Consumer Evaluations of Corporate Relief Efforts to Disaster Victims: When Controllability Matters

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We demonstrate that consumer reactions to disaster relief efforts are an interactive outcome of perceived controllability and type of corporate donation. For disasters perceived as controllable, monetary contributions produce higher company evaluations than in-kind contributions of equivalent monetary value. However, the reverse is true for disasters perceived to be uncontrollable.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/1017704/volumes/v42/NA-42

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The Importance of Perceived Control: Choice, Knowledge, and Controllability in Consequential Domains

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Paper #1: “Control and Happiness: Knowing About the Future Hurts the Present”
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Paper #3: “I Take Therefore I Choose? The Impact of Active vs. Passive Acquisition on Food Consumption”
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Paper #4: “Consumer Evaluations of Corporate Relief Efforts to Disaster Victims: When Controllability Matters”
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SESSION OVERVIEW

Perceived control refers to a belief that one can determine one’s own internal state and bring about desired outcomes (Nelson & Cohen 1983; Wallston et al. 1987). While people are generally highly motivated to attain and maintain a sense of control (deCharms 1968; Brehm 1966; Langer 1975), perceived control can be quite paradoxical in nature, with surprising antecedents and consequences (Botti et al. 2009). Accordingly, the role of the perceived control construct has not been fully explored in consumer research. This gap in our knowledge raises two important questions: 1) How might perceived control play a role within consequential consumer domains? and 2) What contextual factors influence the downstream effects of perceived control?

The proposed session addresses these questions by combining four papers that uncover important antecedents and consequences of perceived control within consequential consumer domains: healthcare, charitable giving, food consumption, and corporate social responsibility. In the first paper, Friedman and colleagues shed light on an unexpected paradox of perceived control. They find that even though people desire information about undesirable future events (e.g. the development of an incurable genetic illness) and predict such information will increase their sense of control, acquiring such knowledge ultimately diminishes their feelings of control and satisfaction. In the second paper, Cutright and colleagues document the impact of perceived control on charitable giving. Specifically, the authors demonstrate that when people are low in control, they rely on their salient emotions in an effort to restore perceived control via more narrowly-defined and structured charitable behavior. In the third paper, Hadi and Block examine perceived control from a different angle, by documenting a means of artificially manufacturing feelings of control. They find that active food acquisition generates a false impression of choice, leading to increased food consumption for individuals high in dispositional need-for-control. While these first three first papers explore perceptions of personal control, the last paper explores judgments of another’s degree of control. Hildebrand and colleagues find that for disasters perceived to be controllable by its victims, monetary contributions produce higher company evaluations than in-kind contributions of equivalent monetary value. However, the reverse is true for disasters perceived to be uncontrollable.

Collectively, this session highlights the interesting and often unexpected ways perceived control can be enhanced and mitigated, and how it can play a role in societally relevant domains. Importantly, the collection of papers show that the impact of perceived control on downstream behavior depends on distinct contextual factors: information desirability (Friedman et al.) emotions (Cutright et al.), dispositional need-for-control (Hadi & Block), and donation type (Hildebrand et al.). Given the interesting juxtaposition of these papers and the consequential nature of the dependent variables examined, we expect this session to stimulate much discussion and appeal to a large group of conference attendees.

“Control and Happiness: Knowing About the Future Hurts the Present”

EXTENDED ABSTRACT

The sense of being in control, of perceiving experiences as caused by deliberate actions and not by external forces, is a basic individual need (deCharms 1968). Consumers who feel in control are usually happier, and when control is threatened they seek to reinstate it (Brehm 1966; Langer 1975). Recent research has investigated two different sources of perceived personal control, freedom of choice and power (Inesi et al. 2011), but classic literature cites information as yet another source (Averill 1973). For example, Schulz (1976) showed that freedom of choice is correlated with predictability, and that access to information about a future event leads to the same psychological benefit of control even in the absence of choice.

