionnaire in a pre-study as well as through four different movies playing on different days. In the pre-study, it was tested and confirmed that respondents understood the questions used in the questionnaire in the way they were intended to. Due to our experimental design of having four different movies indicating a similar effect throughout control and experiment groups at different times, we feel certain that the measures and questions are stable over time. For example, one movie was added a month after the initial movies, indicating the same effect as previously observed. In addition, a second experimental study was carried out over a month after the initial field experiment in which we used the same questions for our main variables as in the field experiment. A similar effect was also observed here, indicating strong stability over time.

Internal reliability concerns multiple-indicator measures and refers to whether or not respondents' answers correlate correctly across various questions (Bryman & Bell, 2007). To secure this, books and articles were reviewed with the intention to find previously used questions that investigate the variables included in our questionnaire. By using well-established tested multi-item measurements, internal reliability should be very high (Söderlund 2005). To further test the internal reliability, Cronbach's alphas and Pearson

coefficients were calculated (Malhotra, 2004). In our main study, Cronbach's alphas ranged from 0.84 to 0.91, and the Pearson coefficient was calculated as 0.84, indicating internal consistency and thus high reliability.

Inter observer consistency refers to such activities as the recoding of observations, or the transition of data into categories. To avoid subjective errors in this phase, one person entered the data and translated it into categories in a spreadsheet. Hence, we have all reasons to believe we have high inter observer consistency.

In total, we have all reason to believe that we have high reliability in our research. Questions and measures have, to a large extent, been used in previous research and Cronbach's alphas and Pearson correlation tests prove their internal validity. In addition, we have completed both a pre-test and a second experiment and observed the same effect during different times, using the same questions in terms of satisfaction and WOM as the main study, showing consistency in time between the reliability of the measures. Lastly, one person has transcoded the data to avoid subjective errors.

3.8 Validity

Internal and external validity are usually not in harmony with one another, rather there is often a tradeoff between them. Internal validity aims to answer the degree of causal relationship between the manipulated (independent) variable and its effects on the dependent variables. The external validity, on the other hand, answers the question of whether the results of an experiment can be further generalized (Söderlund, 2005; Birks & Malhotra, 2007). In general, internal validity is high in true experimental studies while external generalizations are harder to generate. Both are important, but before being able to draw conclusions on what can be generalizable outside the experiment, it is crucial to be sure that examined effects are caused by the manipulation within the experiment.

3.8.1 Internal validity

Internal validity is defined by Weber & Cook (1972) as the following: "A study is internally valid if its findings were caused by the experimental treat." In this study, internal validity concerns the degree to which differences in satisfaction and WOM actually are caused by the sequel *preannouncement* and not by other external factors. Bryman and Bell (2007), explain that "if there are differences between the two groups which would arise if they had been selected by a non-random process, variations between the experimental and control groups

could be attributed to pre-existing differences in their membership. However, if a random process of assignment to the experimental group is employed, the possibility can be discounted.” We have strived to obtain a high internal validity by taking the following actions:

- We used four different movies and thereby four different experiment and control groups. The effect was similar throughout most groups and significant on each individual film except one. This increases the reliability of this research and show the possibility to replicate the findings.
- We used multi-item measurements in our survey which, according to Bryman and Bell (2007), increases the internal validity.
- To further ensure the internal validity, the experiment was conducted in a similar setting for all respondents (SF Sergel’s movie theatre) during similar times of the day for all movies. Experiments on three films were conducted during weekdays and one was later added during a weekend three weeks later. However also here, both the control and experiment group were conducted in very similar conditions since both were obtained during the weekend at similar times.
- We used a random sample of movie-goers in the experiment by randomly assigning them to different groups by flipping a coin. Each individual was asked to fill out a questionnaire, and a high amount of people were willing to participate in the experiment due to the low participation cost. Thereby, we can argue that a systematic randomization of respondents is present in our sample and that we have obtained a high response rate. In addition, no observable differences in participation between the control and experiment groups occurred.
- Except from the manipulation treatment, we strived to hold as many factors fixed as possible and provided the same information about the study to all respondents within each separate group.

3.8.2 External validity

External validity “refers to whether the cause-and-effect relationship found in the experiment can be generalized beyond the experimental situation” (Birks & Malhotra, 2007). Since this study was carried in a real environment in one of SF’s movie theatres, the external validity should be higher than if conducting a laboratory experiment. Furthermore, a large sample was acquired with a total of 374 respondents ranging from 11-78 years of age, and with a gender

distribution of 34% male and 66% female. Nevertheless, the sample size (in particular male respondents) as well as the geographical spread of the respondents could be extended to ensure an even higher external validity.

3.9 Analytical Tools

To analyze collected data we used SPSS 20.0.

- For hypothesis 1-2 we used independent sample T-tests and accepted p-values ($p < 0.05$) on a significance level of 5 %.
- For hypothesis 3, we investigated group differences by adding a measured factor of uncertainty as a second independent variable. For this analysis we used a MANOVA test and accepted p-values ($p < 0.10$) on a significance level of 10 % for the interaction effect.

4. RESULTS AND ANALYSIS STUDY 1

In this chapter, the results and analysis of the independent sample t-testing and multivariate analysis of variance tests (MANOVA) will be presented. First, the results related to satisfaction and WOM will be presented. Then the results concerning the effect of uncertainty on satisfaction and WOM will be addressed. In addition, “bonus results” will finish this section.

4.1 Experiment 1

4.1.2 Future priming by PPAs positively affects satisfaction and WOM post-purchase

H1a. States that a *preannouncement* of a film sequel will positively influence the satisfaction of the film consumers have just seen. For satisfaction, the mean difference between the experiment group (mean = 7.32) and the control group (mean = 6.79) was 0.53. Based on a t-test, H1a was **accepted** on a 1 % level of significance. The analysis thus reveals that the future priming effect positively affects customer satisfaction for movies where a sequel is pre-announced.

H1b. states that a *preannouncement* of a film sequel will positively influence word of mouth of the film consumers have just seen. For WOM, the mean difference between the experiment group (mean = 7.76) and the control group (mean = 7.03) was 0.74. Based on a t-test, H1b is **accepted** on a 1 % level of significance. The analysis thus reveals that the future priming effect also positively affects WOM for movies where a sequel is pre-announced.

Table 4.1: Independent Sample T-Tests for Satisfaction and WOM

	Experiment Group SS+DS+HS+PS	Control Group SC+DC+HC+PC	Mean Difference	P - value
	Mean	Mean		
Satisfaction	7.32	6.79	0.53	0.00***
WOM	7.76	7.03	0.74	0.00***

***p<0.01, **p<0.05, *p<0.10

H1a: A <i>preannouncement</i> of a film sequel will positively influence satisfaction for the original film post-purchase.	SUPPORTED
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H1b: A <i>preannouncement</i> of a film sequel will positively influence WOM for the original film post-purchase.	SUPPORTED
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4.1.3 Counter Hypothesis

Due to the findings in H1, its counter hypothesis H2 is not supported.

H2a: A <i>preannouncement</i> of a film sequel will negatively influence satisfaction for the original film post-purchase.	NOT SUPPORTED
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H2b: A <i>preannouncement</i> of a film sequel will negatively influence WOM for the original film post-purchase.	NOT SUPPORTED
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4.2 Uncertainty increases the effect of future priming

H3a. and H3b. state that uncertainty regarding the ending of the film should have an impact on the future priming effect of a *preannouncement*. We hypothesized that an increased level of uncertainty should intensify the effect for both satisfaction and WOM. In order to answer this question, we created a measured factor by splitting the sample on the median value of uncertainty which was 7.33 and removed respondents that scored +/- 0.5 from this value point as recommended by Professor Magnus Söderlund. (Meeting with Magnus Söderlund, May 8th, 2013).

One group was called “Uncertain film viewers” and contained 147 respondents (scored from 1.00 - 6.83 on certainty), the other, “Certain film viewers,” contained 143 respondents (scored from 7.83 – 9.00 on certainty). The mean values regarding certainty for the two groups were 5.07 and 8.62, respectively. In total, 82 respondents were excluded since they were between 6.83 – 7.83 in terms of certainty so as not weaken the reliability of the test.

A MANOVA (Multivariate test) was used to prove that this difference was statistically acceptable on a 10 % level of significance. The results show that uncertainty regarding the

ending of the film impacts the effect of the sequel film announcement. The effect is greater for film viewers that find the ending of the film more uncertain and we therefore **accept** our third hypothesis on a 10 % level of significance.

Table 4.2: MANOVA Interaction Variables Uncertainty

MANOVA		F - value	P - value
Interaction variables			
Experiment Groups*Uncertainty Groups	Satisfaction	3.524	0.06*
Experiment Groups*Uncertainty Groups	WOM	3.678	0.06*

***p<0.01, **p<0.05, *p<0.10

Descriptive mean value differences between the uncertainty groups for satisfaction and WOM are presented below.

