When Engaging in Luck-Rituals Reduces Risky Choice

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We find engaging in a luck ritual can reduce or increase risky choice, depending on whether potential losses or gains are highlighted. In loss choice-domains, consumers who engage in luck-rituals infer luck is not on their side and this inference reduces risky choice. The effect reverses in gain choice-domains.

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God, Luck and the World: Consequences of Consumer Beliefs On Judgment and Choice

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Paper #1: How Symbolic Fusions with Religion Imbue Products with Increased Reliability and Safety
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SESSION OVERVIEW
Consumers use different sources of information as inputs to judgment and decision-making. Some are stimulus-based, while others are drawn from memory (Lynch and Srull 1982). In both cases, consumers often recruit their beliefs to assess the available information (Wyer 2003). Previous literature has identified a number of important beliefs, such as implicit theories of essentialism (Molden and Dweck 2006) and the belief in a just world (Lerner 1980). In this session we investigate when and why consumers rely on different systems of beliefs, and the consequence of relying on such beliefs, especially on judgment and choice.

In the first paper, Shepherd, Kay and Eibach test whether belief in God influences consumer preferences for certain kinds of products. They posit that because religious consumers believe God is a source of order and stability, God can provide safety and security to their products by rituals such as blessing. Four studies find that the need for structure and personal control lead religious (but not non-religious) people to prefer blessed products.

In the second paper, Cheng, Mukhopadhyay and Schrift find that PWE, a belief system that was originally conceptualized to have its roots in religion (Weber 1905), influences consumer’s tendency to apply cost-benefit heuristics in goal pursuit. Four studies show that people with high (vs. low) PWE are more likely to assume costlier means lead to better outcomes, regardless of their objective relationship.

People who subscribe to the Protestant Work Ethic believe that hard work leads to good outcomes, whereas some people may believe that desirable outcomes are equally a function of luck. However, while religious rituals may be beneficial for certain consumers, ordinary luck rituals may not always have desirable consumer outcomes. In the third paper, Dong and Labroo find that luck rituals do not always make people feel lucky. Reconciling contradictory previous literature, they find that when losses (vs. gains) are highlighted, performing luck rituals makes people even less (vs. more) likely to engage in risky choice, but only among those who believe in luck.

A belief in luck is a belief about randomness. In the fourth paper, Kwon and Nayakankuppam investigate the extent to which consumers’ beliefs about stability in the world impact their search for information and choices. They find that entity (vs. incremental) theorists believe the nature of world is stable (vs. dynamic), and as a result entity theorists search for limited (vs. sufficient) information. Simulating the world using an innovative self-designed computer game, they find that entity (vs. incremental) theorists may outperform each other depending on the true nature of the world they inhabit.

This session discusses consumers’ beliefs in God, luck, and how the world is organized, all important dimensions of an individual’s worldview. We believe that it provides fresh perspectives on a high-impact area in consumer research. This session has the potential to be well attended by researchers interested in various aspects of decision-making, and we hope that a discussion held at the cross-roads of these areas will spark lively and productive debate.

How Symbolic Fusions with Religion Imbue Products with Increased Reliability and Safety

EXTENDED ABSTRACT
Marketing often involves symbolically associating a culturally resonant source domain with a novel target. Within most cultures, religion provides a rich stock of symbols to draw from for persuasive purposes (familiar examples include Chick-fil-A and In-N-Out Burger). Fusing products with religious symbols is also initiated by consumers. Indeed, 24% of respondents in a survey had purchased religious jewelry or items (i.e., decals) in the past year to attach to themselves or their personal possessions (Baylor University 2005). Catholics can have their pets blessed in remembrance of St. Francis of Assisi (Sweeney 2011). In India, cars and other products are frequently blessed by a Hindu priest.

The present research draws on compensatory control theory (Cutright 2012; Kay et al. 2008), and research on cultural laws of sympathetic magic (Frazer 1925; Rozin et al. 1986; 1990) to test a novel hypothesis regarding the kinds of symbolic fusions mentioned above, with the potential to provide new insights into the effects of symbolic associations between the sacred and consumer goods.

