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Choice Satisfaction Can Be the Luck of the Draw

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We explore how consumers justify successful and unsuccessful choice outcomes that are made by the self or by expert others. Two experiments show that satisfaction with the same outcome is not only due to the outcome itself or to who has made the choice. Satisfaction depends on how consumers explain the outcome. When consumers justify the outcome with the decision maker's ability to find the best choice, perceived good (poor) ability generates more (less) satisfaction; however, when outcomes are justified by factors external to the decision maker's ability, there are no differences in satisfaction between personally and expert-chosen outcomes.

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SYMPOSIUM SUMMARY

Justification and Choice

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SESSION OVERVIEW

Justification, namely, the use of accessible reasons for resolving the conflict and guilt associated with choice, is important to understanding consumers' behavior and their ensuing satisfaction. However, while research has demonstrated the significance of justification-based processes in consumer choice (e.g., Simonson 1992; Kivetz and Simonson 2002; Kivetz and Zheng 2006), we still know relatively little about the factors that moderate and inform these general processes. The present session seeks to provide an in-depth look at justification-based processes by examining their situational and motivational antecedents as well as the different ways in which they shape choice and satisfaction. How do features of the choice-set, prior beliefs, and emotions both provoke and moderate justification processes? Can the same justification be used in different contexts to arrive at different choice outcomes? How much are good justifications worth to consumers? The session will address these and related questions as it works to deepen our understanding of the role of justification in choice.

Khan, Dhar, and Fishbach (paper 1) examine the motivational role of guilt in indulgent choices and justification processes. Unlike past research which has generally assumed that people who feel guilty should abstain from indulging, this research suggests that guilt can sometimes increase rather than decrease indulgence. Three studies demonstrate that priming guilt creates a motivation to feel not-guilty, leading people to interpret their mundane choices as virtuous and use these virtuous choices as justifications to relapse and indulge.

Sela, Berger, and Liu (paper 2) develop a justification-based framework to understand how assortment size influences the type of options consumers select. More options make choice more difficult which, in turn, increases reliance on available justifications for choice. Six studies illustrate that increasing the number of options often increases the choice of utilitarian options because these tend to be easier to justify. However, when situational factors provide an accessible justification to indulge, increasing the number of options can have the opposite effect, leading to increased selection of indulgences.

Botti and Burson (paper 3) examine how consumers justify successful and unsuccessful decision outcomes and propose that consumers' satisfaction can be influenced by a belief-based justification process. Three studies document instances in which participants are either more or less satisfied with expert-made choices than their own, even when the two outcomes are the same. The findings suggest that satisfaction with choice is not only due to the outcome or to who has made the choice. Beliefs about the decision-maker's ability to find the option that best matches preferences also determines consumers' ability to justify the choice's outcome.

Keinan, Kivetz, and Netzer (paper 4) examine consumers' motivated tendency to overvalue certain justifications. This research demonstrates how adding a small utilitarian feature to a luxury good can serve to justify the indulgent purchase and reduce the associated guilt. Six studies suggest that consumers tend to overvalue such minor product features that serve to justify indulgent choices. This overvaluation is found to be mediated by guilt and is more likely to occur when the purchase seems wasteful and frivolous.

Taken together, the four papers in this session extend and deepen our understanding of choice justification processes and how they interact with features of the choice set (e.g., assortment), beliefs (e.g., about choice competence), and affect (e.g., guilt). The session would be of interest to researchers and marketers interested in consumer judgment and decision making, choice theory and assortments, affect and emotions, and the effect of the choice process on preference and satisfaction.

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Kivetz, Ran and Yuhuang Zheng (2006), "Determinants of Justification and Self-Control," *Journal of Experimental Psychology: General*, 135(4), 572-87.

Simonson, Itamar (1992), "The Influence of Anticipating Regret and Responsibility on Purchase Decisions," *Journal of Consumer Research*, 19 (June), 105-18.

EXTENDED ABSTRACTS

"Guilt as Motivation: The Role of Guilt in Choice Justification"

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Guilt plays an important role in consumer choices and self-control (Khan et al. 2005). However, to this point, it is unclear whether guilt only influences choice through emotional experience when people *feel* guilty, or whether it can also be a motivational state whereby people strive to *avoid* experiencing guilt. Whether guilt is an emotional or a motivational state further determines what affect guilt-priming has on indulgence. Past research has generally treated guilt as an emotion that steers consumers away from indulgence. According to this research, priming guilt-related words reduces indulgence by inducing guilty experience (Giner-Sorolla 2001; Zemack-Rugar et al. 2007). The underlying assumption is that guilt-priming creates an affective state through direct assimilation with the prime. That is, people actually *feel* guilty when primed with guilt-related concepts and this feeling prevents them from indulging.