Table 4.3: Uncertainty Increases Satisfaction (Descriptive Mean Differences)

		Announcement (Manipulated Factor)		Mean Difference
		Yes	No	
Uncertainty Level (Measured Factor)	High Uncertainty	6.84	6.00	0.84
	Low Uncertainty	7.83	7.64	0.19

Table 4.4: Uncertainty Increases WOM (Descriptive Mean Differences)

		Announcement (Manipulated Factor)		Mean Difference
		Yes	No	
Uncertainty Level (Measured Factor)	High Uncertainty	7.28	6.13	1.15
	Low Uncertainty	8.26	7.92	0.34

H3a: The effect of a *preannouncement* of a film sequel is greater among uncertain film viewers for satisfaction.

SUPPORTED

H3b: The effect of a *preannouncement* of a film sequel is greater among uncertain film viewers for WOM.

SUPPORTED

4.3 Bonus questions for experiment 1

In addition to the above findings, we analyzed the following question: *Is the future priming effect of preannouncements greater in regards to satisfaction and WOM among less satisfied film viewers compared to those that are more satisfied?* In order to answer this question, we split the sample on the median value of satisfaction which was 7.33 (coincidentally, it happened to be the same as for “uncertainty”) and removed respondents that scored +/- 0.5 from this value point as recommended by Professor Magnus Söderlund. (Meeting with Magnus Söderlund, May 8h, 2013). One group called “Less satisfied film viewers,” contained 128 respondents, the other, “More satisfied film viewers,” contained 132 respondents. The mean values regarding satisfaction for the two groups were 5.33 and 8.46, respectively. In total, 107 respondents were excluded since they were between 6.83 – 7.83 in terms of satisfaction scores and were removed so as not weaken the reliability of the test.

A MANOVA (Multivariate test) was used to prove that this difference was statistically acceptable on a 10 % level of significance. The results show that the level of satisfaction impacts the effect of the sequel movie announcement. The effect is greater for film viewers that are less satisfied with the film.

Table 4.5: MANOVA Interaction Variables Satisfaction

MANOVA		F - value	P - value
Interaction variables			
Experiment Groups*Satisfaction Groups	Satisfaction	2.892	0.09*
Experiment Groups*Satisfaction Groups	WOM	5.970	0.02**

***p<0.01, **p<0.05, *p<0.10

The MANOVA analysis reveals that the manipulation effect differs between the more satisfied and less satisfied groups. Descriptive mean differences between the groups are as follows:

Mean diff (less satisfied group – more satisfied group) for satisfaction = $0.48 - 0.07 = 0.41$

Mean diff (less satisfied group – more satisfied group) for WOM = $0.92 - 0.10 = 0.82$

Table 4.6: Summary of Hypothesis and Results Study 1

H1a: A <i>preannouncement</i> of a film sequel will positively influence satisfaction for the original film post-purchase.	SUPPORTED
H1b: A <i>preannouncement</i> of a film sequel will positively influence WOM for the original film post-purchase.	SUPPORTED
H2a: A <i>preannouncement</i> of a film sequel will negatively influence satisfaction for the original film post-purchase.	NOT SUPPORTED
H2b: A <i>preannouncement</i> of a film sequel will negatively influence WOM for the original film post-purchase.	NOT SUPPORTED
H3a: The effect of a <i>preannouncement</i> of a film sequel is greater among uncertain film viewers for satisfaction.	SUPPORTED
H3b: The effect of a <i>preannouncement</i> of a film sequel is greater among uncertain film viewers for WOM.	SUPPORTED

5. METHODOLOGY STUDY 2

This chapter will provide an explanation of the research methods used in study 2. The chapter includes the background to the study, research design, method used, including pre-studies, the selection of variables and questionnaire used, and ends with a discussion of the reliability and validity.

5.1 Background Study 2

In the first field experiment, the idea was to have an additional group of respondents that was manipulated by a sequel *preannouncement* immediately **after** they had seen their chosen film. However, after collecting data from audiences leaving two of the films, we decided to remove that manipulation group from the experiment. The reason for this was that respondents were in a hurry after the film and not interested in filling out a questionnaire when approached in this stage. Additionally, and most importantly, we noticed that the manipulated sequel factor had failed. In the hurry of leaving, many had missed the information about the sequel, even though we told them verbally and the information was also written and highlighted on top of the questionnaire. Due to this, we deemed the manipulation unreliable and withdrew it from the experiment. However, because we still believed that it would be important to obtain results from consumers who were manipulated after they had seen a film, to make the findings from H1 more robust, we decided to conduct a second experiment.

As mentioned above, we determined that it would be unsuitable to conduct study 2 in a “real life” setting, which is why we decided to collect data using a laboratory experimental design. By this time, we had found significant results in favor for H1 from the first study and now had new insights to elaborate on. We also decided to investigate other aspects that we initially did not consider. The second experiment in a laboratory environment would serve to complement the previous findings from the field experiment.

5.2 Research Design Study 2

The second experiment aims to provide answers to hypotheses that are again developed from existing research literature and knowledge, hence a deductive research approach is taken (Bryman & Bell, 2007). The main reason for the second experiment is to investigate the

cause and effect between the independent variable of a sequel *preannouncement* after a film has been seen where satisfaction and WOM act as dependent variables. In addition, we looked into potential spillover effects in the form of increased satisfaction and WOM for other product categories consumed in connection to seeing a film. Hence, the design is of a causal nature (Bryman and Bell, 2007).

The experimental setup is again a simple 1*2 design: One factor (sequel scenario) and two levels, one manipulated group and one control group, answering the same questions in an online questionnaire built in Qualtrics.

According to Bryman and Bell (2007) one of the key advantages of a laboratory experiment is that the researcher has far greater influence over the experimental arrangements and it is easier to randomly assign subjects to different experimental conditions than in a real life setting. This means a higher level of control for the researcher, which enhances the internal validity of the study (Söderlund, 2010). It is important to consider, however, that lab experiments suffer from a number of limitations. For example, external validity may be difficult to establish since the setting of the laboratory is likely to be unrelated to real-world experiences and contexts (Bryman and Bell, 2007). However, in this experiment we believe that this is mediated by the fact that the second study is, to a large extent, replicated from the field experiment which we perceive to have high external validity.

5.3 Preparatory Work

The preparatory work needed for the second study of this thesis, was carried out in five steps: *(i) Selection of a stimuli (ii) Creating a scenario (iii) Collaboration with Nepa (iv) Selection of population (v) Pilot Study*

5.3.1 Selection of a stimuli – why film sequels specifically

As stated in the method section for the first experiment, a sequel product *preannouncement* (PPA) was suitable for the research subject and used as the factor/stimuli to test the Nextopia effect on past experiences. In the second experiment, a sequel film *preannouncement* was also used as the manipulation to test this effect for the same reasons. As our second experiment was, to a large extent, carried out as an extension of our previous findings and we still had lingering questions regarding the results, we deemed it appropriate to use the same stimuli. However, this time the context was different, and instead of a real life setting in a movie theatre, a laboratory environment was used. After discussing different alternatives of

how to approach the use of a sequel film stimuli in a laboratory environment, we selected a scenario format.

5.3.2 Creating a scenario

The scenario approach was considered appropriate for a number of reasons. To begin with, it has previously been widely used in laboratory experiments (Söderlund, 2010) and would allow us to obtain a satisfying number of responses in the time scope for the thesis. In addition, it provided high control over the independent variable, which would increase the validity of the cause and effect of the dependent variables (Bryman and Bell, 2007).

The scenario was created together with Professor Micael Dahmén, and respondents were asked to imagine that there would be a sequel to the film they last saw in a movie theatre. The respondents were told that the sequel was currently in production and that the premiere was scheduled to hit theaters in the near future. They were asked to think back and reflect on how a sequel could relate to the story of the last film seen for 30-60 seconds before continuing to questions regarding the original film seen. (The exact wording for this scenario can be found in Appendix 2).

5.3.3 Collaboration with Nepa

To ease data collection and increase the control over the participants that were included in the experiment, the experiment was conducted in collaboration with the marketing research company Nepa who provided consumer panels for our usage. A key advantage of this was that respondents could be matched against the average Swedish movie theatre visitors in terms of gender and age, strengthening the external validity. Nepa uses quotas to monitor the sample representatively and the quotas we submitted to Nepa were based on data from SF on the typical demographics for movie-goers. Nepa has developed an automated random sampling system which ensures that all quotas are filled for each project and uses a large number of different panels recruited from different sources to minimize biases that may arise from single-source data.

In general, panelists receive an e-mail with a unique link to the survey Nepa wishes them to take part in. This email always contains information about the amount of time the survey should take, the amount of incentive (0.10€ per survey minute as a reward), and a link to reject the survey. The reward is deposited on a virtual wallet, which may be used to shop

online, redeem gift cards or to donate to charity. The majority of panelists receive 2 surveys a month. This same procedure was followed for our study.

5.3.4 Selection of appropriate population

In order to make the findings from the second experiment as valuable and generalizable as possible for the Swedish movie theater industry, we aimed to reflect its population in the experiment. In the initial stages of our second study, we were given statistics on the movie goer population and a breakdown of the percentages in terms of age and gender (SF Anonymous). We noticed that our respondents in Study 1 resembled that breakdown to a fairly good degree but the ages were distributed more evenly and the data also skewed toward women. As we were given the opportunity to select respondents in terms of age and gender from Nepa's panels, we asked to have our sample follow the distribution of average movie goers given to us by SF. In order to keep our respondent groups as similar as possible within the two groups, respondents were also limited to people living in the Stockholm area.

