The theory of cognitive dissonance: A marketing and management perspective

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Abstract

The theory of cognitive dissonance \cite{1} concentrates on creating knowledge about important psychological processes of individuals. Specifically, it focuses on the relationships among cognitions that are elements of knowledge that people have about their behaviors, attitudes, perceptions, beliefs, feelings, or environments. Since human nature is the main subject of all social sciences, the theory has awakened interest and led to significant research in different academic domains. This study makes a thorough analysis of the theory's application in psychology, management, and marketing fields with an aim to assess the contribution of the theory to the development of knowledge in these areas. It is observed that the theory is commonly used by marketers to explain consumer behavior while its adoption in the management field to examine human related issues is considerably underdeveloped. Accordingly, the aim of this paper is to extend the literature on cognitive dissonance by discovering the under-investigated areas and pave the way for further theoretical and empirical research. Identification of existing gaps and suggestions for further scholarly inquiries are also believed to contribute to the recent efforts to regenerate interest to topic and to boost its generalizability through its greater utilization in the development of knowledge.

Keywords: theory of cognitive dissonance; management science; marketing science

1. Introduction

The theory of cognitive dissonance, developed by Festinger (1957) \cite{1}, states that if a person holds two cognitions that are inconsistent with one another, he will experience dissonance and will try to reduce it in one of the three ways: remove dissonant cognitions, add new consonant cognitions, or reduce the
importance of dissonant cognitions. Through time, several scholars have revised the original version of 
the theory [e.g., 2, 3, 4] and offered alternative theories [e.g., 5, 6, 7].

The theory’s main context is individual and social psychology. It has led to numerous research in this 
field, mostly to understand cognitive consistency, to study group behavior, to improve clinical psychology 
techniques, and to explain smoking relapse [e.g., 8, 9, 10, 11, 12, 13].

Management and marketing scientists have adopted the theory as well. Researchers interested in 
organization theory, strategy, or behavior used the theory of cognitive dissonance to study change 
management, entrepreneurial behavior, business ethics, and certain work attitudes and behaviors of 
employees [e.g., 14, 15, 16, 17, 18, 19, 20]. Nevertheless, it has not been incorporated into wide spectrum 
of studies due to problems of measuring dissonance and relating it to different employee or organization 
related constructs. On the other hand, the main area of research in marketing has been post-purchase 
dissonance and its relationship with people’s perceptions of advertisements after purchase, attitude 
change, service quality perceptions, and brand loyalty [e.g., 21, 22, 23]. However, some researchers 
questioned the applicability of the theory in successfully explaining and predicting consumer behavior due 
to the difficulty of measuring dissonance with respect to marketing constructs and the limitations of the 
laboratory experiments [e.g., 24, 25, 26]. As a result, interest for the theory has deteriorated during the 
last decades. On the other hand, a number of scholars have directed their attention towards developing a 
scale to measure dissonance [e.g., 27, 28] and these attempts seem to be successful in renewing curiosity 
to the topic.

In light of this evidence, this paper tries to answer the questions of when and how the theory is adopted 
by management and marketing researchers, whether or not any adaptations to theory’s origins have been 
made, and how these fields could have benefitted more from the theory’s explanatory and predictive 
power.

2. The theory of cognitive dissonance: Origins, revisions, and alternative theories

Cognitions are elements of knowledge that people have about their behavior, attitudes, and 
environment [1]. Festinger’s (1957) [1] cognitive dissonance theory states that two cognitions can be 
either related to or unrelated to each other; and if they are related, they are either consonant or dissonant. 
Consonance occurs when one cognition follows from the other and dissonance occurs when one cognition 
follows from the opposite of the other. According to the theory, the motivation to reduce dissonance 
increases as the magnitude of the dissonance increases and the strength of dissonance is affected by the 
number of dissonant beliefs as well as the importance of each belief.

Although there is significant agreement among the dissonance theorists about the behavioral 
observer of the theory, there is controversy about the motivation for dissonance effects. Therefore, the 
theory has been revised a number of times and alternative theories have been developed [29, 30].

One of the revisions of the dissonance theory is related to the “self-concept”. Aronson (1968) [2] 
argued that dissonance is the result of the conflict between people’s self-concept and their actions. 
According to the author, people try to preserve a positive sense of them described as predictable, 
competent, and moral and dissonance is created if they act in a way that contradicts with how they 
perceive themselves [31].

