Heritage Lost: How Connection to the Past Shapes Consumer Valuation in the Present

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From our alma mater to our DNA, heritage – a connection to a shared past – is a fundamental part of human experience. This research asks is the past only mine or is it ours? How does collective ownership of the shared past drive consumer valuations in the present?

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The Sense of ‘MINENESS’: Exploring the Role of Ownership in New Consumer Domains

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Paper #4: Heritage Loss: How Connection to the Past Shapes Consumer Valuation in the Present
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SESSION OVERVIEW

Buying and owning material and experiential products is indispensable for consumer judgment and decision making. Notwithstanding that initial research on ownership has concentrated on legal ownership’s effect on valuation (e.g., Kahneman, Knetsch, and Thaler, 1990), recent research on psychological ownership has examined the effects of regarding something as “mine” in wide variety of areas from digital technology to financial decision making (Peck & Shu, 2018; Pierce, Kostova, & Dirks 2001). The present session gives prominence to the diverse impacts of ownership on consumer behavior.

The emergence of the sharing economy motivates the first paper (Demirdag and Shu) to consider the psychological ownership of these new shared goods and services. The authors document that sharing economy products like Uber rides or Airbnb stays produced a lower sense of psychological ownership than legal car or home ownership. By separately manipulating psychological ownership through intimate knowledge of the target and variety, the authors increase satisfaction with these shared services. Moreover, they demonstrate that collective (vs. individual) experiences reduced tip and satisfaction through reduced psychological ownership, suggesting that experiences in certain sharing economies are inherently solitary.

The second paper (Luangrath, Peck, Hedgcock, and Xu) examines the effect of vicarious touch. The authors study whether observing someone else touch a product increase the psychological ownership of a virtual limb and, hence, increase the psychological ownership of products. They find evidence for this effect, labeled the vicarious haptic effect. They find that vicarious touch leads to the psychological ownership of a product via a sense of body ownership of a virtual limb. This mediation holds under egocentric (from the perspective of oneself) but not allocentric (from the perspective of others) orientation.

The third paper (Jung, Peck, Palmeira, and Kim) investigates an effect of introductions of upgraded products on consumers’ brand preference and examine how the effect may differ depending on ownership status. They find that the owners’ feeling of being distanced from the brand decrease the owners’ preference for the brand. Nevertheless, there is a positive effect of upgraded product for non-owners because without an anchor for self-referencing, non-owners are only positively influenced by the brand’s competence signaled by its advanced products.

The final paper (Christensen and Shu) explores ownership felt towards extraordinary goods where ownership is collective, extending the self by connecting owners to history and important traditions. They establish a gap between a seller’s willingness to accept from family versus strangers, which is greater for inherited goods than for purchased goods. In addition, the paper identifies heritage value, that is, the degree to which an object extends the self by connecting the owner to history and traditions. They demonstrate that this heritage value predicts the gap in willingness to accept from family versus strangers.

Ownership is a key corollary of consumption, and this session spotlights its extensive applicability to consumer behavior. The diverse approaches taken by each paper and the varying aspects of ownership investigated will attract a broad range of ACR members interested in ownership, endowment effect, sharing economy, virtual reality experience.

Creating Ownership Where Ownership Does Not Exist: Psychological Ownership Increases Enjoyment in Sharing Economy

EXTENDED ABSTRACT

Since the 1950s, hyper-consumption, and ownership has defined economic security. A 1955 LIFE magazine article celebrated the idea of throwing away items after single-use and advertised several of these items, e.g., single-use barbeque grill, disposa-pan that “eliminates scouring of pots after cooking”, and feeding bowl for pets that ends the “washing-up chore” (“Throwaway Living,” 1955). Nowadays, we increasingly have a “reduce, reuse, and recycle” mentality. This notable shift away from the “own and dispose” society has laid foundations for the sharing economy. Consumers have come to the realization that legal ownership is not mandatory for consumption. They can access goods and services they cannot afford to purchase or simply do not own at the time of the consumption decision. As an increasing extent, value relies on technology and consumer experience, rather than ownership.