5.3.5 Pilot Study – testing the questionnaire

Before launching our main questionnaire, we launched a pilot study. The purpose of the pilot study was to ensure the quality and understandability of the questionnaire as well as determine whether or not the manipulated group was able to comprehend the sequel scenario information. In total, 30 respondents participated in the pilot study, 15 in each group. No changes were made to the questions. However, a minor change was made to the design of the survey. In order to increase respondents' attention while reading the scenario, we decided to include the scenario on a separate page and force respondents to actively click forward in order to start answering questions. This change was made according to the advice of the Analyst we worked with at Nepa who suggested that we add this to ensure that the reader took the time to read the scenario.

5.4 The Main Study – Experiment 2

Two groups (one manipulated and one control) were examined in a laboratory experiment. The experiment was carried out in collaboration with Nepa and their consumer panels during April 30th – May 5th.

5.5 Quantitative data sampling

To obtain generalizable results, the statistical rule of thumb states that it is necessary to collect a sample size of a minimum of 30 respondents in each group (Bryman & Bell 2007). A total of 160 respondents participated in the experiment - 76 in the control group and 84 in the manipulated sequel group (see Appendix 3). The gender distribution in the whole sample was again 34% male and 66% female, and the ages range from 18-64 years with a mean of 39.49 years, indicating a heterogeneous sample that relatively well reflected the real movie theatre audience in Sweden (SF Anonymous).

5.6 Questionnaire

The questionnaire was built in Qualtrics, and respondents were asked to complete a total of 45 questions covered on 5 pages for the control group and 6 pages for the experiment group. The difference in the survey between the groups was the scenario for the manipulated group which was covered on a separate page. First, respondents were asked to fill in the title of the film they had most recently seen and the number of days since they had seen this film. Including a question about the title was important for this study as it gave us the opportunity to delete responses where respondents did not remember the film they saw. These responses were obviously unusable and were removed during the analysis phase. The manipulated group was then given a scenario to read and asked to take 30-60 seconds to remember their experience.

In order to maintain consistency between studies, we used the same questions to measure satisfaction and WOM intention as in study 1. Respondents were then asked if they had consumed or experienced any other activity in connection with the film or immediately after they had seen the film. If respondents answered no, they were sent directly to the next batch of questions. If they answered yes, they were asked the same questions regarding satisfaction and WOM for their experience. In total, 102 respondents (64 %) had consumed or experienced another activity in connection with the film or immediately after they had seen the film. As the variables were measured using multi-item scales in order to achieve a high internal consistency and thereby increase the reliability (Söderlund, 2005), a suitable reliability test was performed for each measurement to verify internal consistency. For the three-response alternatives, a Cronbach's alpha was used and for the two-response

alternatives, a Pearson Co-efficient was used. The results of the internal consistency tests are as follows:

- Satisfaction: Cronbach's Alpha = 0.90
- Word of Mouth: Pearson Co-efficient = 0.72
- Satisfaction Other Activity: Cronbach's Alpha = 0.93
- WOM Other Activity: Pearson Co-efficient = 0.79

Lastly, respondents were asked to specify their gender and an open question was used to determine the age of the respondents. In order to reflect the movie population and make it comparable with the first study, respondents for the second survey were limited to persons between the ages of 15 and 64, and living in Stockholm. For this reason, this questionnaire was created in Swedish to simplify understanding and thereby increase reliability in the answers.

5.7 Reliability

As previously mentioned, the reliability of a study can be evaluated in terms of stability over time, internal reliability and inter observer consistency (Bryman & Bell, 2007).

In terms of *stability over time*, this second study acts as a reliability measure in itself as the responses from the lab experiment will be compared to those in the field study. For our second study, *internal reliability* was tested with either a Cronbach's alpha or a Pearson coefficient (Malhotra, 2004). To avoid subjective errors and increase *inter observer consistency*, the data was automatically recorded in Qualtrics, then exported directly to SPSS.

5.8 Validity

A key aspect of validity is replicability of the results. Failure to replicate casts doubt on the validity of the research and suggests that interaction of history and treatment, interaction effects of pre-testing and reactive effects of experimental arrangements may have played a part in the differences between the two sets of results (Bryman and Bell, 2007). Again, as we used the lab experiment as a continuation of the field experiment and tested identical questions on satisfaction and WOM, therefore we feel confident regarding the ability to replicate this study. A key advantage of a *laboratory* experiment is that the researcher has far greater influence over the experimental arrangements and it is easier to randomly assign subjects to different experimental conditions than in an ongoing real life organization

(Bryman and Bell, 2007). This means, then, that the researcher has a higher level of control, which is likely to enhance the internal validity of the study.

5.8.1 Internal validity

Again, internal validity aims to answer the degree of causality between the manipulated (independent) variable and its effects on the dependent variables. The external validity, on the other hand, answers the question if the results of an experiment can be further generalized outside the experiment context (Söderlund, 2010; Birks & Malhotra, 2007).

We took the following actions to increase internal validity in study 2:

- Random assignment of respondents to groups by using Nepa's panels and their random assignment approach of selecting participants between the groups.
- Multi-answer questions that had been used before with high Cronbach's Alphas and Person's Coefficients for the question batteries.
- Similar population as in experiment 1, making it better comparable.
- Controlled scenario, all respondents in the respective groups received the exact same treatment.

5.8.2 External validity

Lab experiments suffer from a number of limitations as external validity may be difficult to establish since the setting of the laboratory is likely to be unrelated to real-world experiences and contexts (Bryman and Bell, 2007). This will partially be mediated by the fact that Study 1 was conducted in a real world setting and produced similar findings. In addition, the population used in the second experiment was, to a large extent, selected to reflect the population of theatre movie-goers in Sweden, increasing the external validity of the results.

5.9 Analytical Tools

To analyze collected data we used SPSS 20.0.

- For study 2 we used independent sample T-tests and accepted p-values ($p < 0.10$) on a significance level of 10 %. The reason for a higher acceptance level on H1c, H1d and H4 was because of the lower number of respondents compared to study 1.

6. RESULTS AND ANALYSIS 2

In this result section we will present the results concerning study 2 to see if the preannouncement also provides an effect when made after the film is consumed. Also, results regarding potential spillover effect to other products will be addressed.

6.1 The effect of future priming by PPAs holds when the *preannouncement* is made after the movie is consumed

H1c. states that a *preannouncement* of a film sequel **after** the film has been consumed will positively influence the satisfaction of the film consumers have seen. For satisfaction, the mean difference between the experiment group (mean = 7.06) and the control group (mean = 6.73) was 0.33. Based on a t-test, H1c is **accepted** on a 10 % level of significance. The analysis thus reveals that the future priming effect positively affects customer satisfaction for movies where a sequel is pre-announced **after** a film has been consumed.

H1d. states that a *preannouncement* of a film sequel **after** the film has been consumed will positively influence WOM of the film consumers have just seen. For WOM, the mean difference between the experiment group (mean = 7.45) and the control group (mean = 7.08) was 0.37. Based on a t-test, H1d is therefore **not accepted** on a 10 % level of significance. The analysis thus reveals that we cannot prove whether the future priming effect positively affects WOM for movies where a sequel is *preannounced* **after** a film has been consumed.

Table 6.1: Independent Sample T-Tests for Satisfaction & WOM (Announcement After)

	Experiment Group SS+DS+HS+PS	Control Group SC+DC+HC+PC	Mean Difference	P - value
	Mean	Mean		
Satisfaction	7.06	6.73	0.33	0.09*
WOM	7.45	7.08	0.37	0.24

***p<0.01, **p<0.05, *p<0.10

H1c: A *preannouncement* of a film sequel **after** the film has been consumed will positively influence satisfaction for the original film post-purchase.

SUPPORTED

H1d: A *preannouncement* of a film sequel **after** the film has been consumed will positively influence WOM for the original film post-purchase.

NOT SUPPORTED

6.2 The effect of future priming by PPAs spills over onto connected products or experiences

H4a. states that a *preannouncement* of a film sequel after the film has been consumed will positively influence the satisfaction of a product/ experience consumed in connection to the film. For satisfaction, the mean difference between the experiment group (mean = 7.05) and the control group (mean = 6.57) was 0.48. Based on a t-test, H4a is **accepted** on a 10 % level of significance. The analysis reveals that a *preannouncement* of a film sequel after the film has been consumed will positively influence the satisfaction of a product/ experience consumed in connection to the film.

H4b. states that a *preannouncement* of a film sequel after the film has been consumed will positively influence the WOM of a product/ experience consumed in connection to the film. For WOM, the mean difference between the experiment group (mean = 5.14) and the control group (mean = 4.80) was 0.34. Based on a t-test, H4b is **not accepted** on a 10 % level of significance. The analysis thus reveals that we cannot prove whether a *preannouncement* of a film sequel after the film has been consumed will positively influence the WOM of a product/ experience consumed in connection to the film.