Maintaining perceptions of personal control is a key means of protecting one’s belief that events in life are not random (Lerner 1980). How then do people maintain belief in an orderly, non-random world even when personal control is low, or when the need to see order in the world is otherwise heightened? Compensatory control theory suggests that in such instances, people turn to extrapersonal sources of control and order to reassure themselves that something provides order and control in the world.

God is often seen as an ultimate source of order in the world. While products may also offer a sense of order (Cutright 2012; Cughtright and Samper 2014; Shepherd et al. 2011), they can also be risky, unpredictable, or undermine personal control (i.e., automobiles). We propose that when compensatory control needs are high (either chronically or situationally), religious consumers may view products as more reliable sources of control and order in their lives (i.e., seeing them as more safe, reliable, and less subject to randomness) when they are symbolically linked to God. Likewise, they may also place increased importance on having consumer goods symbolically associated with God. This prediction follows from compensatory control research, as well as theory and research on the culturally universal laws of sympathetic magic, which suggests that secular objects assimilate the supernatural properties of sacred objects when they come into contact (Frazer 1925; Rozin et al. 1986; 1990).
In four studies (2 correlational, 2 experiments) across two cultural contexts, we test whether or not consumer goods are increasingly imbued with control-affirming properties when compensatory control needs are high; that is, the product will be seen as more reliable, predictable, and safe from random events.

In Study 1 we used the personal need for structure scale (PNS; Neuberg and Newson 1993) to measure the chronic need for order and control in the world (Cright 2012). Because we recruited a Hindu sample from India via MTurk, where English is a second language, we administered a single, face-valid, representative item from the PNS scale. Participants were then asked to rate 28 items (e.g., car, boat, bicycle, toaster, television, computer, cellphone, washing machine, etc.) on how important it is for someone to have it blessed (i.e., a puja performed by a Pujari). As predicted, those with a higher need for structure placed higher importance on having consumer goods blessed. Thus, when the (chronic) need for order in the world is high, there is an increased desire to have consumer goods blessed.

In Study 2, we explore whether or not goods that are most seen as being subject to randomness corresponds with placing increased importance on having that item blessed. The same 28 items from Study 1 were presented to 78 Indian Hindu participants. Participants were asked to rate the importance of having the item blessed and also the perceived tendency for each item to break down or stop working without warning. As predicted, products that were seen as most susceptible to random processes on average were more likely to be seen as needing to be blessed ($r = .39$, $p = .04$).

Is there a causal link between symbolic religious fusions and perceptions of product reliability, and does this fusion help fulfill the need to see the world as orderly and controlled? In Study 3, Indian participants (Hindu, $n = 148$; non-Hindu, $n = 65$) were recruited and randomly assigned to either complete a memory task that decreases participants’ sense of personal control, or not. They were then presented with an advertisement for a used car. In the fusion condition, the ad stated and showed (via images) that a puja will be performed by a pujari upon purchase, as is common at many Indian car dealerships. This material was removed in the no fusion condition. Participants were asked to rate the car’s safety and how much they trusted the car with their family’s safety. The predicted two-way interaction was significant; participants saw the blessed car as more safe, but only when personal control was threatened. This effect was unique to Hindu participants.

Study 4 replicated Study 3 with an American sample (Christian, $n = 84$; non-Christian, $n = 82$). Here, the car incidentally had a Christian symbol attached to it (i.e., an ichthys, or “Jesus fish”), or not. Again, the predicted two-way interaction was significant. As in Study 3, this effect was unique to the target religious group, suggesting that ritual/symbol relevance is important to this effect.

Companies may align themselves with a particular religion. Likewise, consumers may attach religious significance to personal possessions, sometimes explicitly to have that item and its users protected by divine forces. By examining these phenomena through the lens of compensatory control theory, four studies supported the hypothesis that secular-religious fusions can boost confidence in the safety and reliability (i.e., control affirming properties) of consumer goods, particularly when concerns about order and control in the world are heightened, either chronically or situationally (e.g., via threats to personal control).