Another revision was offered by Cooper and Fazio (1984) [3], which states that dissonance is not 
related to inconsistency between cognitions but is a result of a consequence that is unwanted. This new 
version, referred to as “the new look”, suggests that people feel responsibility when they act in a way that 
results in an aversive consequence; and dissonance is created as a result [30]. According to this version, if 
an action does not result in unwanted consequences, then inconsistency between cognitions will not lead 
to dissonance [29].

Steele (1988) [4] came up with another explanation and claimed dissonance to be a result of behaving 
in a manner that goes against one’s sense of moral integrity. According to this revision, known as the
“self-affirmation theory”, dissonance is not created by cognitive inconsistency, self-inconsistency, or feeling responsible for unwanted consequences [30].

Apart from these revisions, some alternative theories were also developed. One of them is Bem’s (1972) [5] “self-perception theory”. This theory states that people observe their actions as if they were outsiders and infer their underlying attitude from the analysis of their behavior and the circumstances surrounding the behavior [5]. While Festinger (1957) [1] argues that people feel motivation to reduce dissonance and this motivation can be measured; self-perception theory predicts no psychological or physiological tension. This contradiction created great controversy and a lot of research have been conducted on the issue. The debate ended when the conditions under which each theory was appropriate has been identified: small discrepancies between attitude and behavior will bring forth self-perception processes whereas large discrepancies will create dissonance processes [32].

One further alternative is the “impression-management theory” offered by Tedeschi et al. (1971) [7], which states that people change their attitudes because they want to manage how others view them. Specifically, this theory holds the view that people try to create positive impressions on others or at least avoid a negative impression by developing attitudes that are consistent with their behavior [30].

On the other hand, the “self-standards model” of cognitive dissonance developed by Stone and Cooper (2001) [6] critically evaluates three of the perspectives on cognitive dissonance – self-affirmation, self-consistency, and the new look – with respect to the role of self-concept in the dissonance processes. According to this model, dissonance is created because of the discrepancy between the outcome of an act and the standards to which it is compared and the type of such self-standards determine the level of motivation to reduce dissonance the individual will experience [29, 6].

Although the theory has been seriously challenged by these revisions or alternative theories, there is strong support for the superiority of the original version over others in explaining all the evidence found in the related studies [e.g., 33]. In addition to these attempts to give the theory a new perspective, it is still used by researchers from different social sciences to explain and predict human related phenomena.

3. The theory of cognitive dissonance in management and marketing fields

3.1. Management

Cognitive dissonance has been adopted and used by the management discipline to explain different issues. One of them is the management of change. The free-choice paradigm of cognitive dissonance theory states that dissonance is likely to occur after a decision, which requires a change in existing attitudes or behaviors, has been made. When people are in a position to adopt new behaviors that arouse dissonance, they will accept the behavioral shifts only if they believe that they have the freedom to change their behavior or not. If the change is forced, it will most probably be subject to resistance [16]. In addition, the difficulty of the change decision does also make a difference. If the decision is difficult, then there will be a greater motivation to reduce the dissonance [30] on the side of affected parties. In the context of organizational changes, since employees are surrounded with various dissonance-creating situations, it is important to involve them in major decisions to ensure safe and effective execution of change [16]. The theory of cognitive dissonance is very valuable in this sense to understand the factors that encourage or impede successful change [15].

Aside from the employee involvement, alignment or realignment of the logics of action at different levels of the organization is also essential in any transformation process [14]. Logics of action can be defined as the implicit relationships between means and ends lying beneath the certain actions, policies, and activities of organizational members [14] which lead both individual and group actions. Although actors in the institutional level may alter their logics of action immediately after an environmental change, these new logics may contradict with those held at the core level (i.e. managerial and technical). To maintain their cognitive consistency, actors at the core may stick to old attitudes and behaviors at least in
the short run; but over time, inconsistencies are likely to be resolved with the realignment of cognitive structures, resulting in the stable states proposed by both institutionalists [34] and ecologists [35]. Theory of cognitive dissonance helps to comprehend the psychological processes behind resistance to or adapting to changes at different levels of the organization in alignment, misalignment, or realignment stages of transformation.