Table 6.2: Independent Sample T-Tests For Satisfaction & WOM Spillover

	Experiment Group SS+DS+HS+PS	Control Group SC+DC+HC+PC	Mean Difference	P - value
Satisfaction	7.05	6.57	0.48	0.08*
WOM	5.14	4.80	0.34	0.17

***p<0.01, **p<0.05, *p<0.10

H4a: A *preannouncement* of a film sequel will positively influence satisfaction for a product/experience consumed in connection to the original film post-purchase.

SUPPORTED

H4b: A *preannouncement* of a film sequel will positively influence WOM for a product/experience consumed in connection to the original film post-purchase.

NOT SUPPORTED

Table 6.3: Summary of Hypothesis and Results Study 2

H1c: A *preannouncement* of a film sequel **after** the film has been consumed will positively influence satisfaction for the original film post-purchase.

SUPPORTED

H1d: A *preannouncement* of a film sequel **after** the film has been consumed will positively influence WOM for the original film post-purchase.

NOT SUPPORTED

H4a: A *preannouncement* of a film sequel will positively influence satisfaction for a product/experience consumed in connection to the original film post-purchase.

SUPPORTED

H4b: A *preannouncement* of a film sequel will positively influence WOM for a product/experience consumed in connection to the original film post-purchase.

NOT SUPPORTED

Table 6.4: Summary of all Hypothesis and Results From Study 1 and 2

H1a: A <i>preannouncement</i> of a film sequel will positively influence satisfaction for the original film post-purchase.	SUPPORTED
H1b: A <i>preannouncement</i> of a film sequel will positively influence WOM for the original film post-purchase.	SUPPORTED
H1c: A <i>preannouncement</i> of a film sequel after the film has been consumed will positively influence satisfaction for the original film post-purchase.	SUPPORTED
H1d: A <i>preannouncement</i> of a film sequel after the film has been consumed will positively influence WOM for the original film post-purchase.	NOT SUPPORTED
H2a: A <i>preannouncement</i> of a film sequel will negatively influence satisfaction for the original film post-purchase.	NOT SUPPORTED
H2b: A <i>preannouncement</i> of a film sequel will negatively influence WOM for the original film post-purchase.	NOT SUPPORTED
H3a: The effect of a <i>preannouncement</i> of a film sequel is greater among uncertain film viewers for satisfaction.	SUPPORTED
H3b: The effect of a <i>preannouncement</i> of a film sequel is greater among uncertain film viewers for WOM.	SUPPORTED
H4a: A <i>preannouncement</i> of a film sequel will positively influence satisfaction for a product/experience consumed in connection to the original film post-purchase.	SUPPORTED
H4b: A <i>preannouncement</i> of a film sequel will positively influence WOM for a product/experience consumed in connection to the original film post-purchase.	NOT SUPPORTED

7. DISCUSSION

This chapter will start by discussing the results obtained in study 1 and 2. Then, managerial implication will be addressed followed by criticism towards the study and managerial implications. Last, opportunities for future research will be addressed followed by the conclusion, in which the research questions that have guided this thesis will be answered.

Previous studies on PPAs, Nextopia and spillover effects have shown positive results in favor of to-be-released products and also show that these positive associations can spill over onto current products in a brand portfolio (Dahlén, Thorbjørnsen and Lee, under review). Consequently, as an extension of existing academic research on Nextopia theory, spillover effects and PPAs, this study has explored whether it is possible to influence customer satisfaction and WOM post-purchase by providing information regarding an upcoming product that is connected to a past consumed product. In this thesis, the effect was first tested on a real movie theatre audience by providing a manipulated announcement regarding an upcoming sequel to a film the audience is about to see. The effect was later tested through a laboratory experiment to see if it holds over time, i.e. when respondents receive the sequel *preannouncement* after a film has been consumed. The study is the first of its kind to investigate a “kick back effect” from future aspirations to a consumed product/experience post-purchase and shows significant results in favor for *preannouncements*. The finding adds to future oriented marketing theory as well as post-purchase behavior theory.

7.1 Summary of Results

This study supports previous research findings where consumers evaluate a product differently if they know that it is connected to a future product that is not yet released. More specifically, *preannouncing* a film sequel induced significant results on satisfaction and WOM in favor of the manipulated group on the sample as a whole, as well as for all movies individually with the exception of Django Unchained. (Please see Bonus Material for an explanation of this anomaly.) Furthermore, perceived uncertainty regarding the ending of the film increases the effect of the sequel announcement. The results from the second experiment indicate that a sequel announcement made after the film has been consumed, also generates increased satisfaction. In addition, a sequel announcement seems to spill over to other product categories consumed in connection to a film experience.

7.1.1 PPAs increase satisfaction for a related film post-purchase

Satisfaction is a key measure often used by companies to assess consumer evaluations and repurchase intentions (Cronin and Taylor, 1992, Anderson and Sullivan 1993). Pre announcing a sequel to a film increased satisfaction (on average) from 6.79 to 7.32 on a 1-9 point scale, for the group as a whole. The mean difference of 0.53 had a p-value of 0.00 ($p < 0.01$) and was therefore accepted on a significant level of 1 %. These results are in line with theoretical expectations of the effects of Nextopia and PPA spillover. However, as the research area concerning future aspirations is scarce, we based our belief on a limited number of studies that had not previously investigated the future effect on a product that had already been consumed. Therefore, we find it exciting that this effect is present in an unrelated setting, and with a different product tested than previously used in related research. In experiment 2, this effect was tested again by asking respondents to imagine a scenario where a sequel is announced for the film they most recently saw at the movie theatre. The results of study 2 followed the trend we saw in the results of the first study. However, the mean scores for satisfaction improved by less, from 6.73 to 7.06 on a 9 point scale, producing a lower mean difference of 0.33, with a p-value of 0.089 ($p < 0.10$) accepted at 10 % level of significance.

There are various possible explanations for why the first study seems to produce a stronger effect than the second study. To begin with, a manipulation where respondents are primed in a real life setting - in a theater by theater employees - is much more plausible than a lab experiment in which the “scenario format” is used. Secondly, it is important to consider that the median amount of days passed since respondents in Study 2 had seen the film they answered questions about was 45 days. Therefore, the lab experiment results are probably mediated by the fact that respondents had already had ample time to form evaluations by the time they were manipulated by the scenario. It is also likely that respondents recalled their previous evaluations formed before the manipulations, which are based on a non-sequel situation. Another plausible explanation was addressed by Charlotta Denward, Head of Production at SF Film, who expressed that if movie goers hear the announcement before seeing the film, it might be considered as a signal of film quality; *“It is possible that if you know there will be a sequel right from the start, there is a chain of thinking that implies that if the company/director/people behind are prepared to make another film within the same universe, it means that the first film must be good”*. The audience might then unconsciously adopt a more positive attitude towards the sequel and perceive the original film as a part of a

bigger story, and not only as a way to make more money out of the first film, which can increase the overall quality perception. Such differences in how and when the sequel is addressed seem to lower the impact of future related aspirations. However, even though we see a tendency of a stronger effect in terms of mean differences in the first compared to the second study, we would like to caution the reader that the mean differences are not significant between the two studies. The reader should therefore be careful to avoid drawing conclusions based on effect comparisons between the first and second experiment. The above rather discusses potential factors that could have an impact between the studies. More research is needed before such effect comparisons could be statistically supported or rejected.

What remains interesting is that a sequel announcement positively impacts satisfaction when the announcement is made after the film has been consumed. Hence, by simply adding the imaginary information that a sequel film is coming out, people find the original film more pleasurable.

The findings from study one and two complement the theories mentioned previously by demonstrating that satisfaction also improves for a product connected to a PPA **post-purchase**. This opens up for a new area in marketing research that has so far been unexplored. A “taste” of something available tomorrow not only generates more positive evaluations of both ads and brands compared to currently available products, (Dahlén, Thorbjørnsen and Sjödin, 2011) but also changes how we evaluate a **past** experience. This insight provides new opportunities for marketers by combining future oriented marketing with stimulating consumers in the post-purchase phase, a phase that has been overlooked to a large extent despite its proven importance (Wang, Liang, & Peracchio, 2011). This implies that while using the same communication message, a company may be able to achieve both awareness for the new upcoming product, and also increase satisfaction for “old/already-consumed products” in the post-purchase phase. A deeper elaboration on when such marketing efforts is suitable will be presented under “managerial implications”.

7.1.2 PPAs increase WOM post-purchase

“A positive or negative opinion from a friend might be the tipping point for selecting a particular brand or product” (Gladwell, 2000).