### Do Costly Options Lead to Better Outcomes? How the Protestant Work Ethic Influences Cost-benefit Heuristics

**EXTENDED ABSTRACT**

When people have multiple means available to achieve the same performance goal and these means differ in the level of cost involved, they often use the cost of the means to predict the benefit of the outcome. Kramer, Irmak and Block (2012) found that consumers judged a bad-tasting cough syrup to be more effective than a good-tasting one. Similarly, Labroo and Kim (2009) observed that people having an accessible goal evaluated a means more favorably if that means was more effortful (vs. easier) to process. Schild, Netzer and Kivetz (2011) also found that when a goal was important, people proactively complicated the means as if this would ensure a better outcome. Despite the prevalence of cost-benefit heuristics in goal pursuit, their cause/origin is still unknown and little empirical work has investigated it. We propose that an individual’s tendency to hold a cost-benefit heuristic may depend on the extent to which s/he subscribes to the Protestant Work Ethic (PWE).

The Protestant Work Ethic is a concept introduced by Max Weber (1905) to explain the historical rise of capitalism in Protestant countries. According to this theory, during the 16th-century Protestant reformation, Puritans deviated from the Roman Catholic Church and believed the true way of showing their faith to God was through asceticism and economic success. As a result, Puritans developed systematically stronger work ethics, which facilitated the accumulation of wealth and capitalism in Western Europe and North America rather than Mediterranean Europe. Although religion plays a less central role in modern society, the work ethic itself is still highly valued and passed on across generations through parenting, education, media, and popular culture (Giorgi and Marsh 1990; Kelvin and Jarrett 1985; McClelland et al. 1953). Hence the concept of the PWE has evolved over time. Psychologists today see it as a secular individual difference variable and have developed psychometric scales to measure it (Mirels and Garrett 1971). Research has shown, for example, that high-PWE (vs. low-PWE) people were more likely to engage in work-related activities while commuting (Greenberg 1978) and more likely to oppose taxation and blame the unemployed for their laziness (Furnham 1982, 1985).

The PWE has been regarded as one of America’s core values and national character (Hsu 1972; Katz and Hess 1988), but it has largely been ignored in the Marketing literature. Because an essential component of PWE is a work-specific belief that “if you work hard, you will succeed” (Furnham 1990; Tang 1993) and people tend to protect their core beliefs and align their other cognitions to be consistent (Lerner and Miller 1978; Plaks, Grant and Dweck 2005), we propose that people with high (vs. low) PWE are (1) more likely to use cost-benefit heuristics in their consumer judgments, and (2) more likely to choose costlier means to achieve goals even in contexts where the costs do not objectively ensure better outcomes.

Study 1 measured PWE and manipulated cost as the pleasantness of taste in medicine. MTurkers ($N=152$) were shown a print ad of a cough syrup that claimed it tasted either awful or great. High-PWE participants judged the bad-tasting cough syrup to be more effective. However, low-PWE participants judged both syrups as being equally effective. Replacing PWE with need for cognition or trait self-control did not generate the same pattern.

Study 2 ($N=180$) was conducted on MTurk five days before Christmas. We manipulated high vs. low PWE in an ostensibly unrelated task (using a pretested manipulation) by asking participants to rank six quotes that either advocated or opposed the PWE. Then all participants named a person who lived far away and to whom they
would like to send a Christmas gift. Afterwards, we asked them to imagine that there were only two unfamiliar courier brands available, one charging 50% less than the other. Results showed that participants primed with high (vs. low) PWE expected that the more expensive brand was more likely to deliver their gift in time.

Study 3 (N=213) manipulated PWE the same way as in study 2. Then all participants made real choice between two filler tasks to do (one difficult and the other easy) before they worked on the main test in which they could earn money. When the filler tasks were framed as “training tasks”, priming high (vs. low) PWE made participants more likely to choose the difficult task. When the filler tasks were framed as “unrelated tasks” and hence not as means to the performance goal, priming PWE had no impact on choice. The results implied that high-PWE people’s choice of the costlier option was not driven by alternative mechanisms such as collecting special experience (Keinan and Kivetz 2011).