An alternative view explored in current research is that guilt acts as a motivational state. We propose that guilt-priming increases the motivation to avoid guilt, which guides the interpretation of means to achieve this goal state. For example, imagine Jane, who after picking up a diet-coke and is choosing between an unhealthy pizza and a healthy salad for lunch. We argue that she will interpret her choice of a diet-coke differently depending on her level of motivation to avoid guilt. If she is primed with guilt, she is more likely to use the diet-coke as a justification to have pizza (due to heightened motivations to avoid guilty) than if she is not primed. More generally, we suggest that guilt-priming motivates consumers to interpret their decisions as virtuous in order to avoid guilt and feeling virtuous can paradoxically lead to MORE and NOT less indulgence.

Formally, we propose that 1) guilt-primers can create a motivation to avoid guilt 2) higher motivation to avoid guilt promotes interpretation of mundane choices as virtuous 3) these virtuous choices then serve as guilt-reducing justifications for further indulgence. Three studies support our theory. In Study 1 we primed participants with neutral (control) or guilt-related words (guilt-prime condition) in a scrambled-sentence task. Next, they consumed chocolate as part of a taste-test. Half of them were given a diet-coke to be consumed after the taste-test. We assumed that diet-coke can serve as a guilt-reducing justification when motivation to avoid guilt is high and can justify chocolate consumption. Consistent with our theory, ANOVA of chocolate consumption yielded a 2 (Guilt-Prime: Yes vs. No) x 2 (Diet-Coke: Present vs. Absent) interaction; i.e., participants primed with guilt consumed more chocolate when they were given a diet-coke ($M=51\text{gm}$) as compared to when they were not ($M=28\text{gm}$). However, in control condition chocolate consumed was not significantly different when diet-coke was present ($M=28\text{gm}$) or not ($M=37\text{gm}$). Results support the notion that a diet-coke is interpreted as a guilt-reducing justification and allows greater indulgence when the motivation to avoid guilt is strong (i.e., when guilt is primed) but not in absence of such motivation.

Building on the motivational view of guilt, we further predict that virtuous choices in presence of a guilt-prime can directly reduce experience of guilt. Study 2 demonstrated this effect of guilt-prime on experienced guilt for a fixed amount of indulgence. We predicted that individuals primed with guilt would experience less guilt than those not primed if they are given a guilt-reducing justification (e.g., diet coke). Again we employed a 2 (Guilt-Prime: Yes vs. No) X 2 (Diet-Coke: Present vs. Absent) design. Instead of measuring consumption, all participants ate one donut and indicated their experienced guilt. ANOVA of guilt-ratings yielded the predicted *guilt-prime X diet-coke* interaction. Further analyses revealed that when diet-coke was offered participants primed with guilt experienced less guilt than those not primed with guilt.

Recent research has shown that initial virtuous choices serve as guilt-reducing justifications and lead to indulgence in subsequent decisions (Khan and Dhar 2006). Study 3 shows that an initial choice is more effective as a justification when guilt is primed. Specifically, participants made two choices 1) between two high-brow magazines and 2) between highbrow and lowbrow movies. Prior to the choices, half of the participants were primed with guilt. As predicted, those primed with guilt were more likely to choose a lowbrow movie (50%) than those not primed (26%). We explain that an initial virtuous choice is more likely to be viewed as a justification and lead to more indulgence when the motivation to avoid guilt is strong.

Our findings add to justification research by showing how guilt-primers can increase indulgence through a motivation to avoid guilt, which leads to interpretation of mundane decisions as virtuous justifications. Secondly, we contribute to priming research (e.g., Bargh et al. 2001) by suggesting a motivational role of guilt-primers, which is significantly different from an affect-assimilation account. This also provides a mechanism to distinguish between goal-related vs. semantic primes. We suggest that priming a motivational state can strengthen or inhibit a goal depending on the level of goal attainment experienced.