Management scholars have also used the theory of cognitive dissonance to explain the effects of business ethics judgments in organizational settings. Inherently, employees seek consistency between their ethical value system and the ethical climate in their organization [36]. Striving to preserve their personal ethics, employees will expect substantial support from top management for their ethical behaviors; favorable ethical atmosphere in their organizations; and a direct link between ethical behavior and career success as well. If they perceive that these expectations are not fulfilled in their organizations, employees will feel a dissonance that in turn reduces their job satisfaction. What is more, as top management acts as a referent group for employees and builds the ethical climate in organizational setting, any incongruence between moral standards of top management and internal standards of employees will result in a moral controversy and cognitive dissonance [19], which again deteriorates job satisfaction.

In addition to perceived consistency between internal and external standards, moral development of an individual may influence the level of dissonance experienced before and after ethics decisions. Most of the time, managers are in a position to make decisions for the benefit of their organizations where these decisions may conflict with their personal values. In a study, which investigated the impact of moral development on cognitive dissonance before and after ethics decisions have been made, Lii (2001) [20] found out that managers with high levels of moral development do not experience cognitive dissonance when they make an ethical decision and give up personal gains. These people are also more likely to make ethical decisions than unethical ones. Therefore, cognitive dissonance is used to understand the psychological reasons behind moral conflicts in organizations as well as the role of moral development in predicting individuals’ likelihood of making decisions based on personal gains [20].

The impact of cognitive dissonance on certain decisions and behaviors of individuals is another area of investigation in management research. Examining the role of this theory in predicting entrepreneurial behavior, [17] states that since entrepreneurs make substantial psychological and financial investments in terms of time, effort, and money to realize an idea; they may become over committed to it and lose their objectivity while at the same time questioning whether the end will worth the investment. This state of cognitive inconsistency leads them to seek information that will reinforce their decisions and to avoid any negative data [17]. The author points out that that if this loss of objectivity appears at the early stages of entrepreneurial behavior, it will create risks on the side of the entrepreneur that should be taken care of by the objective outside advisors.

Management scholars have incorporated the cognitive dissonance theory to their studies to explain the relationship between certain behavioral intentions and work attitudes as well. Doran and the others (1991) [18] proposed that workers who entered an organization with the intention to quit would subsequently report lower levels of job satisfaction than would individuals who entered with the intent to stay since they want consistency in cognitions about their attitudes, behavioral intentions, and behaviors. Nevertheless, in accordance with the Brehm and Cohen’s (1962) [37] emphasis on perception of free choice, the relationship between intents-to-quit and job satisfaction were found to be stronger when employees economic choice was higher. This confirms the notion that pressures for consistency are greater when individuals’ perceived choices are high than when it is low.

Distinct from the previous areas of research, attempts of reducing cognitive dissonance has been also delineated in different studies in organizational behavior field. For instance, Halbesleben and Buckley (2009) [38] explained managers’ comparison of their personal values to a misperceived social standard in developing their internal performance standards with dissonance reduction. Similarly, Sronce and McKinley (2006) [39] demonstrated that individuals with past lay off agency experience perceive...
downsizing as inevitable and less of a breach of employee contract than those without lay off agency experience due to their dissonance reduction attempts. Finally, Maertz and his colleagues (2009) [40] focused on expatriate adjustment methods such as self-affirmation and rationalization that help expatriates reducing their cognitive dissonance resulting from adopting or condoning culturally expected behaviors that are divergent from their own values or attitudes.

3.2. Marketing

Only a few years after the introduction of the theory of cognitive dissonance by Festinger (1957) [1], it is adopted by marketing theorists to be used in understanding why consumers behave the way they do. Ehrlich et al. (1957) [21] and Engel (1963) [22] investigated post-purchase dissonance and post-purchase interest in advertisements to reduce it. Empirical findings in both of the studies showed that increased attention to advertisements after purchase is not related to consumers’ efforts to reduce the possibility of dissonance. Rather, it is because of the fact that the topic of automobiles is relevant for the new buyers.

Later, Kaish (1967) [41] used the cognitive dissonance theory to redefine the three types of consumer goods identified in the literature: convenience goods, shopping goods, and specialty goods. According to the author, the generally accepted definitions of these product classes are incomplete since the meaning of an important good is not clear and the conditions that will reduce post-purchase dissonance are not specified. He first noted that psychological elements of a product like the self-image that it provides to the consumer are relevant determinants of its importance as well as its economic characteristics like cost and durability. He also claimed that dissonance is not only related to the importance of a product, but also to the functional performance differences among similar products, the difficulty in making a judgment about how the product will perform based on the information available, and the number of the alternative products in the market. As a result, he broadened the definitions of convenience, shopping, and specialty goods by taking into consideration their potential to create dissonance. However, despite Kaish (1967) [41], Oshikawa (1969) [26] criticized the applicability of the theory in consumer behavior research and claimed that there is not enough evidence to claim consumers’ post-purchase interest in information regarding that particular product as their effort to reduce the possibility of dissonance.