Study 4 (N=170) asked students to make a real choice between two health foods, of which one was sweet and the other bitter. Echoing study 3, people high (vs. low) in PWE were more likely to choose the bitter food, but only when its efficacy was ambiguous rather than ensured. Coding of open-ended protocols revealed that cost-benefit heuristics mediated the moderation effect on choice. Moreover, two self-reported behavioral cues related to PWE (i.e., how many hours do you work on the weekend; how much in advance of appointments do you set your alarm clock) predicted the same results as the PWE scale. This implies that marketers can customize their communications to high vs. low PWE consumers by identifying them through simple observation.

Work is a dominant feature of the daily life of most adults (Gio-rgi and Marsh 1990). This research shows that a person’s work-related core belief can spill over and influence consumption decisions. Four experiments showed that PWE is a parsimonious antecedent to the cost-benefit heuristics in goal pursuit, including taste-efficacy heuristic (study 1 and study 4), price-quality heuristic (study 2) and effort-outcome heuristic (study 3). Our results suggest that marketers may customize the strategy of using cost (e.g., high price, bitter taste) to signal quality depending on whether they target high or low PWE segments.

When Engaging in Luck-Rituals Reduces Risky Choice

EXTENDED ABSTRACT

Risky choices might prompt consumers to engage in luck rituals. But might engaging in a luck ritual also impact risky choice? How? On the one hand, research shows that engaging in a luck-ritual enhances self-esteem (Damisch et al. 2010), provides illusory-control over outcomes, and increases positive-expectancies of success, which are known to increase risky choice (Anderson and Galinsky 2006). However, other findings show that engaging in a luck-ritual can make people more conservative (Boshier 1973; Vyse 2013), reduce self-esteem (Tobacyk and Milford 1983) and remind them of low-controllability over outcomes, which are known to reduce risky choice.

While neither set of findings directly investigates the effect of engaging in luck rituals on risky choice, both sets of findings do show effects on factors that predict opposing effects on risk-taking. Thus, it is still unclear whether and how self-engaging in luck rituals would affect risky choice. The goal of our research is to directly investigate whether luck rituals increase or reduce risky choice.

We posit that one reason why some studies appear to predict that luck rituals will increase risky choice but others the opposite is that the domains of former versus latter researchers may have differentially highlighted gains versus losses. People usually attribute good outcomes to the self (Miller and Ross 1975), and attributing outcomes to the self can increase perceived controllability over outcomes. If engaging in a luck ritual in a gain domain increases focus on potential gains and the self as agency for these gains, then people are also likely to perceive greater controllability over these outcomes, which may increase risk seeking tendency. However, when potential losses are highlighted, bad outcomes are likely to become more salient (Neumann 2000). People associate bad outcomes with external agency and external locus of control (Miller and Ross 1975), and outcomes associated with external locus of control have lower perceived controllability. People who engage in a luck ritual when potential losses are salient may infer external agency is not working for them, perceiving lower controllability over outcomes, and inferring they can end up unlucky. They may, as a result, make less risky choice. Five studies tested our propositions, underlying mechanisms, and the boundary conditions.

In Study 1 (N = 149), participants first reported frequency of engaging in luck rituals and how unlucky they consider themselves to be (embedded within demographic items). Then participants responded to a six-item scale measuring general risk aversion tendency in loss situations. As the scale focuses on losses, we find engaging frequently in luck rituals is related to avoiding risky choice, and the effect is mediated by individuals inferring that they are unlucky (95% CI: [.01, .19]). To investigate causality, we ran Study 2.

In Study 2 (N = 75), participants were asked to either engage in their favorite luck ritual or hold a pencil for the duration of the study while completing an “unrelated” survey regarding their willingness to take financial risk, highlighting potential losses as verified in a pre-test. They also indicated to what extent they felt unlucky and bad things could happen to them. Replicating the findings of Study 1, Study 2 showed that those who engage in a luck ritual indicated lower willingness to take on financial risk in loss situations compared to the controls (M_{ritual} = 1.68, SD = .63; M_{control} = 2.16, SD = .79, F(1, 73) = 8.56, p < .01). And the effect is driven by “feeling unlucky” (95% CI: [-.22, -.01]).