Research has however demonstrated that, although people strive to feel in control, the actual experience of control does not necessarily increase subjective well-being. For example, in conditions involving undesirable options, consumers prefer having freedom of choice but their affective reactions and outcome satisfaction suffer as a result (Botti, Orfali, and Iyengar 2009). In this paper, we predict a similar effect in the context of undesirable information. Specifically, we hypothesize that consumers prefer having information about an undesirable future event because they believe that they would feel more in control. However, the availability of this information will not improve their life satisfaction either before or after the occurrence of the event. We focus our investigation on future, undesirable events that are unavoidable, such as the development of some genetic diseases.

In the first study, participants imagined contacting their doctor after being told that some relatives had lost their sight. Participants also imagined the doctor explaining that some genetic diseases cause blindness and cannot be prevented, and that a genetic test could be conducted to ascertain the presence of the gene mutation. Participants were then asked whether or not they would undergo the genetic testing and why. Ninety percent of participants answered that they...
would undergo the genetic test. Forty percent of the reasons provided were related to knowledge for the sake of it: these participants wanted to know because they attributed an intrinsic value to this information. Another 40% of the reasons revolved around the concept that knowing would allow for better preparation and coping. Only 8% of the reasons mentioned that knowing would be a motivation to enjoy life before the ensuing of the illness (12% were a mix of other reasons). Thus, about 80% of the justification for the willingness to know about an undesirable future was explained with the belief that this knowledge would improve control, either as a need in itself or as a way to better deal with the disease.

To investigate the psychological consequences of knowing about an undesirable future, we conducted a second study that meant to simulate in the lab a situation that was similar, although less consequential, to that illustrated in study 1. Participants were informed that they would take part in two unrelated studies and that the first study involved watching a video, which was pretested for being relatively neutral. Half of the participants was also informed about the subsequent study, which involved tasting a disgusting yoghurt flavour. The other half of the participants was told that the description of the second study would be provided only after they had concluded the first study. Thus, all participants went through the same two experiences, a neutral one and an unpleasant one, with the main difference that some knew about the pending unpleasant future and some did not. Results show that participants who knew about the undesirable future yoghurt liked the video less than those who did not know. Knowledge did not have a positive effect even after the undesirable event happened, as participants who knew about the undesirable future yoghurt liked it marginally less than those who did not know.

Study 3 employed a scenario that was more similar in content to that of study 1. After imagining a doctor recommending them to take the test, participants were randomly divided into two groups: the first group imagined that the test was positive and they would develop the illness; the second group imagined that the test was negative. We compared these two groups with a control group including participants who did not read any scenario. In the second part of the study, participants who took the test imagined that they either developed, or not, the illness while those in the control condition were told that they either developed the illness or that their life continued pretty much unchanged. After each study part, participants were asked to estimate their general feelings and level of perceived control within the next year. Results showed that participants who knew that they would develop the illness because they took the test predicted more negative affect and less control than both participants who knew they would not develop the illness and those in the control group. After developing the illness, participants who knew in advance about the illness predicted more negative affect and less control than those who did not know.

Study 4 tested our hypotheses with patients who are legally blind. These patients were asked whether they knew that they would lose their sight before they experienced any symptoms and assigned to two groups on the basis of their answer to this question. We then asked them to assess their level of affect and sense of control during the first year following their vision loss using the same questions employed in study 3. About half of the data has been collected so far, so results are only preliminary but directionally confirm the findings of study 3.

