CONTROVERSIES AND CONSUMER BEHAVIOUR: LESSONS FROM DIOR'S ONLINE BRAND COMMUNITY

Abstract

Controversies can elicit a wide range of customer reactions, thus requiring a thorough investigation into the various aspects that influence these behaviors. Utilizing a comprehensive approach to classify influential elements, we conducted a longitudinal case study employing netnography and qualitative content analysis. This research examines consumer responses in online brand communities in the context of controversies, with a specific focus on a recent celebrity endorser controversy involving the famous actor Johnny Depp and the renowned French fashion brand Dior. Our study focused on 45 Facebook posts from Dior's official page, spanning a period of seven years. The results of our study highlight the importance of public perception in influencing consumer behavior to controversies. Positive perceptions of customers serve as protective mechanisms, mitigating adverse consequences and occasionally leading to favorable results. On the contrary, negative perceptions result in unfavorable outcomes for companies. This research contributes to the existing body of knowledge on consumer behavior dynamics within the context of controversies, providing valuable insights for the implementation of effective brand management strategies in such circumstances.

Key words- Controversy, Consumer behavior, Online brand communities, Case study

1. Introduction

Controversies can be defined as a publicly known firm behavior that breaches the norms, values, or beliefs of a specific society or a substantial portion of that society (Neureiter & Bhattacharya, 2021). While some consumers are drawn to controversial events due to their novelty and excitement, others are deterred by the discomfort and negative emotions they elicit (Chen & Berger, 2013). Thus, comprehending the impact of controversy on consumer behavior and decision-making necessitates a nuanced examination of individual differences and motivations among consumers. Despite the growing interest in controversies, the relationship between consumer behavior and brands which has faced controversies is overall understudied so far (Banerjee, 2017). This gap is particularly pronounced when considering experimental settings and non-experimental real-world contexts such as social media (Sidnam-Mauch & Bighash, 2021). Understanding the factors and mechanisms that influence consumer behavior in the context of controversy can significantly enhance the development of more comprehensive models of consumer behavior. This, in turn, can help businesses and marketers make more accurate predictions of consumer behavior and develop more effective interventions for influencing consumer behavior. Therefore, it is necessary to examine controversy in various contexts in order to better comprehend the various factors that lead to contradictory results. On the other hand, while social media are widely used for product promotion and brand community building, they are less utilized by scholars to understand consumer behavior, and consumer behavior on social media is a rising field of study that needs to be explored (Mogaji et al., 2021). Our study examines the relationship between consumer responses to brand controversies on social media, with a particular focus on brand communities. The purpose of this study is to unravel the factors that cause subsequent consumer behaviors in an effort to combine these two promising and understudied research areas. We attempted to answer the research question, "*What factors influence consumer behavior in relation to controversies in the context of online brand communities*". To address the research question, we selected the celebrity endorser misbehavior controversy (Greyser, 2009). The reason for choosing this type of controversy is that previous research has shown that these types of controversies generate a variety of results(Carrillat et al., 2019). As a context for our research, we chose the official Facebook page of French fashion brand Dior. We collected data through netography and we used qualitative content analysis to analyses data. We found that consumer perception determines consumer behavior overall. Positive consumer perceptions were due to personal beliefs regarding the culpability of the parties involved, identification with the spokesperson, perceived fairness and justice in the brand's actions, the perceived quality of the product, which was boosted by celebrity association, and consumers' investment in the brand. In addition, we found that negative perceptions are caused by personal dislike for a controversial celebrity, a negative attitude towards the celebrity for violating social norms, disappointment towards the brand for association with a controversial spokesperson, and misconceptions about the brand's actions and intentions in the midst of controversy. In our contribution to the literature, we extend prior research by not only confirming that positive perceptions may decrease the negative effects of controversies, but also by showing that positive perceptions can occasionally result in positive outcomes. In addition, our research concurs with the existing literature in emphasizing that negative perceptions can indeed have negative consequences for businesses.