The results from the first experiment prove that a PPA of an upcoming film sequel significantly increases WOM for the original film. More specifically, WOM for the

consumed film improved from 7.03 to 7.76, on a 9 point scale for the group as a whole with a mean improvement of 0.73 and p-value of 0.00 ($p < 0.01$), accepted on a 1 % level of significance. The results from the second experiment indicated an increase in WOM as well. However the impact of the “scenario sequel announcement” was smaller and WOM improved from 7.08 to 7.45, with a mean difference of 0.37 and a p-value of 0.235 ($p > 0.10$). Hence, hypothesis 4b. was not confirmed on any acceptable significance level. Plausible explanations for the non-significant results compared to experiment 1 are the same as discussed above regarding satisfaction. Again, we believe that the fact that most respondents had likely already acted on WOM intentions (the median value for number of days since respondents had seen the film was 45 days) influences scores considerably and dilutes the future product priming effect. Once again however, we would like to caution the reader that the effect difference between study one and two is not statistically significant, therefore one should not draw conclusions based on effect comparisons between the studies. The above rather discusses potential factors that **could** be an explanation for the observed difference where study one generated significant results and study two did not for WOM.

However, despite the non-significant effect of WOM in experiment 2, we see a tendency also here and consider the general findings in terms of WOM to be in line with what we hypothesized based on the theories listed in chapter two. Thus, our findings strengthen these theories and build onto to post-purchase theory concerning WOM. In particular, the study by Braun (1999), which found that consumers’ evaluations of their past product experience is continuously affected by advertising, and findings by Mao & Oppewal (2010) which suggest that positive reinforcements should increase WOM in the post-purchase stage, are observed in the findings of this thesis.

Charlotta Denward, Chief of Production at SF Film, confirmed the importance of our findings regarding WOM from study 1 and its potential financial impact in the film industry: *“Word of mouth is very important. If you make a film that you believe will not attract a big audience in the long run, that is, you don’t believe in its positive word of mouth, you spend a lot on a big campaign to attract a large audience the first weekend - because you need to generate as much revenue as possible the first weekend before word of mouth starts to spread. If you don’t, people will leave the cinema and tell their friends: ‘meh, you don’t have to pay 95 SEK to see that crap, you can see it for free on the internet, if you want to see it at all.’ The box office sales curve will start out rather high but then drop rapidly, by about 40% to 50% in just a few weeks.”* This information is especially important in terms of managerial

implications. Charlotta described how if you make a film and know that you will generate a high level of positive word of mouth, you can reduce your initial marketing spend since your film sales will be partially driven by free WOM from consumers. She described how the film industry alters their strategies concerning marketing spending depending on whether they predict a high degree of positive WOM or not. She also expressed that the greater use of online forums such as IMDB and Rotten Tomatoes makes WOM increasingly important. This is supported by Edelman (2010), whose research finds that people communicate online on a daily basis and that comments about products are now spread through online-forums and review sites more than ever before. The otherwise fleeting WOM, targeted to one or a few friends, has been transformed into messages visible to the whole wide world. The impact of eWOM has therefore strongly improved with the trend of an increasing number of consumers who conduct product research, both pre, and post-purchase, which to a large extent affects their purchase intention (Edelman, 2010). In fact, a recent study by PWC reveals that over 80% of consumers conduct product searches before buying electronics, computers, books, music and movies (McPartlin, Feigen & Kahn, 2012). Obviously, WOM has taken a new form in today's digital environment where social networking platforms, chat services and review sites are increasing in popularity. However, according to Helena Eklund, the *combined* strength of both WOM and satisfaction is what really will make a positive impact when moviegoers consider what film to watch.

7.1.3 Combining Satisfaction and WOM

We do not find it surprising that sequels seem to increase WOM. Rather, it feels natural that a film that is announced to have a continuation of the story will generate elaboration and talk among customers. This was also observed during study 1. In fact, we observed that respondents had already started to engage in such WOM by discussing amongst each other how the upcoming film could relate to the ending of the film just seen.

We find the effect of WOM interesting in and of itself, however, more so when combined with increased satisfaction. Our research shows that people are more likely to talk about their film experience, but also indicates that what they say will be more positive due to increased satisfaction. The combined strength of increased satisfaction with positive WOM are exceptionally valuable for a company. Helena Eklund, Marketing Director at SF Film, said the following; *"A combination of more satisfied movie theatre customers that talk more about the film experience is extremely important for us"*.

7.1.4 The counter hypothesis

When we began researching the potential effects a film sequel announcement would have on the evaluations for an original film, various contradictory theories made us unsure as to whether they would be positive or negative. We found arguments for both directions and therefore choose to have two opposing hypotheses. Not only did the theory presented in H2 imply that an opposing effect could be observed, many of the people we talked to, both industry professionals (whose opinions are described in this paper), and friends and respondents taking part of the experiment, expressed their belief that information regarding an upcoming sequel would negatively influence satisfaction for the movie seen. In addition, the negative attitude is captured in the data from the questionnaire covered in the “bonus questions”. In general, people did not want to see a sequel to the film they had just seen and the mean score for the control group for this question was 4.63 on a scale from 1-9 (see Appendix 4). The score for attitude towards “sequels in general” among the same respondents was 4.43. This relatively negative attitude towards sequels is not something we find surprising. Previous research by Basuroy & Chatterjee (2008) shows that a sequel to a film is rarely as popular as the original version. However, as previously mentioned, Charlotta Denward explained that even though many perceive sequels as a tactic by film producers to squeeze more money out a successful film, the attitude towards sequels seem to have changed among customers along with the increased trend of releasing sequels. This was captured in our data as well. On average, the attitude towards “wanting to see a sequel for the film seen” improved considerably (between control and manipulated groups) from 4.63 to 6.32 ($p < 0.01$) in the first study. In addition, expectations for the upcoming sequel improved as well, from 3.98 for the control group to 5.83 ($p < 0.01$) for the experiment group. This is an interesting finding, as it implies that simply by releasing more sequels or exposing consumers to their availability, consumer attitudes toward sequels increase.

This finding is similar to what Klink and Smith (2001) found in their research on brand extensions: that perceived fit and a more favorable attitude towards the extension increases with exposure to it. In this way, marketers have the possibility to drive their market and change the negative attitudes towards sequels. This implies that it is important to dig deeper into what consumers want using research rather than only providing what customers explicitly say they want.

Despite the negative associations people have regarding film sequels (and theory highlighted in H2) the results of our study proved the significance of H1, showing positive effects on satisfaction and WOM in favor for a PPA. We therefore ask ourselves if the “pure” Nextopia effect could be even greater if the general attitude towards the upcoming product was neutral. It would also be interesting to look into product categories where improvements are the general outcome. For example, electronic products, cars, video games and FMCGs that release new versions/sequels are almost always improvements from previous versions. Further research should therefore look into such product categories to see if the effect is stronger in those product categories.

7.1.5 Uncertainty boosts the effect of sequel *preannouncements* for films

The results from the multivariate analysis of variance (MANOVA) showed that the future priming effect from *preannouncements* on films is greater among uncertain film viewers, compared to certain viewers, for both satisfaction and WOM. The interaction effect for both satisfaction and WOM was accepted as significant on a 10% level. These results can be explained by a variety of factors. The general finding is in line with what we expected from H3, based on brand line extension theory concerning fit, construal level theory and uncertainty intensification theory. The result - an improved effect with regards to level of uncertainty - supports these theories by showing that level of ambiguity regarding the ending of a film, positively impacts the effect on satisfaction and WOM from a PPA. However, we understand that uncertainty may be only one of more factors that affect the outcome. Most likely, other aspects can “boost” or “deflate” the effect as well. Generally, we believe much comes down to fit between a brand’s customers, its products and its upcoming products.

Still, it is important to note that we also expected to see differences on film level, where “A Place Beyond the Pines” (the most “uncertain” film) should have generated the greatest effect. In spite of our expectation, a MANOVA test did not give support for this. Nonetheless, although our results are not significant, by examining the mean values for “A Place Beyond the Pines,” we still observe a positive tendency in favor of uncertainty, in particular for WOM (see Appendix 4).

Above we have considered a key explanation for the increased effect to be fit. In this particular case, we perceive uncertainty to be one such key indicator of increased fit, which we argue boosted the priming effect. In the case of our experiment, an uncertain ending is a key factor that would influence audience members to want to see a sequel film. It is important

to note, however, that this perception of fit regarding uncertainty does not necessarily relate to other product categories. However, what we believe will endure is the **level** of fit, i.e. how well a forthcoming product connects to a current, or past product, and its target audience. A stronger fit will better connect the future with the present and past.

For instance, if our theories hold true in other product categories, a vegetarian who orders a salad at McDonalds for dinner will likely evaluate her salad higher if she is informed (through a PPA) that a delicious fruit-based vegetarian dessert (a fruit salad, for example) will be on the McDonalds menu in the future. However, being informed that McDonalds will release a Texas Chili Burger in the future will likely not induce the same effect. Hence, we believe that fit is crucial for the transmission of future aspirations to past events. In this study, we discovered uncertainty to be one such fit-factor for films and upcoming sequels.

7.1.6 Spillover onto other product/experiences consumed in connection to the film experience

The results concerning hypothesis 4 show that the effect from a sequel *preannouncement* also seems to spill over and increase satisfaction for products or experiences consumed in connection to the film experience. The mean value for the control group regarding satisfaction for what the consumer did / consumed in connection to seeing the film was 6.57 and for the experiment group, 7.05. The mean difference of 0.48 had a p-value of 0.082 ($p < 0.10$) and was then accepted on a 10 % level of significance. WOM increased from 4.80 for the control group to 5.14 for the experiment group. The mean difference of 0.34 had a p-value of 0.172 ($p > 0.10$) and was therefore not accepted on a 10 % significance level.