This set of studies suggest that although consumers want to know about an undesirable future event because they believe this would increase control over their lives, this knowledge not only does not make them feel more in control but it also reduce present happiness, both before and after the occurrence of the event.
In a third study, we sought to demonstrate that our hypotheses extend beyond sadness. We therefore aimed to conceptually replicate our results with an emotion that should lead to very different reactions than sadness. Specifically, we hypothesized that when consumers experience feelings of disgust and consequently have little desire to donate (given that they are motivated to move away from and expel things and ideas in their environment; Lerner et al. 2004), those with low control should reduce their donations only within relevant areas. To test this idea, participants were assigned to a low or high control condition. They were then asked to watch a disgusting video, which either showed a dog eating feces or a child doing the same. Participants were then asked to allocate $200 to child or dog-related charities (as in Study 2). As expected, the low control participants who viewed the disgusting dog donated less to dogs than those who viewed the child video ($M_{dog} = 23.21$ vs. $M_{child} = 46.25, p = .02$). Similarly, the low control participants who viewed the disgusting child donated less to children than those who viewed the dog video ($M_{dog} = 30.00$ vs. $M_{child} = 46.31, p = .06$). These differences did not hold in the high control conditions ($p > .32$). Thus, individuals in the low control condition were more likely to use the action-tendencies associated with disgust (the need to expel and move away) and apply it to the charity that was most relevant to the source of the disgust.

Together, these studies suggest that when control is low, individuals erect mental boundaries that dictate which charities are relevant to their current emotions and which ones are not. This allows them to allocate their money in a way that feels ordered and structured, and reject the notion that outcomes are randomly or chaotically determined, which is particularly comforting when feelings of control are low.

**I Take Therefore I Choose? The Impact of Active vs. Passive Acquisition on Food Consumption**

**EXTENDED ABSTRACT**

In general, we tend to take things that we have chosen. We reach out and take our desired snack from a refrigerator, favorite book off a bookshelf, and prefer brand from a store shelf. On the other hand, we are often given things we do not choose. A loved one might hand us a gift they picked for us; a child might find unsolicited vegetables piled onto her plate. Perhaps then, this distinction between taking and receiving has built a blueprint in our minds: we take what we choose, but are given what we do not choose. If this is the case, might the mere gesture of reaching for and taking something make us feel as though we chose it?

This research investigates the consequences of physically taking (actively acquiring) vs. receiving (passively acquiring) equivalent food items. Specifically, we show that even when there is no true choice available, the act of physically taking food items can generate a false impression of choice, an effect we term "embodied illusion of choice," which has meaningful consequences on consumers' food evaluation and consumption.

A growing body of research has documented the ability of incidental cues to impact eating behaviors, both in terms of food evaluation and consumption volume. For example, packaging (Xiaoyan, & Srinivasan 2013) and portion sizes (Rolls, Morris, & Roe 2002) have been shown to unknowingly impact the amount of food people consume. In this research, we borrow from embodiment literature to propose a new extraneous factor that influences food consumption: active vs. passive acquisition. Embodiment research reminds us that bodily situations can nonconsciously impact how we think and feel (Varela et al. 1991, Barsalou 2008). In this research, target objects are acquired under both conditions (both entail arm flexion), but the difference stems from the agent of initiation: in the active condition, individuals themselves initiate the acquisition; while in the passive condition, an outside agent acts as the initiator. We argue that it this distinction, between initiated (active) acquisition and un-initiated (passive) acquisition, that drives differences in perceived choice, even when no actual choice available. If such physical gestures can indeed induce perceptions of choice, how would this illusion impact an individual’s evaluation and consumption of food items?

The ability to choose is valuable to most individuals, and thus providing choice generally leads to improved attitudinal outcomes (Ryan & Deci 2000, 2006; Leotti et al. 2010). Among other domains, this "pro-choice" effect has been documented the area of food and beverage evaluation and intake (Botti & Iyengar 2004; Weber, King, & Meiselman 2004; Zeinstra et al. 2010). In fact, early research has demonstrated that people perceive aversive foods (e.g. grasshoppers) to be less disagreeable if they feel they have chosen to eat them (Zimbardo et al. 1965). In this research, we explore how the mere act of actively (vs. passively) acquiring food items may lead individuals to evaluate these items more highly and consume more, just like an offering of real choice might.

However, extant literature also suggests that the impact of providing choice may vary for different types of people, implying that not everybody has an equal desire to choose. For example, individuals who place low value on autonomy and the need to control seem to value choice less than those who place high value on such factors (Snibbe & Markus 2005), and measurable differences emerge in individuals’ need-for-control (Burger & Cooper 1979). Thus, we additionally suggest that the impact of acquisition on consumption is moderated by an individuals’ need-for-control, such that the difference between passive and active acquisition conditions is attenuated for individuals low (vs. high) in need-for-control.

