



ASSOCIATION FOR CONSUMER RESEARCH

Labovitz School of Business & Economics, University of Minnesota Duluth, 11 E. Superior Street, Suite 210, Duluth, MN 55802

The Impact of Pain of Payment on Variety Seeking Behavior

Liang Huang, University of Arizona, USA

Rafay Siddiqui, Hong Kong Polytechnic University, Hong Kong

Anastasiya Pocheptsova Ghosh, University of Arizona, USA

People often have to decide whether to acquire similar or different products within a product category. We introduce a novel predictor of variety seeking, type of payment, and show that types of payments that lower pain of payment increase variety seeking by increasing the overall attractiveness of the choice set.

[to cite]:

Liang Huang, Rafay Siddiqui, and Anastasiya Pocheptsova Ghosh (2017) , "The Impact of Pain of Payment on Variety Seeking Behavior", in NA - Advances in Consumer Research Volume 45, eds. Ayelet Gneezy, Vladas Griskevicius, and Patti Williams, Duluth, MN : Association for Consumer Research, Pages: 74-78.

[url]:

<http://www.acrwebsite.org/volumes/1024048/volumes/v45/NA-45>

[copyright notice]:

This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at <http://www.copyright.com/>.

A New Look into Intrinsic and Extrinsic Motivations of Variety-seeking

Chairs: Nicole Y. Kim, University of Maryland, USA

Liang Huang, University of Arizona, USA

Paper #1: When Variety Isn't Life's Spice: The Impact of Implicit Self-theories and Preference Forecasting on Anticipated Consumption Variety

Joshua J. Clarkson, University of Cincinnati, USA

Joshua T. Beck, University of Oregon, USA

Mary C. Murphy, Indiana University, USA

Paper #2: The Impact of Pain of Payment on Variety Seeking Behavior

Liang Huang, University of Arizona, USA

Rafay Siddiqui, The Hong Kong Polytechnic University, Hong Kong

Anastasiya Pocheptsova Ghosh, University of Arizona, USA

Paper #3: When Experience is Costly: How Choice Variety Signals Expertise and Status

Nicole Y. Kim, University of Maryland, USA

Yajin Wang, University of Maryland, USA

Paper #4: Assortment Variety and Perceived Expertise

Aner Sela, University of Florida, USA

Sián Morgan, University of Florida, USA

Michal Maimaran, Northwestern University, USA

SESSION OVERVIEW

What motivates consumers to avoid rather than seek variety in their choices? The importance of variety seeking in consumer choice and its practical implications has long been recognized by consumer researchers. In this special session, we investigate consumer variety seeking from two novel perspectives: the intrinsic drivers that lead consumers to prefer less variety in their choices and extrinsic social signals that a choice of lower variety can convey to others. Four papers in this session present previously unexplored motivations for variety seeking and provide compelling empirical evidence for these propositions.

The first two papers approach variety seeking from an intrinsic motivation perspective. While previous work has identified various extrinsic influences on variety seeking, such as product display (Simonson and Winer 1992) and environmental constraints (Levav and Zhu 2009), the first two papers examine two novel intrinsic factors: consumers' implicit self-theory and pain of payment. In the first paper, *Clarkson, Beck, and Murphy* investigate the role that implicit self-theory plays in determining consumers' preference for variety. Across seven studies, they show that a belief that the self is fixed (vs. malleable) can induce more stable future preference predictions, which in turn, results in lower preference for variety. They further show that such reduction in variety increases consumers' satisfaction in the long run. The second paper by *Huang, Siddiqui, and Pocheptsova Ghosh* show how the pain of payment a consumer incurs affects their decisions to include more or less variety in their choice. Five studies demonstrate that when consumers experience higher (vs. lower) pain of payment, they perceive the options to be less attractive, and choose less variety.

The next two papers investigate extrinsic motivations for variety seeking, offering a fresh take on how variety affects interpersonal perceptions. *Kim and Wang* test a novel social consequence of choosing less variety: status perception. Through four studies, they show that less (vs. more) varied choices in a high-cost product category (i.e. luxury) signals greater status, due to inferences of a costly prior

preference learning stage. Finally, *Sela, Morgan, and Maimaran* examine how assortment variety serves as an expertise signal. In three studies, they find that when consumers want to appear as experts, novices choose more variety whereas experts choose less variety.