2. Theoretical Background

Scholars found that controversy might generate some commercially available products to elicit negative feelings in consumers, which could lead to a decline in sales as well as pickets, protests,

and boycotts (Xu et al., 2004). On the other hand, academics have suggested that negative attention might sometimes increase sales (Berger et al., 2010). According to existing literature, controversy has yielded mixed results, the majority of which are considered negative

Conventional wisdom suggests that controversial celebrity endorsements negatively affect the attractiveness and credibility of celebrity endorsers (Thwaites et al., 2012), ultimately resulting in a decline in consumers' perceptions of sponsors and brand image (Wang & Kim, 2019). This, in turn, leads to a decrease in participants' attitude toward the advertisement, their attitude toward the product or organization, and their purchase intention (Roozen & Raedts, 2017), as well as a decline in product evaluation due to the negative association between the brand and the celebrity (Till & Shimp, 1998). However, some studies challenge this notion and they suggest that sometimes less-attractive celebrities might perform better as endorsers (Sääksjärvi et al., 2016) and brands can benefit from celebrities with negative reputations if their image aligns with the brand's goals (Carrillat et al., 2019). Furthermore, some studies contend that the emotional bond between fans and the celebrity can mitigate the negative effects of controversies.(Wang & Kim, 2019), and weakly identified consumers are likely to be less willing to purchase or suggest the celebrity's products than fans (Um & Lee, 2015).

3. Methodology
3.1 Case description

This study employs a longitudinal case study methodology, which allows for an investigation of the extent of change in consumer behavior and the factors that influence such change over time (Creswell, 2013). Specifically, we focus on a controversy involving the product "Sauvage" from the French fashion house Dior. The controversy under study revolves around Johnny Depp, who faced accusations of domestic violence in 2016 following his divorce from Amber Heard. Depp was the endorser of Dior Sauvage, a fragrance launched in 2015 by the French fashion house Dior. In November 2020, Depp lost a UK libel lawsuit against The Sun newspaper, which had published an article calling him a "wife beater," and the court ruled that the allegations were substantially true. However, Depp's reputation as an abusive husband was somewhat rehabilitated after his victory in a defamation case against Heard on June 1, 2022. We have chosen to examine Dior and its product Dior Sauvage due to the brand's controversial reputation and strong social media presence.

3.2 Data collection and Analysis

To collect data, we utilized netnography, a qualitative, interpretive research approach that employs Internet-optimized ethnographic research methodologies to investigate the social context of online communities (Kozinets, 2012). We selected the official Facebook page of Dior as our primary data source that on January 2023 had 19 million Facebook likes. The use of netnography allowed us to capture and analyze rich data about the perceptions, attitudes, and behaviors of online users in response to the considered controversy. We chose 45 posts about Dior sauvage published between 2016 and June 2022, which generated around 30,000, comments overall. This time frame allowed us to examine the evolution of consumer behavior and sentiment in response to the Sauvage controversy over an extended period.

We employed qualitative content analysis (QCA) to analyze the data collected through netnography. A recent literature review revealed that QCA was the predominant analytic method (second most common method) employed in research including social media content such as

Facebook posts, tweets, and YouTube videos (Snelson, 2016). Based on our data analysis, we categorized consumer comments as both positive or negative, taking into account the overall sentiment and perception. We adopted the eight-step method proposed by Zhang and Wildemuth (2009) to conduct the QCA . The process began with data preparation, which included extracting comments and posts but not hashtags or emojis. The unit of analysis was specified as comments for each post. Then, we created a timeline of the controversy and categorized the comments based on their posting dates in accordance with the timeline. We defined categories and a coding scheme through analysis of data of previous studies, and we also allow for the formation of new codes as needed. The rules were applied to the entire text after ensuring uniformity through sample coding. The reliability of the coding was next assessed, leading to the final steps of drawing conclusions and presenting the results. Figures 1 and 2 depict the coding structures associated with both positive and negative consumer perceptions

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[Insert Figure 02 Here]

4. Findings
4.1 *Positive consumer perception*

We found that the outcome of a controversy is not always negative if the public has a positive perception of the parties involved and recognizes that they are not culpable or wrongfully accused. These positive perceptions amid controversy can result in public support for the brand, in addition to moderating negative effects, it may also contribute to positive consequences in some instances. Data analysis revealed that consumers with a high level of fan identification are more likely to believe in the celebrity's innocence and to have positive attitudes toward the celebrity, which are then transferred to the brand (Um, 2013). The comments made by fans either displayed appreciation for the celebrity and their connection to the product while ignoring to acknowledge the controversy, or displayed their love for the celebrity by expressing their endorsement of both the celebrity and the affiliated brand. For example, one user wrote, "*I will forever support Dior for supporting him!! Love him forever!*" Due to fan identification of the celebrity, not only was the effect of controversy on the brand somewhat mitigated, but it also resulted in positive outcomes for the brand, as these fans demonstrated overall positive emotional connection towards the brand, increased purchase intentions and also cross market appeal, to name a few. For example, one female user wrote "*Great move keeping Johnny. I look forward to more purchases as long as he is an ambassador. Johnny is legendary style. Dior and Depp are two icons,.#JusticeForJohnnyDeep#ThankYouDior*"