Study 1 provides initial evidence of an embodied illusion of choice via a two-factor (acquisition: passive vs. active) between-subjects design. Respondents (N=96) were told they would taste and evaluate candy. Participants in the passive condition were handed a piece of wrapped candy from a bowl by the experimenter, while participants in the active condition reached out and took a piece from the experimenter’s bowl (all candies were identical). Participants were offered to take another piece of candy upon exiting. Results produced significant effects of acquisition on product evaluation and on whether or not subjects took another candy: participants evaluated the candy better and were more likely to take another when they had actively taken the initial piece of candy than when it was handed to them.

Study 2 examined the impact of embodied choice on consumption of a chocolate bar, explored the mediational role of “feelings of choice,” and investigated the role of individuals’ need-for-control. The manipulation procedure was identical to study 1. After acquiring the chocolate, respondents (N=127) completed a need-for-control scale, and were instructed to eat as much of the chocolate as they wished. Afterwards, they indicated their feelings of having chosen to consume the chocolate (e.g. “I felt as though I had a choice of whether or not to try this chocolate”). The remaining chocolate was weighed in order to calculate how much each participant consumed. Analysis results indicated a significant acquisition x need-for-control interaction on consumption. Participants at high levels of need-for-control ate more chocolate when they actively took it than when they passively received it. However, individuals low in need-for-control demonstrated no significant difference in consumption between ac-
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quition conditions. A bootstrapping moderated mediation analysis confirmed that for those high in need-for-control, feelings of choice mediated the effect of acquisition on consumption.

We contribute to extant literature by documenting uncovering an illusion of choice phenomenon, suggesting that mere physical gestures can foster feelings of choice in an individual via active (vs. passive) acquisition of food items. Thus, we contribute not only by documenting a new antecedent of food behavior, but also by addressing a recent call (Wansink 2004) to explore the psychological mechanisms that drive such effects. Our research offers public health implications accordingly. Given the childhood obesity epidemic, it may be beneficial to encourage children to self-serve themselves healthy foods (e.g. via a salad bar) at school cafeterias, but discourage self-service of unhealthy foods.

“Consumer Evaluations of Corporate Relief Efforts to Disaster Victims: When Controllability Matters”

EXTENDED ABSTRACT

From forest fires to tsunamis, from Katrina to Sandy, companies have devoted billions of dollars, both in cash and in-kind, to disaster relief in just the last decade (U.S. Chamber of Commerce 2011). Yet, insights into how consumers react to corporate contributions to disaster relief remain scant. We draw on prior research about control attributions (Meyer and Mulherin 1980; Weiner 1980) to argue and demonstrate that consumers’ reactions hinge not on the nature of the contribution per se but rather on their assessment of its fit with the perceived controllability of the disaster.

Extant research (Meyer and Mulherin 1980; Weiner 1985) points to the attributions observers make about the controllability of an event as powerful drivers of the extent to which they react emotionally to it and those affected by it. Based on this, we contend that consumers tend to react more emotionally [rationally] to disasters they perceive to be less [more] controllable by victims. More importantly, we predict that a consumer’s reactions to a company’s disaster relief efforts will be based on the fit between the emotional level elicited by a given disaster and the nature of the corporate contribution.

Because controllable disaster elicits less emotional (and more rational) responses, the more rational monetary contributions will be perceived to be higher in contribution-controllability fit and thus will receive more positive evaluations than the emotional laden non-monetary contributions. In contrast, since an uncontrollable disaster elicits strong emotional reactions, the more caring and loving in-kind contributions will be perceived to be higher in contribution-controllability fit and receive more positive evaluations than monetary contributions. Moreover, because the perceived controllability of a disaster is central to our theorizing about consumer evaluations of monetary versus in-kind corporate relief efforts, different levels in controllability of a disaster should influence consumers responses only when consumers actually desire, and are therefore cognizant of control related issues, i.e., when controllability is situationally or chronically salient. We tested our basic hypotheses in 3 studies.