In sum, this session enriches our understanding of consumer variety seeking behaviors by demonstrating novel motivations for variety seeking, ranging from internal processes such as certainty in one's self-concept and psychological pain, to external considerations such as status and expertise perceptions. This session will appeal to a broad set of scholars interested in variety seeking, affective forecasting, preference formation, luxury and conspicuous consumption, and consumer knowledge.

When Variety Isn't Life's Spice: The Impact of Implicit Self-theories and Preference Forecasting on Anticipated Consumption Variety

EXTENDED ABSTRACT

Many of our routine decisions involve anticipating future consumption. This act of anticipation forces consumers to *guess* about their future preferences (Ratner, Kahn, and Kahneman 1999; Simonson 1990). While a wealth of research demonstrates that consumers opt for variety in their experiences and products to reduce their uncertainty of future preferences (Kahn and Lehmann 1991; Simonson 1990; Simonson and Winer 1992), not all consumers opt for variety in their future preferences. In other words, when anticipating future consumption, some consumers diversify their experiences whereas others opt to repeat the same experience. The focus of the present research is to provide a novel perspective on this question by understanding the impact of consumers' *implicit self-theories* on this decision to seek out the same versus different experiences when considering future consumption.

Across a series of experiments, the findings repeatedly demonstrate a consistent influence of consumers' beliefs in the stability of the self-concept—that is, their implicit self-theory—on their tendency to repeat versus diversify future consumption experiences. In particular, those who believe the self to be fixed (entity theorists) preferred less variety than did those who believe the belief to be malleable (incremental theorists). Moreover, this effect occurred across a host of products (e.g., candybars, toothpastes, sodas), held when the choices were consequential, and occurred regardless of whether implicit self-theories were measured or manipulated. Thus, implicit self-theories appear to exert a robust influence on the diversity in consumers' anticipatory consumption.

Additionally, we document the role of preference forecasting in explaining this robust influence. Preference forecasting is defined as the perceived durability consumers attribute to their preferences over time. We argued that, given that entity theorists view the self-concept as durable over time, they should also view features of the self-concept such as preferences as equally durable (Dweck, Chiu, and Hong 1995; see Dweck 2000). This perception of durability is critical, as heightened durability should heighten preference certainty and thus decrease the need for variety to cope with uncertainty in future preferences (Kahn and Lehmann 1991; Simonson 1990; Simonson and Winer 1992). Consistent with this logic, entity theorists not only perceived their preferences as more stable than incremental theorists, but this difference in preference forecasting mediated the

effect of implicit self-theories on variety-seeking. Indeed, directly manipulating consumers' beliefs in the temporal stability of their preferences impacted variety-seeking, such that those who viewed their preferences as more (versus less) stable over time were less likely to anticipate variety.

Moreover, the mediating role of preference forecasting was independent of several alternative motivations related to variety-seeking. For instance, the desire for life change, curiosity, or impulsivity could not account for the documented effect of implicit self-theories on variety-seeking. Additionally, showing this difference by directly manipulating consumers' preference forecasts offers further support against alternative explanations related to broader motivations stemming from consistency-seeking. Of course, this is not to say that consumers' implicit self-theories are irrelevant to these alternative motivations; rather, we would argue that these motivations could still impact the effect of implicit theories on variety-seeking under specific circumstances. In general, however, the results offer clear support for the importance of preference forecasting to this decision to seek out the same versus different experiences when considering future consumption.

As further evidence of this preference forecasting mechanism, the findings demonstrate the effect of implicit self-theories on variety-seeking is pronounced when consumers are required to engage in preference forecasting (i.e., anticipate future consumption); when consumers focus on their immediate preferences, we see no differences in preference variety as a function of their implicit self-theories. This finding outlines a critical boundary condition for the influence of implicit self-theories on variety-seeking while also offering unique insight into when consumers are satisfied with less—as opposed to more—variety in their actual consumption (cf. Ratner et al. 1999). Indeed, entity theorists reported greater satisfaction with their actual choices despite consuming less variety than incremental theorists. Thus, perceiving the self—and one's preferences—as durable over time can cause consumers to not only more accurately anticipate the actual amount of variety they consume but can also maintain satisfaction in this consumption despite a lack of variety.