Hunt (1970) [42], on the other hand, pointed out the fruitfulness of the theory of cognitive dissonance from marketing researchers’ point of view. In order to clarify the decision-oriented implications of the theory, he investigated the effectiveness of different post-purchase communication methods (i.e., letters and telephone calls) on decreasing dissonance and increasing the possibility of future purchases. While letters provided results that were predicted by the theory (decreased dissonance, improved favorable attitudes, increased possibility of purchase), phone calls produced contrary outcomes.

Conversely, Cummings and Venkatesan (1976) [25] reviewed the 23 studies on cognitive dissonance in the context of consumer behavior and identified a number of empirical and conceptual limitations. The first thing the authors discussed was the inappropriate measurement of the magnitude of dissonance. They claimed that asking respondents the level of worry they hold after they have made the purchase and using this information as a measure of level of dissonance creates doubt on the soundness of the results. Second, they questioned the existence of all the conditions that are necessary for dissonance to arouse (i.e., the decision should be voluntary, there should be an irrevocable commitment to the decision, and the decision should be an important one for dissonance to occur) in most of the studies investigated. Third, they criticized these studies to allow for only one type of cognitive dissonance method although dissonance can be reduced through different means by different subjects. Fourth, they evaluated taking correlational evidence consistent with the theory as causal evidence supportive of the theory as a mistake. However, in their overall evaluation, the authors said that the evidence that favors the application of cognitive dissonance in the context of consumer behavior is more substantial than the evidence against it.

In addition, Connole et al. (1977) [24] attracted attention to the point that dissonance literature in consumer behavior lacks the analysis of dissonance that individuals experience through the various stages
of product diffusion. The authors showed that innovators, who try a newly introduced product first, sought for consonant information that will reinforce their choice more than those people who are not innovators (who will not quickly try a new product). The marketing implication of this finding is that marketers should develop strategies that will reduce dissonance experienced by the innovators if they want to have a group of early customers that are satisfied with the product and if they want their product to be diffused to the other groups of buyers.

Korgaonkar and Moschis (1982) [43] further examined how the level of involvement with a product influenced post-purchase evaluations. The authors found that high expectations before purchase lead to more favorable evaluations after the decision have been made in case of a high involvement product. Therefore, they suggested marketers of high involvement products to design promotional mixes that that invoke high expectations so that the consumers will have less dissonance after they buy the products.

With respect to the measurement issue, Oliver (1997) [27] argued that there is a need to develop a sound dissonance scale to use in consumer research. Sweeney et al. (2000) [28] filled this gap by constructing a multidimensional scale that will measure dissonance and address some important managerial issues like whether all the consumers experience dissonance or whether all of them experience it in the same way. The authors first noted that since the dissonance construct has both cognitive and emotional aspects, its measurement should reflect both of these domains. They generated an initial set of 100 items through four focus group studies. Then, these measures are content analyzed by twelve consumer behavior experts and, as a result, 36 items measuring cognitive and emotional dimensions are retained. In order to assess the psychometric properties of the scale, the authors collected data from two different samples and conducted exploratory and confirmatory factor analyses. Results were in support of the multidimensional nature of the construct. The final version of the scale with 22 items is composed of three dimensions: emotional (15 items), wisdom of purchase (4 items), and concern over deal (3 items). Emotional dimension represent the psychological discomfort after the purchase decision, wisdom of purchase dimension represents the cognitional discomfort regarding the necessity of purchase or the appropriateness of the choice among other alternatives, and lastly concern over deal represents the cognitional discomfort regarding the sales staff’s influence on the purchase decision.

Soutar and Sweeney (2003) [44] further investigated the presence of segments with different levels and types of dissonance. The authors used the scale developed by Sweeney et al. (2000) [28] and employed it with two different customer groups. They found that there are three cognitive dissonance segments, at least in consumer goods markets: “high-dissonance”, “low-dissonance”, and “concerned-about needing the purchase”. The first thing their research signaled is that an important percentage of consumers (27% and 40% in two product categories examined in the research) experience dissonance; either at a high or a low level. In addition, young consumers are found to be more likely to experience high level of dissonance because they usually experience higher involvement and they form higher levels of expectations. Therefore, the authors claimed that how to handle dissonance at all levels of customer service should be an important concern for the managers.