In study 1 we used a 2 (Contribution Type: Monetary vs. in-kind) x 2 (Disaster Controllability: High vs. low) between-subjects design. Participants first read a fictitious news account of a large-scale avalanche, and a logistics company’s subsequent disaster relief efforts. In the high [low] controllability condition, the article explicitly stated that the avalanche and consequent aftermath could [could not] have been prevented by the affected community. The article also reported that a logistics service company had contributed either a million dollars that would be used for logistics support [monetary] or logistics services worth a million dollars [in-kind] towards relief efforts. After reading the article, participants provided their evaluation of the company and perceived controllability-cause fit. An ANOVA on Company Evaluation produced a significant two-way interaction; in the high [low] controllability condition, the firm’s monetary [in-kind] contribution produced higher evaluations than in-kind [monetary] contribution. The ANOVA on Fit presented a similar pattern. More importantly, mediated moderation analysis (Hayes 2013) demonstrated that Fit mediated the interactive effect of Contribution Type and Disaster Controllability on Company Evaluation.

Studies 2 and 3 were designed to demonstrate that controllability over a disaster influences consumers’ emotional reactions to it (study 2) and that consumers’ emotionality level underlies their perceptions of fit and evaluations of corporate contributions (study 3). In addition to demonstrating the first step of the proposed process, study 2 was also designed to provide support for the role of controllability salience by measuring participants’ Desirability of Control (Burger and Cooper 1979) and using it as a moderator. Thus, we examined the effect of disaster controllability on emotionality level with a 2 (Disaster Controllability: high vs. low) x 2 (Controllability Salience: continuous) between-subjects design. We assessed participants’ level of emotionality/rationality by measuring their reaction time to four focal words, two with strong emotional content (i.e., emotional, feeling) and two with strong rational content (i.e., rational, strategic). We created an Emotionality index by subtracting the natural log transformation of the reaction time for the two emotional words from that for the two rational words. As predicted, we found a significant interaction effect: Participants high in Controllability Salience presented higher Emotionality index scores in the uncontrollable (versus controllable) disaster condition. Participants low in Controllability Salience were no different in their Emotionality index scores across disaster controllability levels.

Study 3 examined the second step of the proposed process, i.e., people that are more [less] emotional perceive a stronger fit and evaluate more positively in-kind [monetary] types of help. This study employed a two-factor – Emotionality (high vs. low) and Contribution Type (monetary vs. in-kind) – between-subjects design. We first manipulated participants’ level of emotionality using a method developed by Hsee and Rottenstreich (2004). After performing the priming task, participants read a fictitious news report about an avalanche in California, along with information about a company’s contribution to disaster relief. Type of help was manipulated similarly to study 1. As expected, the ANOVA on Company Evaluation revealed a significant 2-way interaction. Specifically, participants in the low [high] emotionality condition evaluated the company more positively when the donation was monetary [in-kind]. As well, the ANOVA with Fit as the dependent variable revealed a similar pattern. More importantly, Fit mediated the interactive effect of Contribution Type and Level of Emotionality on Company Evaluation.

The findings reported make three important contributions. First, it advances our understanding of consumer responses to a company’s corporate social responsibility activities in the important domain of disaster relief (Ellen et al. 2000; Nestlé Waters 2013). Second, it provides evidence for the underlying psychological process, implicating consumers’ level of emotionality in their responses to firm actions in this domain. Third, it broadens our extant understanding of fit, a notion central to the CSR literature (Pracejus and Olsen 2004), by introducing a new type of fit (i.e., that between the perceived controllability of a disaster and the type of contribution) that is particularly germane to consumer judgments of companies’ contributions to disaster relief, and possibly even a broader range of social and environmental issues, wherein controllability perceptions loom large.
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