Finally, this effect of implicit self-theories on consumers' decision to seek out the same versus different experiences when considering future consumption was shown to influence preferences for different subscription and reward programs. In particular, entity theorists valued initiatives that promoted low levels of variety consumption; incremental theorists, on the other hand, valued initiatives that promoted high levels of variety consumption. We believe these findings provide a clear illustration for the managerial implications of the present findings, especially with regards to the efficacy of loyalty initiatives so critical to consumer retention (Watson, Beck, Henderson, and Palmatier 2015).

In sum, then, the present research provides clear and consistent support for the role of implicit self-theories (i.e., beliefs about the malleability of the self) in anticipated consumption variety. Specifically, those who perceive their preferences as durable (entity theorists) are less likely to seek out diversified consumption experiences than are those who perceive their preferences as tenuous (incremental theorists). In doing so, these findings offer several conceptual and strategic insights into consumers' tendency to repeat versus diversify future consumption experiences. In particular, these findings speak to both when and why consumers (i) anticipate less variety in their future experiences (rather than more: Kahn and Lehmann 1991; Read and Loewenstein 1995; Simonson 1990) and (ii) gain greater satisfaction in this desire for less variety in future experiences (rather than more: Etkin and Mogilner 2016; Ratner, Kahn, and Kahneman 1999). Thus, this conceptual framework provides an alternative

means by which to understand consumers' (mis)calibration with anticipatory choice, a potent downside of "growth mindsets" in evoking overestimation errors, and implications for actual experiential satisfaction as well as loyalty programs that incentivize different levels of future consumption variety.

The Impact of Pain of Payment on Variety Seeking Behavior

EXTENDED ABSTRACT

Frequently, consumers acquire multiple products in the same product category and may choose a greater or lesser variety of products. Research on factors affecting variety-seeking behavior has been of great interest to marketing researchers (Kahn and Isen 1993; Ratner and Kahn 2002; Read, Loewenstein, and Kalyanaraman 1999; Read and Loewenstein 1995). We propose that a novel predictor, pain of paying for consumption, would influence consumers' desire for variety in their choices.

When consumers purchase products, the manner in which they pay for the products can vary. One may pay with cash or credit card; similarly, one might pay for products before or after consumption. The different methods and schedules of payment have been shown to influence consumers' experienced pain of payment and change consumer preferences (Prelec and Loewenstein 1998, Monger and Feinberg 1997; Raghubir and Srivastava 2008; Thomas, Desai, and Seenivasan 2011). We extend these findings to the previously unexplored domain of variety seeking.

Specifically, we propose that lower pain of payment will increase consumers' propensity to seek variety. We build our proposition on prior work by Chatterjee and Rose (2012), that demonstrates that priming consumers with the concept of cash (i.e., a more painful payment method) can focus them more on the costs and negative attributes of products while making the concept of credit card (i.e., less painful payment method) more salient makes consumers focus more on the benefits of products and, consequently, form more favorable evaluations of the choice set. Since variety seeking has been found to increase when more options in the choice set have favorable evaluations (Goukens et al. 2007; Faraji-Rad, Jazani, and Warlop 2013), we propose that lower pain of payment will increase the number of favorable options in the choice set and, therefore, lead to more variety-seeking.

We test our proposition in five studies. In study 1, we test whether low (versus high) pain of payment, which we manipulated by changing the timing of payments (pre-pay vs. post-pay), leads to greater variety seeking. Participants imagined buying tickets to visit a museum in one month, and then chose four museum sections to visit from four general categories (e.g., "History," "Science"). Participants in the low pain (vs. high pain) condition were told that the ticket payment was made one month before their visit (vs. must be made one month after their visit). The number of different categories that participants selected served as our measure of variety seeking. As predicted, participants who prepaid for their museum visit demonstrated greater variety seeking compared to those who paid one month after the visit ($M_{LowPain} = 2.65$, $M_{HighPain} = 2.23$; $F(1, 40) = 6.03$, $p < 0.05$).