Even though only H4.a was accepted, we see that WOM also increases (albeit, not significantly). Therefore, although we cannot argue for causality, we cannot say that WOM is not affected in some way (Söderlund, 2010). Unfortunately, we did not include a similar question in our first experiment, which is why we can't be sure whether this effect would had been greater if the announcement was made prior to the film as well.

When we asked Charlotta Denward about her professional opinion regarding this finding, she described how more and more customers do other things in connection to seeing a film. Some even make a whole evening out of the experience and go shopping or eat out at a restaurant. She gave the example of the Rigoletto movie theatre, which houses a restaurant and bar where people can enjoy dinner or drinks in connection to seeing a film. This phenomenon is

even more prevalent in North America where big shopping complexes surround movie theatres. This trend and the satisfaction spillover effect found in our study is interesting from a managerial viewpoint. New opportunities can therefore emerge for marketers by collaboration beyond product boundaries. According to Charlotta this may even impact how future films are financed; *“Collaboration with other products and brands, I think, could be a new way of financing films. You need to look differently at merchandising, advertising, licensing products.”*

7.1.7 Bonus material

In the bonus result section, we show that the Nextopia effect is stronger among less satisfied film viewers by including a measured factor on satisfaction level. The MANOVA test conducted produced acceptable results for the interaction variable ($p < 0.1$) since the mean difference effect between satisfied and less satisfied people was high. On average, satisfaction improved by 0.48 and WOM by 0.92 within the dissatisfied group of film viewers. For the satisfied group, on the other hand, the improvement was much smaller for satisfaction and WOM, 0.07 and 0.10 respectively. The explanation for this may be found in theory regarding cognitive dissonance. For example, Mao & Oppewal (2010) show in their experiment that choice-inconsistent information doesn't affect satisfaction, yet they found that post-purchase reinforcement enhanced satisfaction due to reduction of psychological discomfort. The authors claim that if you are initially dissatisfied, “you want to resolve conflicting elements and ease the aroused discomfort.” We consider a sequel PPA to be positive post-purchase information, and therefore we find it reasonable to believe that cognitive dissonance theory can also apply to our experiment as one explanatory factor for the finding of increased satisfaction and WOM for less satisfied people. Less satisfied film viewers tend to absorb information that can enhance their satisfaction to a larger extent.

Another possible explanation can be found in theories regarding ceiling effects. If, for example, the mean scores of a control group are especially high, it makes sense that we would not see a significant effect after a manipulation. This is a possible explanation for why the film *Django Unchained* was the only film that did not have a positive effect. Cramer and Howitt (2005) describe several reasons for ceiling effects and warn that failure to recognize the possibility that there is a ceiling effect may lead to the mistaken conclusion that the independent variable has no effect. The authors give an example where a researcher wishes to know whether eating carrots improved eyesight. They explain that it would probably be

unwise to use a sample of ace rifle marksmen and women, the reason being that their eyesight is likely to be as good as it can get so the diet of extra carrots is unlikely to improve matters. We use a similar logic by concluding that a film with a mean satisfaction score of 7.73 (scale 1-9) in the control group, which is significantly higher than the scores for the other films, would be unlikely to show much of an improvement.

7.2 Managerial Implications

The findings in this study give valuable insights into how actors in the film industry and brand owners, brand managers and other marketing practitioners can influence post-purchase satisfaction and WOM intentions of their products using product *preannouncements*. This is possible due in part to the Nextopia effect, which describes how the desire for the next “thing” around the corner is what drives pleasure today. Our research findings contribute to the field of Nextopia theory by confirming the effect of this theory in the post-purchase stage. This in turn has the potential to guide marketers in terms of their communication to consumers.

7.2.1 The film industry

As we have explained above, there are various ways in which the results of this study are relevant to members of the film industry. Firstly, as explained by the industry professionals we interviewed, increasing satisfaction and WOM with regards to a film experience is something that is always in the forefront of their minds. However, knowing what movie goes want to see, how they evaluate films and what drives their satisfaction and WOM often eludes members of the film industry. Our research implies that *preannouncements* for a new film can drive WOM and satisfaction for an already consumed film. This information can be used to adjust or decrease marketing spending for the film industry. Our findings also imply that although popular opinion is that consumers “dislike” sequels, this belief actually does not hold true. The film industry has seen growth in demand for sequels and our study highlights the Nextopia effect as a possible reason for this trend. Lastly, we have found that consumers are increasingly participating in other activities in connection with seeing the film and we have seen positive spillover effects in terms of satisfaction with our research. This could imply that film theaters could benefit by collaborating with restaurants, coffee shops, bars etc. to offer deals or discounts if both activities (seeing a film, then going out for dinner) are experienced in connection with each other. With our research, we see a connection between the experience of seeing a film and participating in a connected activity. Further research is

necessary to dig deeper into this connectivity and determine how it can be used for mutual advantage.

7.2.2 A broader view: what our findings mean outside the film industry

We now know that future aspirations affect our evaluation of a product that we have consumed in the past. This in combination with the growing number of strongly connected products being released in succession opens up for new marketing opportunities also outside the film industry. In line with connectivity, this research shows that a stronger fit between the future and past enhances the effect. Hence, by strengthening the link in communication between upcoming products and what is currently on the market, many companies should be able to make better use of the power of future aspirations today. For instance, our findings imply that a company that will release a new flavor of salad dressing, for example, should market the upcoming product in advance, **before** it is available on the market. This will cause positive spillover effects to products in the rest of its brand portfolio, AND improve satisfaction and WOM for products in its portfolio that consumers have already purchased. Utilizing the Nextopia effect will allow marketers to capitalize on this increased satisfaction and word of mouth and allow its marketing communication to achieve two important goals, driving awareness for the new, to be released product, but also improving sales for the current version due to increased satisfaction and WOM post-purchase.

Dissatisfied customers should be a considerable concern for any company or brand owner. We have seen how the film industry significantly adjusts marketing spending based on whether they believe their customers will be satisfied or dissatisfied with a film and whether they will share this opinion with their friends. Post-purchase evaluation is, of course, relevant to other industries besides the film industry and the psychological discomfort consumers feel when they are not satisfied with a purchase can be very dangerous to brand image. Again, Mao & Oppewal (2010) show in their experiment that post-purchase reinforcement enhanced satisfaction due to reduction of psychological discomfort. Interestingly, our findings revealed that less satisfied customers are, in fact, more susceptible to the Nextopia effect and that a PPA has a significantly positive effect on their satisfaction and WOM intention. If a PPA has the potential to decrease negative WOM from consumers who are dissatisfied with their purchase, companies may use this insight to reduce psychological discomfort in less satisfied customers and increase consumer evaluations by utilizing the Nextopia effect.

7.3 Criticism of the Study

This study is among the first to examine the effects of Nextopia on consumers and is, as far as we know, the first to examine Nextopia effects on consumer evaluations of a product in the post-purchase stage. However, some critique in terms of study design and method can be raised and are described below.

There are several factors we feel could have been improved or things that we would have done differently if we would now carry out the experiments. To begin with, in Study 1, the effect of the sequel announcement was measured almost immediately after the manipulated treatment. However, it is still important to confirm that the effect would still hold over time. To confirm a causal relationship that holds over time, we would have preferred to include a group of respondents that received the same treatment but were asked several days later to evaluate the film they had seen. We tried to overcome this partially in our second experiment since respondents were asked about a film they had seen previously (sometimes several month or years ago) rather than being manipulated before the film experience. However, we were also bound to asking respondents in the second study to answer questions right after they were put in the mindset of imagining the sequel. Hence, the effect's stability over time is not captured in this thesis. We do not necessarily believe that *if* a difference would had been observed it would be negative - it is possible that the future priming effect becomes stronger by processing it over time.

Furthermore, the questions we asked focused on satisfaction and WOM intention. Although we were able to ask questions regarding whether respondents intended to talk to friends or family about the films, we were not able to explicitly track the behavioral reaction. Another limitation to this study was the limited space we had for Study 1, due the importance of keeping the study as short as possible to avoid wearing out respondents (Söderlund, 2005). Because of this, we did not question respondents based on measures other than satisfaction and WOM. Even so, there may be other measures that are equally as interesting that the scope of this thesis simply did not allow for. Next, as our experiment was conducted in Stockholm and respondents for both studies were restricted to Stockholm residents, it could thus be questioned whether our results are only representative of the Swedish population and in particular, people living in the city center. However, we have no reason to believe that the effects we saw would not translate to other countries or cultures. Due to the limited scope of this thesis, we were forced to limit the nationality of respondents. Another important criticism

is that our sample was partially skewed toward female respondents as female respondents were more keen to participate in experiment 1 and 2. Finally, as we chose films as our product tested we are limited to this product category in terms of being able to explicitly prove a causal relationship. Because of the limited scope of this thesis, we chose not to study multiple product categories to prove that this effect is not specific to the film industry. Although we have no reason to believe this is the case, we are still unable to prove that PPAs have the same effect in the post-purchase process across other product categories. Furthermore, as we determined that the “uncertainty” variable increased the “fit” between the product studied (the films) and the product pre announced (the sequel) we were able to include that variable in our study and test it for significance. For other product categories, there will likely be various other factors that increase fit for the product recently purchased and the product pre announced, however, we were unable to test for those in this thesis. Further, as we were limited to the films playing in the movie theaters during the time we conducted our experiment, we were only able to test one film with higher uncertainty levels: *A Place Beyond the Pines*.

