The Divergent Effects of Social Power on Consumers' Reactions to Waiting

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Waiting is ubiquitous in consumption situations. However, relatively little is known about how one’s incidental feelings of power affect waiting decisions. We posit that feeling powerful can either increase or decrease waiting, depending on consumers’ interpretation of waiting as a restriction on personal freedom or as a means of self-control.

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EXTENDED ABSTRACT

Waiting is unavoidable in consumption situations. Many situational factors can influence it, including visceral states (Van den Bergh, Dewitte, & Warlop, 2008), background colors (Gorn, Chattopadhyay, Sengupta, & Tripathi, 2004), and culture (Chen, Ng, & Rao, 2005). However, relatively little is known about how one particular emotional state affects it (except a notable investigation by Huang, Huang, & Wyer, 2016). The present research examined the implications of power.

Prior findings offer seemingly conflicting perspectives on the influence of powerful feelings on waiting patience. Certainty prior findings suggest that powerful people tend to be less patient on the “dull” waiting than powerless ones (O’Brien, Anastasio, & Bushman, 2011). However, other findings suggest that feelings of power may increase patience (Joshi & Fast, 2013).

In this research, we suggest that experience of power can either increase or decrease patience, depending on different interpretations of waiting time. If waiting is interpreted as a restriction on personal freedom, feeling powerful leads people to perceive greater personal freedom and subsequently act more at their free will (Galinsky, Gruenfeld, & Magee, 2003; Galinsky et al., 2008; Guinote, 2007). Consequently, it should have an adverse effect on freedom-restricted wait. However, waiting also suggests one’s self-control ability (Mischel & Ebbesen, 1970). In this situation, feelings of power increase people’s perceived ability to exercise control over their own behavior (Fast, Gruenfeld, Sivanathan, & Galinsky, 2009; Joshi & Fast, 2013), and consequently result in greater willingness to wait.

Four studies evaluated the preceding hypotheses.

The first study examined whether experience of power made people less patient as a result of the increased feelings of restriction while waiting. Feelings of power were manipulated using the procedure employed by Galinsky, et al. (2003). Then, participants were exposed to a waiting scenario, in which they need wait to get an extra bonus. After imagining themselves in the situation described, participants were asked to report how long they would be willing to wait. Afterwards, their perceived restrictions on freedom while waiting, as well as their anticipated aversiveness to waiting were assessed.

The data showed that participants reported the shorter time they would like to wait when they imagined feeling powerful than when they did not, and this effect was mediated by the effect of feeling powerful on participants’ perceptions that having to wait restricted their freedom.

Study 2 aimed to show the divergent effects of power on consumers’ decisions to wait. A 3 (powerful, powerless, vs. control) × 2 (“can” vs. “will” framing) between-subjects design was employed. Participants’ powerful or powerless feelings were elicited as previously. In control condition, participants were asked to write about the last time they went to a grocery store (see Galinsky, et al., 2003). Participants then proceeded to an ostensibly unrelated task. They were asked to imagine that they went to a nice restaurant and found they had to wait for a while before being seated. Next, participants were asked either “how long can you wait?” or “how long will you wait?”

Relying on prior research on linguistic framing (Fraser & Nolen, 1981; Patrick & Hagtvedt, 2012), “will you wait” emphasizes the personal will that drives waiting, whereas “can you wait” connotes people’s personal ability.

Results showed that feeling powerful increased the length of waiting if the “can” question was asked, whereas decreased the length of waiting if the “will” question was asked. Furthermore, the results involving control condition suggested that feelings of power, rather than feelings of powerlessness, drove the observed effects.

Study 3 measured participants’ feelings while waiting (feel their freedom to be restricted vs. feel their ability to tolerate the restriction to increase) to examine the proposed process of the effects. Participants were randomly assigned to cells of a 2 (powerful vs. powerless) × 2 (“can” vs. “will” framing) between-subjects design. After the power induction task, participants proceeded to an ostensibly unrelated second task. Following the procedure employed by May and Monga (2014), participants were asked to imagine that they were given a gift of imported Swiss cheese. While they would want to eat it right now, they were aware that waiting could improve the taste of it. Given this information, participants were asked either “how long can you wait?” or “how long will you wait?” In addition, they reported their feelings while waiting from 1 (feel that my desire and behavior is restricted) to 9 (I’m capable of tolerating the restriction).

Results of study 3 replicated those of study 2 and more importantly, confirmed the proposed mechanisms related to the perceptions while waiting.

The effects we identified in prior experiments are largely constrained to waiting scenarios. If our logic is correct, however, feeling powerful should have similar reactions to other experiences. In study 4, we asked participants to listen to the aversive music. Participants were randomly assigned to cells of a 2 (feelings of power: high vs. low) × 2 (framing of the experience: control vs. ability-related) between-subjects design. After the power induction task, participants in control conditions were further instructed to listen to a piece of annoying music for about 1 minute. In ability-relevant conditions, however, the instructions included: “Different people have different abilities to deal with aversive experiences. We are interested in your ability to tolerate such experiences.” Participants then listened to the music. Results confirmed the divergent effects of power on people’s reactions to other waiting-like experiences.

Four studies provide converging evidence for the divergent effects of power on waiting patience, as well as to other waiting-like experiences. In doing so the current research provides several theoretical contributions. First, it offers a novel theoretical account that may help reconcile prior conflicting findings. Second, the current research is among the first to examine whether and how feelings of power activated in one domain can affect consumer patience in the second unrelated domains. Finally, the current research makes related contributions to the growing literature on linguistic framing, in which two words used interchangeably can have profoundly different influences.