Our findings revealed that an individual's personal beliefs and values could significantly influence their behavior in relation to a controversy. Within this primary factor, we have identified two subordinate factors, which we posit may exert influence upon the online consumer behavior in the context of a controversy. The first is gratitude for the brand based on personal beliefs/values, which dominated this category, and the second is a perception of fairness and justice in the company's acts. We found that consumers' behavior based on their personal beliefs and values can lead to supportive purchases from both target and non-target customers, cross-market appeal, a positive emotional connection with the brand, and an overall increase in consumer engagement with the brand. Interestingly, we also discovered evidence that consumer behavior based on personal beliefs and values could lead to new customers and brand loyalty. Regarding new customers, it appears that customers were making purchases in order to support both Johnny Depp and the brand. One

commenter, for example, wrote, "@ *Dior, even that am not a normal consumer of your products, you are now making business from me. Big thank you for being a fair company*". The comments also indicated that consumers developed brand loyalty to the brand because of aligning their personal beliefs and values with the brand's actions, as this created a dispositional commitment to the brand's unique value, which is the brand's support for the controversial celebrity who was perceived to be innocent (Chaudhuri & Holbrook, 2001). For example, one user wrote, "*We want to thank you for supporting Johnny Depp from now on I am a client for life*".

In addition, according to our analysis we found that users who identified themselves in similar situations (e.g., domestic abuse survivors and failed marriages) have extended support to Johnny Depp because they recognize that the celebrity is suffering as they did and being falsely accused. For example, one user wrote, "*Giving Dior a like just because you stood behind Johnny and didn't jump on the cancel culture. I can't afford you but I can drool haha. Seriously as a DV survivor I am so glad you guys waited to find out the truth*". In addition, our data analysis revealed that consumers become invested in the brand when they have a positive perception of the controversy. It was revealed that controversy stirs consumers' interest, and that they become increasingly invested in the brand over time, even to the extent that they make suggestions for the brand's success. For example one cutomer has wrote, "*I should really be working in advertising/marketing. You guys need to do a Johnny Depp fragrance asap named JUSTICE! Take pre-orders now and ship it by Christmas. You're welcome#justiceforjohhnydepp*". Finally, we also found that when consumers have a positive perception of the celebrity and believe that the celebrity should be supported or empathized with, that positive feeling extends to the brand and perceived brand quality. For example, one user wrote "*I hope your profit margin increases by 75% for sticking by Johnny Depp. Your brand quality is as impeccable as your instincts it seems!*"

4.2 Negative consumer perception

Due spokesperson misbehavior controversy related to Johnny Depp and the then-ongoing trial, we found that some users opposed the brand's decision to retain Johnny Depp as the Dior Sauvage spokesperson. For example, one user wrote, "*My household is boycotting you for promoting toxic masculinity by keeping Johnny Depp as the face of your brand*". The comments also suggested that this decision to retain a controversial spokesperson could harm the company's reputation. Because some customers were seen bringing up Dior's previous positive image while criticizing the current association with a celebrity accused of domestic violence. For example, one customer wrote, "*Dior's marketing chose the savage who beats the woman. Such a well-conceived brand among the female audience slides like this. They are sleeping*". There was another group of customers who were frustrated with all of the drama surrounding the brand and its endorser. For example one user wrote "*I had to unfollow them on Instagram.. sick and tired of depp fandom posting stories all the time.*". In addition, when Johnny Depp was facing court trial, Dior announced that French footballer Kylian Mbappé would be the face of the entire brand. Dior did not drop Depp as the face of Dior Sauvage, but consumers believed that Dior had done so because of the controversy. We found that this misconception resulted negative outcomes.

5. Discussion

According to conventional wisdom, in general a controversy can cause long-term harm to the brand and the company (Banerjee, 2017). According to conventional academic thinking, celebrity transgressions, in particular, negatively affect brand evaluations (Bergkvist & Zhou, 2016). However, instead of viewing controversy as a phenomenon, that only produces negative outcomes,

we found that consumer behavior in relation to a controversy is largely dependent on their perception of the controversy, and the outcomes or consumer behavior can be positive or negative depending on the nature of that perception. We also found different factors that cause these positive and negative perceptions. While we acknowledge that the factors that influence consumer perceptions of a controversy can vary depending on its context, we argue that consumer behavior regarding any controversy can be influenced by consumer perceptions towards the controversy and responsibility attributed to involved parties.

