

THE ROLE OF ANALOGY IN THE PROCESSING OF REALLY NEW PRODUCTS

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ABSTRACT

The study examines the categorization theory to explain the analogical learning mechanism. One way of thinking of a successful analogy is that it helps people to categorize a very new product. An effective analogy enables people to accommodate very new product into their pre-existing knowledge structure, resulting in less cognitive disturbance and more favorable product evaluation. The results of the study show that an analogy that is focused on a function is more effective than focused on an attribute. It also demonstrates that analogies using a criterial feature of the base are more effective than those using a non-criterial feature.

SUMMARY

What is the most effective way to make consumers aware of our new product? What kind of advertising copy should we develop to create a strong impression of our new products? These questions have long been asked by marketing managers. Research in psychology and in consumer behavior has provided valuable insights to help us understand consumer cognition and behavior. The present study contributes to this research stream, focusing particularly on the process of internal knowledge transfer from the well-known to the unknown or not well-known domains. More specifically, this study investigates how analogies work in consumers' minds, how they help consumers to understand new products, and how managers can develop effective analogies. In order to understand the analogical learning mechanism, this research adopts the categorization theory as explanation of why and how analogies work.

Analogical reasoning involves the transfer of information from a domain that already exists in memory (usually referred to as the "source" or "base" domain) to the domain to be explained (referred to as the "target" domain). One way of thinking of a successful analogy is that it helps people to categorize a very new product. An effective analogy enables people to accommodate very new product into their pre-existing knowledge structure, resulting in less cognitive disturbance and more favorable product evaluation.

Similarity is implicated in this process because a successful analogy depends upon there being some sort of perceived similarity between the source domain and the target domain and because the perception of similarity is likely to play a major role in some of the key processes associated with analogical reasoning. Another area in which similarity judgments are crucial is categorization. An object is a member of a category if it is sufficiently *similar* to known category members. Since analogies encourage people to recognize similarities between two distant objects and hence make them possible to categorize the two together, understanding of categorization theory should help understanding of the role of an analogy in the categorization of a new product.