Study 3 (N = 104) investigated the moderating role of belief in luck. Participants first completed an inventory of scale items including the belief in luck scale (Darke and Freeman 1997). Participants were then randomly assigned to either a luck-ritual or a control condition. Meanwhile, participants completed a real gamble, which again highlighted potential losses (risk of not getting extra compensation; verified through pre-test). Spotlight analyses yielded that the effect of engaging in a luck ritual on risk aversion in loss domain occurred only for people who believe in luck (M_{ritual} = .92, M_{control} = .60, b = 1.04, SE = .38, t(100) = 2.69, p < .01) and the effect disappears for those with low belief in luck (p > .83).

Study 4 (N = 204) followed a similar procedure as Study 3 and conceptually replicated the finding of Study 3 by demonstrating the moderating role of internal versus external locus of control. We find engaging in a luck ritual (vs. not) increased risk aversion (reflected in their greater inclination to purchase additional product warranty; a loss choice-frame as verified in a pre-test) among participants with external locus of control (M_{ritual} = .34, M_{control} = -.18, b = .26, SE = .06, t(196) = 4.15, p < .01). This difference disappeared for participants with internal locus of control (p > .80). A moderated mediation model confirmed that perceived luck in decision-making mediated the interactive effect of luck ritual and locus of control on willingness to buy warranty (95% CI: [.01, .06]).

Finally, Study 5 (N = 200) directly manipulated gain versus loss frame and assessed participants’ risk seeking tendency. As predicted, and tying to previous findings (Block and Kramer 2009; Jiang et
al. 2009; Kramer and Block 2008) we found that in a gain domain, engaging in a luck ritual increased subjective likelihood of winning a lottery ($M_{\text{final}} = 4.90$, $M_{\text{control}} = 3.40$, $b = .30$, SE = .11, $t(194) = 2.75$, $p < .01$). In a loss domain, engaging in a luck ritual increased subjective likelihood of losing a gamble ($M_{\text{final}} = 5.18$, $M_{\text{control}} = 4.53$, $b = .32$, SE = .11, $t(194) = 2.91$, $p < .01$). These effects only appeared for people who believe in luck.

Theoretically, our findings are the first to recognize and reconcile two opposing predictions in the literature regarding the influence of engaging in a luck ritual on risky choice. These findings are important practically as consumers engage in luck-rituals facing uncertainty, it is useful to know when and why the same action can reduce or increase risky choice.

**Self and the World: Implicit Self-Theory and Biased Motivation in Human Judgment and Decision Making**

**EXTENDED ABSTRACT**

People collect information before making judgments and decisions, the action that is accompanied by what is called search costs. Research documents that there is a great deal of heterogeneity among people with respect to search costs based on situational factors (Smith, Venkatraman, Dholakia 1999; Hauser, Urban, Weinberg 1993).

The current research examines whether there is also chronic motivational difference among individuals as to how much search would be necessary to make solid judgments and decisions; some individuals emphasize efficiency motives, while others emphasize accuracy motives in their judgments and decisions. We suggest that efficiency-oriented individuals, compared to accuracy-oriented individuals, are likely to desire constructing their judgments relatively quickly by processing less amount of information.

We propose that individual’s implicit self-theory orientation may decide our motivations. Implicit self-theory refers to an individual’s lay theory about the malleability of his/her personal traits. There are two distinct implicit self-theories identified—entity vs. incremental theory (Dweck, Chiu, and Hong 1995). Entity theorists believe that their personal traits are fixed, while incremental theorists view their personal traits as malleable. Research finds that people extend their incremental self-theories to other people and even to such non-human objects as brands/products (Park and John 2010; Yorkston, Nunes, and Matta 2010), when they are making evaluative judgments on those. We propose that beliefs in fixed traits (entity theory) reflect an efficiency motivation, whereas beliefs in malleable traits (incremental theory) reflect an accuracy motivation. We reason that given that individuals extend their beliefs about the malleability of the self to other people and things (presumably to the world), entity theorists are likely to see aspects of the world as relatively fixed and invariant, so that they may believe that relatively small amount of information can easily represent the core traits of things, which, in turn, induce efficiency motives in their judgments and decisions. In contrast, incremental theorists are likely to see aspects of the world as relatively volatile and dynamic, which, in turn, may induce accuracy motivation; consequently, they need to collect large amount of information to deal with these variant aspects of things and contexts.