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Prepayment as a Self-Commitment Device to Improve Eating Habits
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EXTENDED ABSTRACT
Incentives play a central role in marketing and economics. A great deal of recent field research suggests that financial incentives can motivate people to do healthy behaviors, such as consumption of healthy foods (Dolan, Galizzi, & Navarro-Martinez, 2015), gym attendance (Millman, Minson, & Volpp, 2013), weight loss (Volpp et al., 2008), smoking cessation (Giné, Karlan, & Zinman, 2010), and other preventive behaviors (Kane, Johnson, Town, & Butler, 2004).

Many incentive programs studied people among who-by nature of their agreeing to participate in the study before the real study starts-are already willing to take on the tasks (Goldsmith & Dhar, 2013; Hossain & List, 2012; Levitt, List, & Sadoff, 2016). There are a few notable exceptions that studied participation and attendance itself. For instance, Charness and Gneezy (2009) studied gym attendance and found that financial incentives can help habit formation.

For many tasks, willingness to participate is a critical first step toward success. In fact, participation rate is arguably the biggest challenge in corporate wellness initiatives (Haisley, Volpp, Pellath, & Loewenstein, 2012). This essay proposes a solution that increases participation rates without increasing per capita incentive rate. Although this essay focuses on a health-related behavioral task, the proposed solution can apply to other tasks.

Prepayment as a Proposed Solution
Our proposed solution is prepayment: moving the reward timing in traditional incentive programs to the start of the program or even before the program starts. People are told that acceptance of the prepayment is equivalent to acceptance of the task, which will be carried out later. If they are not able to complete the pre-specified task, the prepayment will be clawed back in the future.

Clawing back in extant literature refers to paying people their expected bonus in advance and taking it back if they underperform (Fryer Jr, Levitt, List, & Sadoff, 2012). Previous research has demonstrated the effectiveness of loss aversion and clawback incentives on people’s performance (Fryer Jr et al., 2012; Hossain & List, 2012; Levitt, List, Neckermann, & Sadoff, 2012). In these studies, people were incentivized to do things that they had already committed to (e.g., teaching students, preparing for exams, manufacturing consumer electronics, resulting in program participation rates of close to 100%). Instead of using claw-back to motivate people who already committed to certain tasks, we extended the use of incentive claw-back to initial participation.

In our proposed solution, both participation and subsequent effort to fulfill the task are voluntary; people still have the option of not fulfilling the task even after they have accepted the prepayment. This arrangement of prepayment and clawback can be seen as an informal contract. We have come up with this solution based on two major findings in economics and psychology.

Hyperbolic discounting (Laibson, 1997) states that valuation falls rapidly during initial delays but more slowly as time goes by (Thaler, 1981). One consequence of the hyperbolic discounting is that people are present biased (Frederick, Loewenstein, & O’Donoghue, 2002; O’Donoghue & Rabin, 1999, 2001; O’Donoghue & Rabin, 2002). That is, they excessively favor gratification now at the expense of future gratification. Therefore, we proposed the following hypotheses:

Hypothesis 1: People are more likely to accept a payment to perform a task if the payment is made earlier (prepayment) than later (post-payment)

Loss aversion refers to the notion that losses have greater impact on preferences than gains, or losses loom large than gains (Tversky & Kahneman, 1991). An immediate consequence of loss aversion is that the anticipated loss of utility associated with giving up a valued good is greater than the anticipated utility gain associated with receiving it (Tversky & Kahneman, 1991). This discrepancy was termed the “endowment effect” by Thaler and colleagues (Kahneman, Knetsch, & Thaler, 1991; Thaler, 1980). In our proposed solution, once participants accept the prepayment, it becomes their endowment. Accepted prepayment, in the form of endowment, will therefore be valued higher than post-payment (Thaler, 1980). The endowment effect, in turn, will motivate people to keep participating in any pre-committed task in order to avoid the loss of the prepayment.

Based on the above analysis we proposed our second hypothesis:

Hypothesis 2: Loss aversion after accepting prepayment can motivate people’s subsequent task participation and completion.

Study Design
Program Invitation
We posted flyers, announcing our study, on the campus of a large public university in the Southwest of the United States. We did not use any stopping rule and aimed to recruit as many participants as possible within our two-week recruitment period. One hundred and sixty-six students (72 women, aged 18-50 years, MD=21) signed up to participate in the study. We introduced our study as the “Free Fruit Program” with the goal of promoting healthy eating among the student population. Participants were asked to complete a 3-minute online survey about their eating habits and exercise regime in return for $2.00. At the end of the survey, participants were told to expect an email notification informing them about the start of the program.

Overall, 133 participants completed our online survey. We randomly assigned them to one of three treatment groups: (1) Prepayment (N = 44), (2) Post- Payment (N = 44), and Control (N = 45). We sent an email invitation to each student two days before the start of the program phase 1:

Prepayment: You have been selected into our rewards group to get fresh fruit. That means not only can you get free fruit, you will be paid $10 upfront for your 10-day participation. You only need to collect the money on the first day of our program (Monday, Nov. 3). If you miss your first chance to get fruit and come in on the 2nd day (Tuesday, Nov. 4), you will get $9. By the same logic, if you come in on the 3rd day (which means you missed fruit twice), you will get $8, and so on. Each time you missed your portion of your fruit, you will get 1 dollar less. Once you have collected your payment, you commit to collecting your fruit each business day until the program ends on Friday, Nov. 14. If you miss a day of fresh fruit, you will need to repay us $1. If you miss your fruit on two days, you will need to repay us $2, etc.”

Post-payment: Participants in this group received the following email: “You have been selected into our rewards group to get fresh..."