In study 2, we replicate the effect and rule out timing of consumption as an alternative explanation (Simonson 1990). Participants imagined a trip to Sri Lanka either right now or in one month and then selected different vacation activities. Pain of payment was again manipulated by pre- versus post-payment. Pre-payment led to greater variety seeking regardless of whether consumption occurred in the future or in the present, ruling out timing of consumption as

an alternative explanation ($M_{LowPainPresent} = 2.93$, $M_{HighPainPresent} = 2.68$, $SD = .80$, $M_{LowPainFuture} = 2.92$, $M_{HighPainFuture} = 2.73$; $F(1, 296) = 5.79$, $p < .05$).

In study 3, we replicate our findings using a different pain of payment manipulation. Instead of manipulating the timing of payment, we manipulate the method of payment. Participants were asked to imagine choosing online services to subscribe to for a four-month period, and paying for those services using either cash or credit. Results were consistent with our prior studies, demonstrating that participants in the low pain of payment, i.e., credit, condition chose a greater variety of services compared to those in the high pain of payment, i.e., cash, condition ($M_{LowPain} = 2.07$, $M_{HighPain} = 1.69$; $F(1, 90) = 4.60$, $p < .05$).

In study 4, we tested whether the effect of pain of payment on variety seeking will be attenuated for products with highly favorable evaluations. Participants were given 18 ice cream flavors to rank. Participants chose five scoops of ice cream from their top-ranked (vs. low-ranked) flavors. Pain of payment was manipulated as in study 3. The results revealed the expected interaction ($F(1, 155) = 3.54$, $p = .06$). When choosing among least favorable flavors, participants who experienced low rather than high pain of payment chose greater variety ($M_{Lowpain_lowrank} = 3.59$, $M_{Highpain_lowrank} = 2.95$; $F(1, 155) = 5.69$, $p < .05$), replicating our previous findings. However, as expected, there was no effect of pain of payment on variety seeking when the choice set included highly favorable options ($M_{Lowpain_highrank} = 3.68$, $M_{Highpain_highrank} = 3.74$; $F(1, 155) = .058$, n.s.).

In study 5, we tested whether the predicted effect replicates for real choices. Participants received either cash or a coupon with which they could buy either five candy bars (highly attractive product) or five drink powders (less attractive product) of various flavors (between subjects; based on pre-test). Replicating our prior results, a significant interaction ($F(1, 199) = 6.67$, $p < .05$) revealed that lower pain of payment led to greater variety seeking when participants chose between energy drink powders ($M_{Lowpain_powder} = 3.15$, $M_{Highpain_powder} = 2.71$; $F(1, 199) = 5.67$, $p < .05$), but not when they chose between candy bars ($p > .1$).

In five studies we demonstrate that pain of payment affects consumers' variety-seeking behavior, providing evidence that lower pain of payment can increase variety in consumers' choices. We make a contribution to the literature by establishing a causal link between pain of payment and variety seeking, thereby integrating these two important streams of research. While past research has focused on a number of extrinsic factors which may influence variety seeking, we show how a factor intrinsic to any purchase situation, the mode and timing of payment, may influence variety seeking. Further, past research has shown the negative consequences of a low pain of payment, such as becoming more indulgent (Thomas et al. 2011). We demonstrate a new positive consequence of experiencing a low pain of payment: a greater diversity in consumption and experiences.

When Experience is Costly: How Choice Variety Signals Expertise and Status

EXTENDED ABSTRACT

Past research has demonstrated that incorporating high variety in choices lead to more positive impressions such as appearing more interesting, unique, and expressive, while low variety in product choices may have negative social connotations of being boring and rigid (Fishbach, Ratner, and Zhang 2011; Kim and Drolet 2003; Ratner and Kahn 1999). We demonstrate that under contexts where consumption experiences are costly, for instance, luxury products,

the pattern will reverse such that low variety will convey a positive impression on one's expertise and status.

