Reversal of the Compromise Effect: the Case of Negative Goods

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We demonstrate that compromise effect may be one manifestation of the more overarching hedonic maximization principle, first put forth by Thaler (1985). Accordingly, we find a reversal for the effect in negative domains, where middle options (i.e., segregated losses) provide higher disutility to consumers than extreme options (i.e., integrated losses).

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Working Papers

Context Effects of Recommendations are Stronger than Those of Psychological Distance or Direction of Comparison

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Although the effect of psychological distance and prospect theory has been broadly witnessed in recent consumer research, these effects seem to vanish when comparison takes place in the context of recommendation. This study serves as a warning against an overly optimistic view of the applicability of these popular theories.

Influences of Incidental Vagal Tone on Risk Behavior

Mehmet Yavuz Acikalin, Stanford University, USA
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Affect influences consumers both psychologically and physiologically. The physiological state of our body successively impacts our experience and behavior. Using breathing techniques to manipulate vagal tone (VT)—a physiological marker of autonomic control—we show that direct changes in physiology prompt variation in consumer risk-seeking behavior.

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We demonstrate that compromise effect may be one manifestation of the more overarching hedonic maximization principle, first put forth by Thaler (1985). Accordingly, we find a reversal for the effect in negative domains, where middle options (i.e., segregated losses) provide higher disutility to consumers than extreme options (i.e., integrated losses).

A Hesperhodos Sweeter than a Rose: Are Ten-Dollar Words Really Worth More?

Joanna Arnold, University of Houston, USA
Vanessa Patrick, University of Houston, USA

Processing fluency theory would suggest that common language will be more effective than uncommon language in advertising. This research counterintuitively hypothesizes that using rare or unusual language can increase perceptual fluency, perceptions of luxury and willingness to pay.

Attainment Goals and Maintenance Goals: The Appeal of Approach versus Avoidance Framed Strategies

Gizem Atav, Binghamton University, USA
Kalpesh K. Desai, University of Missouri-Kansas City, USA

Despite important findings on self-regulation and appropriate strategies during goal pursuit, most past research focuses on goal attainment. We explore differences between attainment and maintenance goals and how they influence inclinations towards approach and avoidance framed strategies. We find that during maintenance (attainment), approach (avoidance) framed strategies are more appealing.