**Color-Tile Game: The Two Different Worlds**

These lines of reasoning can yield different predictions on each theorist’s search behaviors—more search for incremental theorists and less search for entity theorists. To test this idea, we designed a computer game, called the Color-Tile Game (http://research3.its.uiowa.edu/moneygame). The game is designed as a world made up of 100 tiles of 4 different colors. Under each tile is a certain payoff (negative or positive). Turning over a tile costs something. In addition to the cost of turning over a tile, one could also pay an amount to obtain some information about what is below the tile, which would then place one in a better position to decide whether to invest in turning over the tile or not (i.e., information cost). In the game, some colors are stable and predictable (they overwhelmingly pay well or overwhelmingly penalize the player). Other colors are unpredictable (they sometimes pay well and sometimes penalize the player). In other words, the stable colors reward efficiency motivations—the sooner an evaluative judgment is formed, the sooner one can avoid incurring the cost of information. The unpredictable colors reward accuracy motivations—you are well served by paying the cost of information because it lets you benefit from the subset of tiles that are rewarding and helps you avoid the lethal ones by paying a smaller cost (the information cost). We predicted that entity (incremental) theorists would ‘do’ better in the efficiency-rewarded (accuracy-rewarded) areas of the world rather than in the accuracy-rewarded (efficiency-rewarded) areas of the world.

**Experiment**

Ninety-six undergraduate students (Male = 63.5%, Average Age = 21.2) are participated in two (implicit self-theory: entity vs. incremental theorists) between-subjects design. Each participant was first primed with either entity or incremental theory (Chiu et al. 1997) and proceeded to Color-tile game. A one-way ANOVA on the number of the information options used confirmed that entity theorists hit less information options than incremental theorists ($M_{\text{entity}} = 59.10$, $M_{\text{incremental}} = 79.00$, $F(1,95)=10.81$, $p<.001$) across all colors, indicating that entity theorists were more likely to be efficiency-oriented whereas incremental theorists were more likely to be accuracy-oriented.

We predicted that as a result of these behavioral differences (i.e., number of information options used), there would be differences between entity and incremental theorists in the sources of earning. These effects should then emerge as a form of the interaction between implicit self-theory and the color of tiles. A 2 (implicit self-theory) X 4 (color of tiles) mixed ANOVA on rewards earned from each color demonstrated the significant interaction effect ($F(3,383)=7.51$, $p<.001$), as well as the main effects of implicit self-theory ($F(1,383)=3.97$, $p<.05$) and of color ($F(3,383)=851.77$, $p<.001$). Planned analyses revealed that entity theorists earned more at red ($F(1,95)=4.87$, $p<.05$) and yellow ($F(1,95)=2.79$, $p=.098$) than incremental theorists, whereas incremental theorists did better at blue ($F(1,95)=8.95$, $p<.01$) and green ($F(1,95)=7.43$, $p<.01$) than entity theorists. These results confirmed our contention: entity theorists tried to efficiently earn money in the game (i.e., with less number of right-clicks), whereas incremental theorists tried to accurately earn money in the game (i.e. more number of right-clicks).

**Conclusion**

The current research provides the evidence of a stable motivational bias between these kinds of individuals. Entity theorists are biased towards emphasizing efficiency motives and this results in a tendency to make quick judgments with less number of “search” for efficient judgments and decision-making, whereas incremental theorists are biased towards emphasizing accuracy motives and this results in a reluctance to make quick judgments and in more number of “search” for accurate judgments and decisions. If we extend these findings in the game (each theorist’s different strategies employed and different performances) into their daily lives, we may expect that entity theorists would do better in relatively stable and invari-
ant environments, whereas incremental theorists would do better in relatively dynamic and volatile environments.

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