Recently, O’Neill and Palmer (2004) [23] studied the relationship between cognitive dissonance and the stability of service quality perceptions. The authors showed that people forget about their experience when time passes after the service consumption takes place and they form new expectations as they are faced with new stimuli. Then, the gap between these expectations and somewhat forgotten prior experience widens and this causes perceptions of the prior experience to decline; which would, in turn, imply cognitive dissonance.

4. Discussion

In light of the literature reviewed, it is observed that management scholars used the theory in explaining employee attitudes and behaviors during organizational changes; delineating the psychological reasons of moral conflicts; predicting managerial and entrepreneurial behavior; and clarifying the reasons
behind certain consistency development attempts of individuals. While the theory has contributed to the existing knowledge and enhanced the understanding of diverse topics as well as triggering further research, management scientists used it as it is without making any revisions. Therefore, its use in management field helped it to improve its generalizability, without making any contribution to the theory itself.

As one of the prominent areas in management research, change management studies used the cognitive dissonance theory to understand the factors that encourage or impede successful change. As a primary finding, these studies deemed ‘employee involvement’ an essential tool to reduce the dissonance in affected parties. What is more, the theory is also used to comprehend the psychological processes behind resistance to change at different levels of the organization during alignment, misalignment, or realignment stages of transformation. As a further step, change management scholars can extend the implications of the theory by focusing on possible dissonance reduction methods in transformed organizations by discussing the roles of human resources departments and selected change agents in the development and implementation of such methods.

Cognitive dissonance has been used to understand the psychological reasons behind moral conflicts in organizations as well. These conflicts were stated as the basic precursors of employee dissatisfaction as well as managerial discontent before and after ethics decisions have been made. Just as the case for change management, the role of dissonance reduction methods has not been widely discussed in these studies creating a large venue for future research.

Under the domain of organizational behavior research, impacts of cognitive dissonance on entrepreneurial behavior as well as the behavioral intentions and work attitudes of employees have been investigated in various studies. Nevertheless, these studies used the theory as an explanatory mechanism for intention-behavior relationships rather than making any contribution to the theory itself or integrating its premises with those of other related theories such as social-comparison theory [45].

The greater utilization of theory in management field can be ensured with its integration to those studies focusing on different issues such as organizational justice; managerial and employee decision-making; adaptation processes of new comers or minorities in different organizational settings, psychological reasons behind deviant employee behaviors; and maintenance of group harmony through alignment of employee attitudes. In addition, rather than utilizing the assumptions of theory as they are; challenging some assumptions for the sake of knowledge building in management field is essential.

In marketing field, it is seen that the theory of cognitive dissonance attracted the attention of marketing scholars only after a few years of its introduction in psychology. Its application area was consumer behavior and more specifically, post-purchase situation. During the early years of its adoption, it raised interest about its applicability and a large number of studies have been conducted to see how cognitive dissonance can explain consumer behavior. The evidence from these studies was both in favor of and against the theory. As discussed above, support for the theory was greater and further explorations came in the following years. However, a significant amount of decline in interest for the theory in the recent years is obvious. This is contradictory to the theory’s applications in other fields as were discussed in the prior sections. The theory is still a very hot issue in especially psychology, education, and economics.

The decline in cognitive dissonance studies may be mostly attributed to the fact that marketing constructs are hard to measure operationally; and the same is true for dissonance as well in the case of consumer behavior. Laboratory experiments are mostly used in studies but they caused serious methodological concerns. The development of a scale by Sweeney et al. (2000) [28] may be a cure to this problem and it may ease the study of the theory by many researchers.

Besides its level of application in the field, it is clear that the theory has been an influential one in explaining and predicting consumer behavior; and its applications have developed very important managerial implications. When its conceptual fit to the body of consumer behavior is analyzed, it is seen that the theory has been used to connect different bits of knowledge about the consumers. There is no evidence of the theory to transform any one of the existing models or theories into newer ones. Therefore
E. Esen Telci et al. / Procedia Social and Behavioral Sciences 24 (2011) 378–386

it can be concluded that the theory’s contribution to marketing knowledge is substantial and there is still room for further research.

The theory’s application in marketing mostly served to increase its generalizability; but it did not lead to any modifications of the theory’s concepts, relationships, or assumptions. It is adopted and used as it was offered by Festinger (1957) [1].

References


