

**Title: The Price is Right: Perceptions of Control Influence How Consumers Use Price when Judging Product Quality**

**Speaker: Boyoun (Grace) Chae, Hong Kong Polytechnic University**

**Area: Marketing**

**Date: 23.11.2023, Venue: P11 @ 11AM**

**Abstract:**

Gaining a clear understanding as to when and why people use price to judge quality is a substantial issue not only for consumer researchers, but also for marketing practitioners and those concerned with consumer welfare. This research investigates the novel proposition that feelings of personal control will influence how strongly individuals rely on price to judge product quality. A set of seven studies documents that price has a greater impact on quality judgments when individuals' personal control is threatened. Further, we demonstrate an underlying psychological driver of the effect. Specifically, we find that in a state of low control, it becomes more important for people to follow social norms and feel accepted in their environment. Thus, in a low state of control, people become more susceptible to normative influence. As judging product quality based on price is deemed to be normative and socially acceptable, people with low control are more likely to increase their reliance on price when making quality judgments. Theoretical contributions to the literature on control and price, and the practical implications of the research are discussed.

**Speaker Profile:**



Dr. Grace Chae is an Assistant Professor of Marketing at the Hong Kong Polytechnic University. Before joining in, she worked at Temple University. Her research focused on exploring how environmental factors influence consumption behavior. She investigates three key interactions a consumers may have with their environment: interactions within the physical space, within the digital space, and within the social space. She published articles at leading marketing journals such as *the Journal of Consumer Research*, and *the Journal of Consumer Psychology*, *the International Journal of Research in Marketing*. Her article also appeared on *the Harvard Business Review*.

She received her MSc. and BBA degree in Business Administration at Seoul National University, South Korea. She also studied at Trinity College, University of Dublin, Ireland and ESSEC, France as an ASEM Duo exchange student during her programs at Seoul National University. She completed her PhD degree in Marketing at the University of British Columbia, Canada.

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