EFFECTS OF PRODUCT ASSORTMENT ON CONSUMERS' BRAND PREFERENCE IN RETAILING

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ABSTRACT

This study investigates the influence of product assortment on consumers' brand preference in retailing. Two questions are addressed: First, what is the impact of product assortment on consumers' information processing and their attitudes toward the brands in the assortment? Secondly, what kinds of moderators exist to influence the relationship investigated in the former question? It is proposed that in a between brand context consumers tend to favor the brand whose assortment is alignable than the brand whose assortment is nonalignable. In a between brand context, when the assortment is alignable, consumers' brand preference will increase as the assortment size increases; when the assortment is nonalignable, consumers tend to prefer the option with the highest perceived value and avoid the extreme options; when the assortment is nonalignable, consumer tend to avoid the extreme options to a lesser degree (relative to alignable assortment) and prefer the option with the attributes they weight highest.

Reference Available on Request.