We propose that consumers perceive a preference learning process for high cost product categories, through its behavioral manifestation in others' consumption choice variety. It is believed that consumers initially go through an exploration stage mirrored in greater variety-seeking to accumulate knowledge and experience, and subsequently make less variety choices once their preferences are stable. Such inferences are particularly salient when the product category is high cost, due to greater perceived motivations to search for the best option, and less ambiguity in attributing consumption decisions to one's preference. Thus, when a consumer chooses less variety in high cost contexts, observers infer greater expertise of the consumer in the product category. Furthermore, we propose that the nature of high cost products introduces an interesting downstream social consequence of such expertise perceptions. Specifically, perceived prior consumption experiences in contexts where experience is costly (e.g. luxury products) translate into greater status perception.

Study 1 aimed to test the main hypothesis that low variety signals expertise, only when the product category is high cost. A 2 (product category: high cost vs. low cost) X 2 (choice pattern: low vs. high variety) between-subjects design was conducted. After reading a description of a consumer purchasing four bottles of wine with *low variety* (i.e. all Pinot Noir), or *high variety* (one of each Champagne, Chardonnay, Pinot Noir, and Zinfandel) at either a high-end or regular wine store, participants (N=140) rated perceived expertise of the consumer. Consistent with our prediction, participants inferred that the consumer purchasing low variety had significantly greater expertise than one purchasing high variety ($M_s = 5.26$ vs. 4.28, $F(1, 136) = 11.587$, $p = .001$) in a high-end wine store scenario, but not in a regular wine store scenario ($M_s = 4.99$ vs. 4.97, *NS*).

In Study 2, we replicate the main effects on perceived expertise found in Study 1 and demonstrate its impact on perceived status, focusing on the high cost product category. Participants (N=123) read a description of a consumer visiting a premium beer shop in a 2 (choice pattern: low vs. high variety)-cell between-subjects design. They were told that the consumer purchased three bottles of craft beer with *low variety* (i.e. all from one brewery) or *high variety* (i.e. all different breweries). Results for perceived expertise replicated results of Study 1 ($p = .004$). Perceived status mirrored the effects, such that low variety signaled greater status than high variety ($M_s = 5.77$ vs. 5.29, $F(1, 121) = 3.746$, $p = .055$). Furthermore, perceived expertise mediated the main effect of choice pattern on status perception (95% CI: [.0584, .4688]).

In Studies 1 and 2, we find a boost in status perception for low variety, and demonstrate that this effect is driven by perceived expertise. Both perceptions arise from an inference of prior costly preference learning processes. We posit that if low variety choices are framed around features that are non-specific to a high cost product category, low variety may not convey information regarding one's costly prior consumption experiences, and thus lose its signaling impact on expertise and status. In Study 3, participants (N=273) imagined a consumer at a luxury chocolate store. We manipulated the focal feature of choice variety by framing the choices around their choice of wrapper colors (*non-specific feature* condition) or around their choice of chocolate flavors (*specific feature* condition). Next, in a similar fashion to prior experiments, participants are told to imagine that the consumer's choice was *low variety* (i.e. just one flavor/color) or *high variety* (i.e. six different flavors/colors). A 2 (choice pattern: low variety vs. high variety) X 2 (focal feature: color vs. flavor) ANOVA on status perception supported our predictions. While low (vs. high) variety conveyed greater status in the specific

feature condition ($M_s = 7.13$ vs. 6.14 , $F(1,269) = 7.817$, $p = .006$), there was no difference in the non-specific feature condition ($M_s = 6.40$ vs. 6.63 , NS).

Study 4 sought to explore the boundary condition where high variety seeking can also convey high status by manipulating the process directly. Specifically, if high variety choices can be seen as selections equally based on one's expertise as low variety choices, then we should observe no difference between two choice sets in terms of status perception. A 2 (quality of choice: control vs. high) X 2 (choice pattern: low variety vs. high variety) between-subjects design was conducted. Participants ($N=255$) read a similar description as Study 1's high cost wine store. Participants in the *high quality* condition were told that both low and high variety selections of wine purchased by the consumer were all ranked as the best wine by a respected wine magazine. Participants in the *control* condition were not given such information. As predicted, in the *control* condition, the results replicated the previous studies, where low variety signaled greater status than high variety ($M_s = 5.87$ vs. 5.15 , $F(1, 251) = 9.603$, $p = .002$). However, when both choice sets were explicitly told to be comprised of the best quality, participants inferred that both consumers had similar levels of status ($M_s = 5.81$ vs. 5.75 , NS).