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- "Variety, Vice, and Virtue: How Assortment Size Influences Option Choice"**
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- Recently, there has been a resurgence of interest in how variety influences consumer choice (Iyengar and Lepper 2000) and satisfaction (Schwartz 2004). This research has offered an important corrective to the notion that more choice is always better by demonstrating that too many options can lead consumers not to choose at all, and to feel less satisfaction and more regret about the options they do choose. But while this work has provided insight into how the number of available options affects choice likelihood, could assortment size also influence the *type* of choices consumers make?
- To address this question, we develop a justification-based framework that examines how assortment size influences the choice between vice and virtue. Specifically, we argue that because choosing from greater assortments is often more difficult, it may lead to greater reliance on accessible reasons and justifications. Because some options may be easier to justify than others, this in turn should affect the type of options consumers end up selecting. Prior work has demonstrated that people generally find virtues easier to justify than vices (e.g., Kivetz and Simonson 2002; Kivetz and Zheng 2006). Consequently, we propose that choosing from larger assortments should often lead people to select relatively virtuous or utilitarian options. However, when situational factors provide accessible justifications to indulge, choosing from larger assortments should lead people to select more hedonic options.
- Six studies, involving both hypothetical and real choice, support these hypotheses. Compared to people choosing from a relatively small set of options, those choosing from an enlarged set were more likely to choose reduced fat ice-cream over regular ice cream (Experiment 1A), select fruit over cookies as a lunchtime snack (Experiment 1B), and use a gift-certificate to obtain a printer rather than an mp3 player (Experiment 2). The studies also provide insight into the mechanism underlying these effects. Consistent with the notion that the effect of assortment size was driven by increased effort and conflict, it was found to be mediated by experienced choice difficulty (Experiment 3). In addition, the effect depended on whether the overall number of options was increased rather than which option category saw the increase. Thus, increasing the number of just the hedonic or utilitarian options in the choice set was sufficient to increase the choice likelihood of the utilitarian options.
- Moreover, consistent with the notion that variety influences choice through reliance on accessible justification, manipulations

that provided accessible reasons to indulge reversed the effect (Experiments 4 and 5). People who were given false feedback that they had exerted a great deal of effort on a task, and thus had an accessible “excuse” for selecting vice, were actually more likely to select a hedonic consumer good over a utilitarian one when choosing from an enlarged choice set than when choosing from a small choice set. In contrast, people who were told they had exerted relatively little effort were more likely to choose the utilitarian consumer good when choosing from the larger choice set. Similarly, people who felt “licensed” to indulge due to a virtuous choice they had made in an unrelated task were more likely to select a hedonic product rather than a utilitarian equivalent when choosing from a larger set, but people who did not make the “licensing” choice were more likely to select the utilitarian product from the enlarged set.

Taken together, these studies illustrate that variety not only influences whether consumers make a choice, but also what they end up choosing. Furthermore, they highlight the key role of justifications in these effects. Thus, the effect of variety on option choice was contingent on what *type* of justifications was available to people at the time of choice.

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“Choice Satisfaction Can Be the Luck of the Draw”

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In this research, we explore how consumers justify both successful and unsuccessful choice outcomes depending on whether they or an expert has made the decision. We show that self-expert differences in satisfaction with choice outcomes depend on how consumers justify these outcomes. Two studies document instances in which participants’ satisfaction with expert-made choices relative to their own varies even when the choice outcomes are the same. The results of these experiments show that satisfaction for the same outcome is not only due to the outcome itself or the decision maker, but on how consumers explain the outcome. When consumers justify the outcome with the decision maker’s ability to make the best choice, perceived good (poor) ability generates more (less) satisfaction. However, when outcomes are justified by factors external to the decision maker’s ability, there is no effect of outcome on satisfaction.

Prior research suggests that ultimate satisfaction with choice outcomes depends on the extent to which that outcome can be justified by the chooser’s capability to make the best choice (Weiner 1985). Thus, factors that influence the way in which these abilities are assessed will also influence eventual outcome satisfaction. The correspondence bias (Jones & Nisbett 1972) is one of these factors. When a choice outcome can be explained entirely by context, consumers consider this fact and are likely to temper their

perceptions of the role of their own ability in the outcome. However, they are likely to persist in crediting that outcome exclusively to an expert’s ability. Consequently, participants will tend to be more satisfied with an expert’s positive choice outcome than their own because they can justify it more readily with the expert’s ability to make good choices, even when self and expert achieve identical choice outcomes. In contrast, participants will tend to be less satisfied with an expert’s negative outcome than their own because they justify it more readily with the experts’ *lack* of ability to make good choices.

The first study examined perceptions of abilities and subsequent choice satisfaction in the domain of medical treatment choices. Participants either chose their own treatment from a choice set or were assigned a treatment by an expert and then given feedback that the treatment had succeeded or failed. Consistent with our expectations, participants were more likely to temper their own ability assessments than an expert’s when the outcome was negative. This led to more middling satisfaction for self-chosen than expert-chosen outcomes. Mediation analyses confirmed that the self-expert difference in outcome was the result of perceived choice ability.

