

## **“The Effect of Message Framing on Perceptions of Risk.”**

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### **Abstract**

We propose that framing may cause consumers to respond differentially to equivalent descriptions of the same impact information. Specifically, when the information is framed negatively (e.g., computer will require repairs) respondents are more likely to engage in risk-reducing behaviors and buy a product if relative frequency (e.g., 1/20) is used as compared to percentage (e.g., 5%), but when the information is framed positively (e.g., computer will operate without repairs) this effect disappears. We investigate the underlying process and show that when the impact information is presented as negative relative frequency respondents exhibit higher negative affect, resulting in higher perceived risk and lower choice likelihood. Our study contributes to the framing literature by showing the conditions in which relative frequency and percentage framing have a differential effect on consumers' perceptions and behavioral intentions. We provide evidence that biases associated with numerically framing the impact information can be minimized by framing the risk communication in a positive manner. Further, we relate the risk perceptions to behaviors relevant to policy makers and marketers (e.g., importance of a warranty and likelihood to buy a warranty).

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