This research makes several important contributions. First, these studies expand the variety-seeking literature by examining its novel link to status perception. Moreover, we identify an important construct (i.e. consumption cost) that moderate traditional findings in favor of high variety. Second, while the notion that preference is shaped through experience and knowledge is not new – decades of research suggest variety-seeking and consistency's sequential relationship (Chernev 2003; Clarkson et al. 2013; Hoyer and Ridgway 1984) – this research contributes by showing that lay consumers intuit this relationship and use it when observing purchase behaviors. Finally, this research also contributes to the luxury consumption literature, suggesting that the pattern in which choices are made within luxury products matters.

Assortment Variety and Perceived Expertise

EXTENDED ABSTRACT

Choice conveys information about the chooser's level of expertise. Consumers who wish to portray themselves as experts often choose unique, rare, or sophisticated options, and they often draw spontaneous inferences about others' expertise from the type of options others choose (Feick and Higie 1992; Gershoff, Broniarczyk, and West 2001). But regardless of the specific type of options chosen, might the mere level of assortment variety chosen also serve as a signal of expertise? And, if so, does more or less variety signal greater expertise?

We propose that consumers strategically use assortment variety as a means of signaling their category expertise to others. Moreover, the relationship between assortment variety and perceived category expertise varies as a function of the perceiver's own level of expertise in that category. Specifically, category experts perceive less assortment variety as an indication of greater expertise in that category (and consequently choose less varied assortments to portray themselves as experts), whereas novices perceive more assortment variety as an indication of expertise (and choose accordingly when they wish to appear as experts).

We suggest this based on findings in expertise, impression management, and variety research. Both novices and experts want to be respected and viewed as knowledgeable (Leonard-Barton 1985; Feick and Price 1987), but they have different knowledge structures (Alba and Hutchinson 1987), and when they wish to accumulate

product category knowledge, experts seek narrower and more specialized options whereas novices seek breadth (Clarkson, Janiszewski, and Cinelli 2013). Consequently, we propose that novices see greater assortment variety as an indication of category expertise, and choose more variety when they wish their selection to be seen as reflecting expertise. Conversely, experts perceive less assortment variety as an indication of expertise, and accordingly, choose less varied assortments when they wish to showcase their expertise.

Three experiments test these hypotheses. Experiment 1 examines how experts and novices interpret another person's choice of either high or low assortment variety. First, participants rated their own level of expertise in the gourmet chocolate category. Then, following several filler tasks, participants read one of two descriptions of a hypothetical consumer who bought a box containing individually selected gourmet chocolate truffles. In the high assortment variety condition, we told participants that the protagonist chose many different truffle flavors. In the low assortment variety condition, the protagonist chose only a few different truffle flavors. The quantity bought, sixteen truffles, was the same across conditions. Participants rated the likelihood that the protagonist was a gourmet chocolate connoisseur. Consistent with our prediction, an assortment variety (high vs. low) x own-expertise (continuous) regression analysis revealed a crossover interaction effect on perceived expertise of the protagonist ($p < .001$), with no main effects. Whereas novices (i.e., participants one SD below the mean level of expertise) perceived the protagonist as more of an expert in the large variety condition than in the small variety condition, experts (i.e., those one SD above the mean expertise) perceived the protagonist as more of an expert in the small variety condition than in the large variety condition.