In the second experiment, we test these predictions in an investment domain. Participants either personally chose a mutual fund or had one assigned by an expert. Half of participants were then given feedback that the fund had either increased or decreased. They were also provided with feedback about the unchosen funds. The unchosen funds increased when the chosen fund increased and decreased when the chosen fund decreased, by the same percent as the chosen fund. When feedback was absent, self and expert ability assessment did not differ. When the feedback suggested that the market explained the choice outcome, self-ability assessments were middling while expert-evaluations were inflated for good outcomes and deflated for bad outcomes. Despite this unequivocal feedback about the market, participants were biased in their incorporation of this situational explanation for the outcome. Mediation analyses show again that the self-expert differences in outcome depends on perceived choice ability.

Taken together, these two studies show that assessments of an expert’s choice ability depend mainly on the choice outcome, while self-evaluations are often tempered by contextual information if it is available. Because satisfaction depends on participants’ opportunity to justify choice outcomes with choice ability, participants are frequently more satisfied with a positive choice outcome produced by an expert than by the same outcome resulting from their own choice. When the outcome is negative, participants are less satisfied with the expert-chosen outcome than the identical self-chosen outcome.

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“Functional Alibi”

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“Every vice has its excuse ready” (Publilius Syrus)

Marketers of luxury products face two major challenges. Marketers have to first appeal to consumers’ desire and imagination, and create a demand for something which is not really needed. Accordingly, marketing scholars and practitioners have stressed the importance of appealing to consumers’ fantasies and senses, connecting with their hopes, wishes and dreams, and satisfying their emotional desires (Holbrook and Hirschman 1982; Schmitt 1999; LaSalle 2003; Danziger 2005).

However, creating a desire or a craving for the luxury product is not enough; consumers may desire such products but still feel guilty spending money on non-practical luxuries and avoid purchasing them (Kivetz and Simonson 2002; Kivetz and Keinan 2006; Keinan and Kivetz 2008). Since luxuries are “by definition superfluous” and “neither beneficial nor useful” (Thomson 1987), the purchase and consumption of such products seems wasteful and even immoral, and consequently is difficult to justify.

Thus, a second important challenge that luxury marketers need to overcome is appealing to consumers’ conscience and providing them with an excuse or an “alibi” that would justify their profligate purchase, and make the purchase seem “rational” and logical. Such alibis can help consumers overcome their guilt, and view their purchase decisions as influenced by product functionality rather than by non-practical considerations and desires.

In the present research, we demonstrate how righteous consumers rationalize their frivolous behavior by inflating the perceived value of minor functional features or aspects of the luxury product. We argue that small utilitarian aspects of a seemingly wasteful product or service can serve as “*functional alibis*.” For example, consumers whose cars never touch a dirt road often justify the purchase of an extravagant SUV by its performance in extreme driving conditions. Similarly, consumers often mention a protective cell phone pocket to justify the purchase of the multi-hundred dollars Coach or Louis Vuitton purses.

We demonstrate that consumers tend to overvalue features (or products) that serve as a functional alibi. Such small utilitarian additions to a hedonic luxury are often valued more than their standalone value since they provide additional utility from serving as a functional alibi and justifying the purchase. Accordingly, the willingness to pay for a luxury product connected to a utilitarian product (or feature) will be higher than the WTP for each product sold separately:

WTP (Luxury + utilitarian addition) > WTP (Luxury) + WTP (utilitarian addition).

Six studies explore the effect of adding a functional alibi on consumers’ willingness to pay, purchase intentions, choices, and emotions of guilt. We show that the overvaluation of the added utilitarian product (or feature) is mediated by feelings of guilt associated with purchasing the hedonic luxury. Moreover, we demonstrate that such functional alibis are valued more when the purchase seems wasteful and induces guilt. We show that consumers who view luxury purchases as wasteful will be more likely to overvalue small utilitarian features that are attached to luxury products. Additionally, we demonstrate that small utilitarian additions are valued more when they are attached to hedonic rather than utilitarian products.

We explore the effect of the functional alibi in a variety of marketing contexts (and across the 4Ps of marketing planning),

including product upgrades, product positioning, new products features, product bundling, pricing, cross selling, advertising, and sales promotions. Moreover, we examine the effect of connecting a variety of functional alibis to various products and services including personal luxuries (clothing and apparel, fashion accessories, watches, cosmetics and fragrances), home luxuries (consumer electronics, hi-tech gadgets, and luxury furniture) and experiential luxuries (hotels and vacations, travel, and entertainment).

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