In case of spokesperson misbehavior, it is argued that if the celebrity is blamed for the misbehavior, the brand suffers, whereas if other factors are held accountable, the brand suffers minimally or not at all (Um, 2013). On a similar note, we found that when the public believes that a celebrity is falsely accused or innocent, there is an overall positive public perception of the celebrity. Adding to the literature in this regard, we additionally found that this positive consumer perception, while having no effect or a minimally negative effect, could also result in positive outcomes for a company. Here, we want to emphasize three main factors that we identified as contributions to the existing literature: fan identification, viewing celebrity as a self-reference and bond with the brand created by personal values and beliefs. According to researchers, those who form a strong identification with an object or person frequently undergo a biased cognitive process that enables them to resist counter-attitudinal information (Wang & Kim, 2019). In the case of fan identification, we found a similar finding. However, contributing to the literature, we also found that the emotional connection between fans and the celebrity could result in positive outcomes, such as increased purchase intentions and cross-market appeal, when it transfers to the brand in the form of brand support. On the other hand, researchers found that people have a tendency to consider how similar they are to the celebrity and then transfer this perception of similarity to the brand (Sääksjärvi et al., 2016). Yet, according to this study, when a celebrity has a positive image, it can lower a person's self-esteem, whereas when the celebrity has a negative image, it can increase a person's self-esteem (Sääksjärvi et al., 2016). Even though it is not entirely identical to this finding, we discovered that when a celebrity has an image of being a victim, people who identify themselves as similar to the celebrity transfer that perception of similarity of being a victim of unfortunate situations to the brand in the form of positive brand sentiments. Next, we found that the bond with the brand created by personal values and beliefs can increase brand loyalty. Existing literature defines brand loyalty as a deeply held commitment to repurchase or repatronize a preferred product/service consistently in the future, resulting in repeated same-brand or same-brand-set purchases, despite the potential for situational influences and marketing efforts to cause switching behavior (Oliver, 1999). This definition emphasizes the behavioral and attitudinal aspects of brand loyalty (Chaudhuri & Holbrook, 2001). Between these two aspects, attitudinal brand loyalty includes a degree of dispositional commitment to the brand in terms of its unique value (Chaudhuri & Holbrook, 2001). Contributing to the literature we found that consumers perceive supporting a falsely accused celebrity as a unique brand value, which ultimately leads to product loyalty based on attitude-based brand loyalty.

 Marketing managers should take note of the study's findings, which suggest a cautious approach to celebrity endorsements in the face of controversy. Despite popular belief, severing ties isn't always advised; it's important to know how customers view the celebrity and the controversy . The findings also stress the need for clear brand messaging during controversies and urge marketers to balance strategies to keep consumer focus on the product rather than the associated celebrity issues.

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Figures

Figure 01- Coding structure: Positive consumer perception

Open label	Axial label	Selective label
Positive consumer perception	celebrity-brand congruence	Celebrity matching with the positioning strategy of the product Increased effectiveness of celebrity endorsement due to Celebrity Believability
	Fan identification with the Celebrity	Increased effectiveness of celebrity endorsement due to fan attraction on brand page Usage of Celebrity image as a promotional tool fan identification as a buffer to controversy Cross-market appeal Positive emotional connection with the brand supporting the controversial celebrity Increased purchase intention Supportive purchases from non-target consumers
	Gratitude towards the brand based on personal beliefs/values	Supportive purchases from non-target consumers Increased purchase intention Nostalgic connection triggered in fans by celebrity endorsement Cross-market appeal Brand loyalty New customers Positive emotional connection with the brand supporting the controversial celebrity
	Perception of fairness and justice in the brand's actions	New customers Brand loyalty Opposition to ethical and moral responsibility issues raised by the controversy Positive impact on brand image Supportive sentiment from non-target customers
	Perceived quality of the product boosted by celebrity association	Positive Perception about product quality
	Controversy as a personal reference point	Increased purchase intention Supportive sentiment from economically challenged customers
	Consumers feeling invested in the brand due to the controversy	Brand commitment as a buffer to controversy Consumer engagement by providing brand-improvement recommendations Controversial celebrity generating interest and attention towards the brand

Figure 2- Coding structure: Negative consumer perception

Open label	Axial label	Selective label
Negative Consumer perception	Dislike towards Controversial celebrity due to personal reasons	Decreased effectiveness of celebrity endorser in marketing of the product
	Negative attitude towards the celebrity endorser for going against social norms	Potential negative brand evaluations by transfer of celebrity related negative attitudes to brand Controversial advertising transferring negative effects to the celebrity
	Consumer disappointment towards the brand for using a controversial spokesperson	Decreased consumer engagement Decreased purchase intention Negative impact on brand image and reputation
	Misconceptions about Brand's Actions and Intentions in middle of controversy	Anger and frustration evoked in customers towards the brand Decreased purchase intention