Experiment 2 examines how consumers strategically choose variety to demonstrate expertise. Participants chose an assortment of fine chocolate truffles for an important friend. We manipulated participants' motivation to showcase their expertise by framing the friend as a fine chocolate connoisseur in one condition only. A pretest confirmed that our manipulation increased participants' motivation to showcase their expertise, equally for experts and novices. Participants saw a list of 22 different truffle flavors and indicated the number of units they wanted to buy of each type (the total number of units participants could choose was not limited). To measure assortment variety, we calculated for each participant a Herfindahl index, a measure of assortment diversity, and controlled for the number of units selected (see Dhar, Hoch, and Kumar 2001; Simonson and Winer 1992). Finally, participants rated their own level of expertise in the category (ratings were unaffected by the experimental manipulation). Analysis revealed the predicted crossover recipient-framing X own-expertise interaction ($p = .01$), with no main effects. Compared with the control condition, novices increased and experts decreased the variety in their assortments (holding total quantity constant) when selecting for a connoisseur and hence motivated to showcase their expertise.

An alternative explanation for these results is that experts simply know which options are best, and thus choose less variety for the connoisseur. Experiment 3 rules out this possibility by using fictitious craft beer brands (validated in a pretest), of which neither experts nor novices had any prior knowledge. We told participants that they would be helping a specialty gift basket company to design a beer gift basket. In one condition (expertise-signaling goal), we asked participants to design a beer basket that would be especially appealing to beer connoisseurs, and we told them that they would receive \$25 if a panel of experts rated their basket highest on expertise. In the control-goal condition, we used an identical procedure except that we asked participants to design a beer basket that would appeal

to average customers, and we told them that they would receive \$25 if a panel of average customers evaluated their gift basket as the most appealing. Participants then chose from a list of fictitious beer brands. Finally, participants rated their own expertise in beer. Analysis revealed the predicted choice-goal X own-expertise crossover interaction effect ($p < .001$), with no main effects. Compared with the control goal condition, novices selected a more varied assortment whereas experts selected a less varied assortment when attempting to get a high expertise rating.

Variety is often used to convey uniqueness and interestingness to others, but we show that it can also be used to signal expertise. Furthermore, whereas prior research suggests that people unidirectionally choose more variety when self-presentation concerns are present, we show that people may choose smaller or larger assortment variety to signal expertise, depending on their own levels of category expertise.