Lastly, as part of our lab experiment, we decided to test whether psychographic conditions were a factor in whether certain audiences were more or less affected by a future product prime. The psychographic conditions we chose were taken from previous studies on the “Big 5 Personality Traits:” (Openness, Conscientiousness, Extraversion, Agreeableness and Neuroticism) (Credé et al., 2012; McCrae & Costa, 1987; Poropat, 2009). We wondered whether respondents with particularly high scores for any of these traits would be more susceptible to the Nextopia effect. However, due to limited data and time constraints we were not able to dig as deep into the data as we had intended.

7.4 Future Research

Although there are various other factors in the field of Nextopia that would have been relevant for us to include, due to the scope and time allotted for this thesis we were not able to address them with our study. The first has to do with the product category examined. Although the film industry and box office films in particular are a relevant category to examine and fit well with the problem and purpose of this thesis, further research is needed to prove that these effects are also transferable onto other product categories. Even though we have no reason to believe that the effects we found are exclusive to the film industry, we cannot prove that we would see similar effects across all categories. In particular, a

suggestion for further research would be to test products in an informational or high involvement category. Rossiter and Percy (1987) classify products or services in terms of high involvement vs. low involvement and transformational vs. informational. Informational purchases are defined by the authors as “relief” purchases where the purpose for a purchase is to solve a problem. On the contrary, purchases are transformational where the goal is to rise above equilibrium or give oneself a treat or “reward.” Petty, Cacioppo & Schumann (1983) define high-involvement messages as being processed more systematically due to the extensive information search needed before purchase decision and attitude formation. Conversely, they define low-involvement messages as likely to be influenced by simple peripheral cues. In general, we classify the category of films as a low involvement, transformational product. It would be interesting, however, to test whether the same effects could be observed if a similar test was conducted on an informational product, such as dish detergent or a high involvement product, such as a new car. It would also be interesting to test the effect of a similar manipulation on a product that could be “improved” over time, such as a mobile phone. As previously mentioned, it is possible that the consumer perception that a new product is an “improvement” over the old product, rather than being simply part of a series would influence the results. This would also address the question of cannibalization. Companies should observe caution in pre announcing upcoming products in case the announcement influences consumers to wait with a planned purchase for the release of a new product. For example, a consumer may be in the market for a new car but after hearing about a new car coming out in the future, decide to drive his or her old car for another year and wait for the release of the new model.

Another suggestion would be to test other “fit factors” to determine whether they boost the effect of a PPA in the post-purchase stage. One such factor we identified was uncertainty. However, there may be other factors that could boost the effect in the film category and it is likely that there are other “fit factors” that boost this effect in other product categories. One suggestion for future research not only for research on other product categories, but also for researchers to determine whether there are specific factors for the category they choose that increase “fit” between a past and future product which would boost the effect of a PPA. Lastly, we would suggest more research on how this effect could translate into revenues for a company. Although our interviews with executives within the Swedish film industry give support for our findings in terms of satisfaction and WOM and their impact on the success for

a film, it is important to look into this more precisely, perhaps even measuring the effect in terms of revenue/sales.

7.5 Conclusion

The purpose of this thesis was to come to an understanding regarding *whether* future aspirations generated by a product *preannouncement* can affect consumer evaluations of a related product post-purchase. In addition, we wanted to understand more about this effect and uncover potential factors that could increase its impact and see if it hold over time. For our primary purpose, we can say that our study was successful in answering the research question we posed. With the research study presented above, we have shown that satisfaction and WOM are significantly affected by a PPA in the post-purchase process. Furthermore, we have shown that uncertainty regarding the film ending and satisfaction level impact how this effect plays out. The effect was found to be significantly stronger among uncertain and less satisfied film viewers. We have also shown that the effect seems to be present also if the PPA is announced **after** people have consumed a film, and that it spills over to products consumed in connection to the film experience. All in all, we feel content regarding our findings in that we now have a clear answer to our initial queries. With this study, our goal was to explore a new area in marketing research, contribute to the exciting new field of Nextopia theory, and find new paths for marketers to follow. We hope that management will now more clearly see the benefits of following a path that takes off in the future but leads back to the past, due to the enlightening findings from this thesis.

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APPENDICES

Appendix 1: The Questionnaire Experiment 1

Appendix 1a: Control group

Vad heter filmen du precis såg? _____

- A. Hur nöjd är du totalt sett med filmen du just såg?

Mycket Missnöjd									Mycket Nöjd
1	2	3	4	5	6	7	8	9	

- B. Hur nöjd är du utifrån en tänkt perfekt film?

Mycket Missnöjd									Mycket Nöjd
1	2	3	4	5	6	7	8	9	

- C. Hur nöjd är du utifrån dina förväntningar?

Mycket Missnöjd									Mycket Nöjd
1	2	3	4	5	6	7	8	9	

Ta ställning till följande påstående:

- D. Jag berättar gärna för vänner eller bekanta om filmen jag just sett

Håller inte med									Håller med fullständigt
1	2	3	4	5	6	7	8	9	

- E. Hur sannolikt är det att du kommer rekommendera filmen för vänner eller bekanta?

Osannolikt									Sannolikt
1	2	3	4	5	6	7	8	9	

Ta ställning till följande påståenden:

- F. Jag tycker att filmens "berättelse" fick ett tydligt slut

Håller inte med									Håller med fullständigt
1	2	3	4	5	6	7	8	9	

G. Jag känner mig säker på vad som händer med karaktärerna i filmen efter den slutat

Håller inte med									Håller med fullständigt
1	2	3	4	5	6	7	8	9	

H. Jag känner mig säker kring vad som händer i filmens "berättelse" efter den slutat

Håller inte med									Håller med fullständigt
1	2	3	4	5	6	7	8	9	

I. Vad var dina förväntningar på filmen innan du såg den?

Låga									Höga
1	2	3	4	5	6	7	8	9	

Ta ställning till följande påståenden:

J. Filmen var fängslande/engagerande

Håller inte med									Håller med fullständigt
1	2	3	4	5	6	7	8	9	

K. Jag skulle vilja se en uppföljare till filmen

Håller inte med									Håller med fullständigt
1	2	3	4	5	6	7	8	9	

L. Vilka är dina förväntningar på uppföljaren av filmen?

Låga									Höga
1	2	3	4	5	6	7	8	9	

M. Vad tycker du generellt om filmer som har uppföljare?

Dåligt									Bra
1	2	3	4	5	6	7	8	9	

Varför valde du att se just denna film? _____

Jag är: **Kvinna** **Man**

Min ålder: _____

Appendix 1b: Experiment Group

Vad heter filmen du precis såg? _____

Just nu pågår inspelningen till en uppföljare av filmen du precis sett. Den nya filmen planeras ha premiär under 2014.

From here on the rest of the survey was the same as Appendix 1a.

Appendix 2: The Questionnaire Experiment 2

Appendix 2a: Control group

I denna undersökning vill vi veta vad du tyckte om den senaste filmen du såg på bio. Några frågor kommer också handla om hur du är som person. Vänligen svara så gott du kan.

Vad heter den senaste filmen du såg på bio?

Ungefär hur många dagar sedan såg du filmen?

>>

Följande frågor handlar om hur nöjd du är med filmen du senast såg på bio

	Mycket Missnöjd 1	2	3	4	5	6	7	8	Mycket Nöjd 9
Hur nöjd är du totalt sett med filmen du senast såg?	☐	☐	☐	☐	☐	☐	☐	☐	☐
Hur nöjd är du utifrån en tänkt perfekt film?	☐	☐	☐	☐	☐	☐	☐	☐	☐
Hur nöjd är du utifrån dina förväntningar?	☐	☐	☐	☐	☐	☐	☐	☐	☐

Ta ställning till följande påståenden:

	Håller inte med 1	2	3	4	5	6	7	8	Håller med fullständigt 9
Jag berättar gärna för vänner eller bekanta om filmen jag såg	☐	☐	☐	☐	☐	☐	☐	☐	☐
Det är sannolikt att jag rekommenderar filmen jag såg för vänner eller bekanta	☐	☐	☐	☐	☐	☐	☐	☐	☐

>>

Gjorde du något annat i anslutning till filmen du såg, eller direkt efter? (exempelvis; åt middag, tog en öl/drink/glas vin, åt snacks, mat, shoppade, etc)

- ☐ Ja
- ☐ Nej

>>

Vad gjorde / konsumerade du?