REFERENCES

- Alba, Joseph W. and J. Wesley Hutchinson (1987), "Dimensions of Consumer Expertise," *Journal of Consumer Research*, 13 (4), 411-54.
- Chatterjee, P., & Rose, R. L. (2012). Do payment mechanisms change the way consumers perceive products? *Journal of Consumer Research*, 38(6), 1129-1139.
- Chernev, Alexander (2003), "When More is Less and Less is More: The Role of Ideal Point Availability and Assortment in Consumer Choice," *Journal of Consumer Research*, 30(2), 170-183.
- Clarkson, Joshua J., Chris Janiszewski, and Melissa D. Cinelli (2013), "The Desire for Consumption Knowledge," *Journal of Consumer Research*, 39(6), 1313-1329.
- Dhar, Sanjay K., Stephen J. Hoch, and Nanda Kumar (2001), "Effective Category Management Depends on the Role of the Category," *Journal of Retailing*, 77(2), 165-184.
- Dweck, Carol S. (2000). *Self-theories: Their role in motivation, personality, and development*. Philadelphia, PA: Psychology Press.
- Dweck, Carol S., Chi-yue Chiu, and Ying-yi Hong (1995), "Implicit Theories: Elaboration and Extension of the Model," *Psychological Inquiry*, 6 (4), 322-33.
- Etkin, Jordan, and Cassie Mogilner (2016), "Does Variety Among Activities Increase Happiness?," *Journal of Consumer Research*, 43 (2), 210-29.
- Faraji-Rad, A., Moeini-Jazani, M., & Warlop, L. (2013). Women seek more variety in rewards when closer to ovulation. *Journal of Consumer Psychology*, 23(4), 503-508.
- Feick, Lawrence and Robin A. Higie (1992), "The Effects of Preference Heterogeneity and Source Characteristics on Ad Processing and Judgements About Endorsers," *Journal of Advertising*, 21 (2), 9-24.
- Feick, Lawrence F., and Linda L. Price (1987), "The market maven: A diffuser of marketplace information." *The Journal of Marketing*, January, 83-97.
- Fishbach, Ayelet, Rebecca K. Ratner, and Ying Zhang (2011), "Inherently Loyal or Easily Bored?: Nonconscious Activation of Consistency versus Variety-seeking Behavior," *Journal of Consumer Psychology*, 21(1), 38-48.
- Gershoff, Andrew D., Susan M. Broniarczyk, and Patricia M. West (2001), "Recommendation or Evaluation? Task Sensitivity in Information Source Selection," *The Journal of Consumer Research*, 28 (3), 418-38.
- Goukens, C., Dewitte, S., Pandelaere, M., & Warlop, L. U. K. (2007). Wanting a bit (e) of everything: Extending the valuation effect to variety seeking. *Journal of Consumer Research*, 34(3), 386-394.
- Hoeffler, Steve and Dan Ariely (1999), "Constructing Stable Preferences: A Look into Dimensions of Experience and Their Impact on Preference Stability," *Journal of Consumer Psychology*, 8(2), 113-139.
- Hoyer, Wayne D. and Nancy M. Ridgway (1984), "Variety Seeking as an Explanation for Exploratory Purchase Behavior: A Theoretical Model," *NA-Advances in Consumer Research Volume 11*.
- Kahn, Barbara E. and Donald R. Lehmann (1991), "Modeling Choice among Assortments," *Journal of Retailing*, 67 (3), 274-99.
- Kahn, Barbara E., and Alice M. Isen. (1993) The influence of positive affect on variety seeking among safe, enjoyable products. *Journal of Consumer Research*, 20(2): 257-270.
- Kim, Heejung S. and Aimee Drolet (2003), "Choice and Self-expression: a Cultural Analysis of Variety-seeking," *Journal of Personality and Social Psychology*, 85(2), 373.
- Leonard-Barton, Dorothy (1985), "Experts as negative opinion leaders in the diffusion of a technological innovation." *Journal of Consumer Research*, 11 (4), 914-26.
- Monger, J. E., & Feinberg, R. A. (1997). Mode of payment and formation of reference prices. *Pricing Strategy and Practice*, 5(4), 142-147.
- Prelec, D., & Loewenstein, G. (1998). The red and the black: Mental accounting of savings and debt. *Marketing science*, 17(1), 4-28.
- Raghubir, P., & Srivastava, J. (2008). Monopoly money: the effect of payment coupling and form on spending behavior. *Journal of Experimental Psychology: Applied*, 14(3), 213.
- Ratner, Rebecca K., Barbara E. Kahn, and Daniel Kahneman (1999), "Choosing Less-Preferred Experiences for the Sake of Variety," *Journal of Consumer Research*, 26 (June), 1-15.
- Ratner, Rebecca K. and Barbara E. Kahn (2002), "The Impact of Private Versus Public Consumption on Variety-seeking Behavior," *Journal of Consumer Research*, 29(2), 246-257.
- Read, Daniel, and George Loewenstein (1995), "Diversification bias: Explaining the discrepancy in variety seeking between combined and separated choices," *Journal of Experimental Psychology: Applied*, 1 (1), 34-49.
- Read, D., Loewenstein, G., & Kalyanaraman, S. (1999). Mixing virtue and vice: Combining the immediacy effect and the diversification heuristic. *Journal of Behavioral Decision Making*, 12(4), 257.
- Simonson, Itamar (1990), "The Effect of Purchase Quantity and Timing on Variety-Seeking Behavior," *Journal of Marketing Research*, 27 (May), 150-162.
- Simonson, Itamar, and Russell S. Winer (1992). "The influence of purchase quantity and display format on consumer preference for variety," *Journal of Consumer Research*, 19 (1), 133-38.
- Thomas, M., Desai, K. K., & Seenivasan, S. (2011). How credit card payments increase unhealthy food purchases: visceral regulation of vices. *Journal of consumer research*, 38(1), 126-139.
- Watson, George F., Joshua T. Beck, Conor M. Henderson, and Robert W. Palmatier (2015), "Building, measuring, and profiting from customer loyalty," *Journal of the Academy of Marketing Science*, 43 (6), 790-825.