Följande frågor handlar om hur nöjd du är med vad du gjorde / konsumerade i anslutning till filmen

	Mycket Missnöjd 1	2	3	4	5	6	7	8	Mycket Nöjd 9
Hur nöjd är du totalt med vad du gjorde / konsumerade i anslutning till filmen du såg?	☐	☐	☐	☐	☐	☐	☐	☐	☐
Hur nöjd är du utifrån dina förväntningar kring det du gjorde / konsumerade?	☐	☐	☐	☐	☐	☐	☐	☐	☐
Hur nöjd är du med vad du gjorde / konsumerade om du relaterar det till en tänkt perfekt sådan upplevelse / konsumtion?	☐	☐	☐	☐	☐	☐	☐	☐	☐

Ta ställning till följande påståenden:

	Håller inte med 1	2	3	4	5	6	7	8	Håller med fullständigt 9
Jag skulle vilja prata med andra om vad jag gjorde / konsumerade i anslutning till filmen jag såg	☐	☐	☐	☐	☐	☐	☐	☐	☐
Det är sannolikt att jag kommer rekommendera det jag gjorde / konsumerade för andra	☐	☐	☐	☐	☐	☐	☐	☐	☐

>>

Ta ställning till följande påståenden:

	Håller inte med 1	2	3	4	5	6	7	8	Håller med fullständigt 9
Jag är full av idéer	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag förstår saker snabbt	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag har en livlig fantasi	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag tycker att det är lätt att förstå abstrakta idéer	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag spenderar tid på att reflektera över saker	☐	☐	☐	☐	☐	☐	☐	☐	☐

Ta ställning till följande påståenden:

	Håller inte med 1	2	3	4	5	6	7	8	Håller med fullständigt 9
Jag är alltid förberedd	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag följer ett schema	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag är noggrann med detaljer	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag gillar ordning och reda	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag gör mina sysslor så snart jag kan	☐	☐	☐	☐	☐	☐	☐	☐	☐

Ta ställning till följande påståenden:

	Håller inte med 1	2	3	4	5	6	7	8	Håller med fullständigt 9
Jag är festens huvudperson	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag startar konversationer	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag känner mig bekväm runt andra människor	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag pratar med många olika människor på fester	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag har inget emot att stå i centrum	☐	☐	☐	☐	☐	☐	☐	☐	☐

Ta ställning till följande påståenden:

	Håller inte med 1	2	3	4	5	6	7	8	Håller med fullständigt 9
Jag är intresserad av människor	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag har lätt att sympatisera med andras känslor	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag har ett varmt hjärta	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag får folk att känna sig bekväma	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag är omtänksam	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag tar mig tid för andra	☐	☐	☐	☐	☐	☐	☐	☐	☐

Ta ställning till följande påståenden:

	Håller inte med 1	2	3	4	5	6	7	8	Håller med fullständigt 9
Jag har ofta humörsvägningar	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag blir lätt stressad	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag oroar mig ofta för saker	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag blir lätt irriterad	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag är mer orolig än de flesta människor	☐	☐	☐	☐	☐	☐	☐	☐	☐

Ta ställning till följande påståenden:

	Håller inte med 1	2	3	4	5	6	7	8	Håller med fullständigt 9
Jag dagdrömmer ofta	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag fantiserar ofta om saker i min vardag	☐	☐	☐	☐	☐	☐	☐	☐	☐
Jag tänker mig ofta bort i drömmar om framtiden	☐	☐	☐	☐	☐	☐	☐	☐	☐

Jag är:

- ☐ Man
☐ Kvinna

Min ålder:

>>

Appendix 2b: Experiment group

I denna undersökning vill vi veta vad du tyckte om den senaste filmen du såg på bio. Några frågor kommer också handla om hur du är som person. Vänligen svara så gott du kan.

Vad heter den senaste filmen du såg på bio?

Ungefär hur många dagar sedan såg du filmen?

>>

Föreställ dig nu följande senario:

En uppföljare till filmen du såg håller just nu på att spelas in. Filmens premiär är planerad inom en snar framtiden. Tänk dig nu tillbaka till filmens handling och dess karaktärer, och försök föreställa dig hur en uppföljaren skulle kunna relatera till filmens handling. Ge dig själv 30-60 sekunder och sätt dig in i detta senario och gå sedan vidare till nästa sida.

>>

From here on the rest of the survey was the same as Appendix 2a.

Appendix 3: Group Details

Field Experiment 1

Group	Male	Female	Mean Age	N
Silver Lining's Playbook Control	24,40%	75,60%	42,70	45
Django Unchained Control	67,40%	32,60%	36,40	44
The Host Control	18,00%	82,00%	23,00	50
A Place Behind the Pines Control	32,50%	67,50%	35,02	40
Total Control Groups	34,80%	65,20%	33,92	179
Silver Lining's Playbook Sequel	40,40%	59,60%	29,50	48
Django Unchained Sequel	54,20%	43,80%	30,80	51
The Host Sequel	11,10%	88,90%	20,90	63
A Place Behind the Pines Sequel	30,30%	69,70%	36,90	33
Total Sequel Groups	33,00%	67,00%	28,25	195
TOTAL ALL GROUPS	33,60%	66,10%	30,99	374

Laboratory Experiment 2

Group	Male	Female	Mean Age	N
Control	35,50%	64,50%	39,75	84
Sequel	32,10%	67,90%	39,26	76
TOTAL GROUPS	33,8%	66,3%	39,49	160

Appendix 4: Independent Sample T-tests

Independent sample T-test for the individual films

Variables	P-value	Mean Difference	Mean Values	
Silver Lining's Playbook			SC	SS
Satisfaction	,037	-,77176	6,09630	6,86810
Word of mouth	,027	-,95754	6,17780	7,13540
Django Unchained			DC	DS
Satisfaction	,844	,04753	7,72730	7,67970
Word of mouth	,923	,02696	8,12500	8,09800
The Host			HC	HS
Satisfaction	,039	-,60212	6,80000	7,40210
Word of mouth	,021	-,83063	7,09000	7,92060
Pines			PC	PS
Satisfaction	,034	-,75783	6,52500	7,28283
Word of mouth	,009	-1,16364	6,70000	7,86364

Independent sample T-test for the bonus questions:

“Vad tycker du generellt om filmer som har uppföljare?”

Sequels General	Sig.	Mean Difference	Mean Values	
(Control vs Sequel)			(SC+DC+HC+PC)	(SS+DS+HS+PS)
Sequel General	,030	-,53654	4,6328	5,1693

”Jag skulle vilja se en uppföljare till filmen”

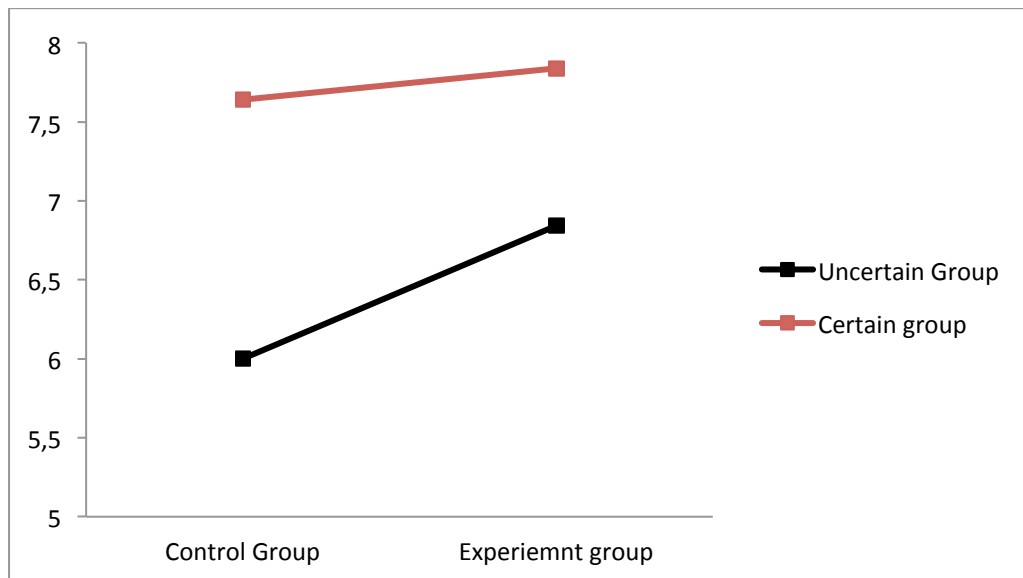
Sequels Specific	Sig.	Mean Difference	Mean Values	
(Control vs Sequel)			(SC+DC+HC+PC)	(SS+DS+HS+PS)
Sequel Specific	,000	-1,88999	4,4294	6,3194

Vilka är dina förväntningar på en uppföljare av filmen?

Exp Sequels Specific	Sig.	Mean Difference	Mean Values	
(Control vs Sequel)			(SC+DC+HC+PC)	(SS+DS+HS+PS)
Sequel Specific	,000	-1,84800	3,9774	5,8254

Appendix 5: Interaction effect visual

Satisfaction



WOM