We examine a facet of sharing economy that has not been studied yet: psychological ownership, which is the sense that something is “mine” (Pierce, Kostova, & Dirks, 2001). The sharing economy presents novel ways of accessing goods and services without legal ownership. We suggest that consumption in this domain reduces psychological ownership compared to consumption based around legal ownership. This is problematic, as it can lead to the tragedy of the commons. For instance, shared scooters are vandalized, tossed off buildings, set on fire, and thrown into the ocean (Newberry, 2018). Our studies seek to increase psychological ownership, which could prevent these types of disastrous behavior.

In Study 1 (N = 321), we found that ownership of a hypothetical Uber ride is significantly correlated with the consumers’ willingness to pay for the ride (r = .14, p < .05), tip for the Uber driver (r = .11, p < .05), and ride satisfaction (r = .19, p < .01). Furthermore, through planned comparisons we showed that real-life car owners...
have a greater sense of ride ownership than real-life car leasers ($F(1, 605) = 169.2, p < .001$) and that leasers have a greater sense of ride ownership than Uber riders ($F(1, 605) = 166.5, p < .001$). Similarly, we found that real-life homeowners have a greater psychological ownership of their houses than renters ($F(1, 450) = 257.7, p < .001$) and that renters have a greater psychological ownership than Airbnbers ($F(1, 450) = 20.04, p < .001$). In sum, Study 1 demonstrated that psychological ownership of goods and experiences is lost in the sharing economies, at least in ride-sharing and space-sharing services, but that higher psychological ownership in sharing economies indicate greater satisfaction with experiences in sharing economies.

Study 2 ($N = 132$) was a field study in the domain of a scooter-sharing company, Bird. We found that psychological ownership of a scooter ride was correlated positively with ride satisfaction ($r = .34, p < .01$), likelihood of future rides ($r = .40, p < .01$), telling others about Bird ($r = .27, p < .01$), and general trust towards Bird ($r = .45, p < .01$). Although these results are correlational, our field study lays the groundwork for field interventions that augment psychological ownership, with the goal of increasing enjoyment derived from goods and services in the sharing economy.

In Study 3 ($N = 641$), we differential effect of collective (vs. individual) experiences. We found that sharing an Uber ride with a friend led to lower ride ownership ($F(1, 639) = 4.591, p = .003$). Moreover, a mediation analysis with 5,000 bootstrapped samples showed an indirect-only mediation for the effect of collective (vs. individual) experience on tip through ride ownership, indirect effect = -.016, 95% CI: [-.035, -.002]. A similar process was revealed for the effect of collective (vs. individual) experience on satisfaction through another mediation analysis with 5,000 bootstrapped samples, indirect effect = -.023, 95% CI: [-.049, -.004]. These results indicate that sharing an Uber ride with a friend reduces psychological ownership, and therefore, enjoyment, suggesting that experiences in ride-sharing are inherently solitary.

In Study 4 ($N = 645$), we aimed to increase psychological ownership. One of the routes of psychological ownership is intimate knowledge of the target (Pierce, Kostova, & Dirks, 2001). We found that providing information about the Uber driver (such as their rating, hometown, compliments they have received, languages they speak, number of years they have been an Uber driver, and the number of trips they have had) increased tip amount ($F(1, 638) = 3.96, p = 0.05$), WTP ($F(1, 564) = 5.34, p = 0.02$), satisfaction ($F(1, 643) = 5.26, p = .02$). Furthermore, this effect was mediated by ride ownership. A mediation analysis with 5,000 bootstrapped samples uncovered an indirect effect of information on tip through ride ownership, indirect effect = .018, 95% CI: [.004, .037]. Similarly, another mediation analysis with 5,000 bootstrapped samples demonstrated an indirect effect of information on satisfaction through ride ownership, indirect effect = .017, 95% CI: [.004, .042]. Thus, information about the driver increased ride enjoyment (specifically tip and satisfaction) through ride ownership.

In Study 5 ($N = 640$), we increased satisfaction through enhanced psychological ownership by bringing forth variety where the goods are typically identical (e.g., CitiBikes, Lime Bikes, Bird scooters). In a bike-sharing scenario, variety increased the ride enjoyment (indirect effect = .055, 95% CI = [.017, .103]) and willingness to ride in the future (indirect effect = .083, 95% CI = [.024, .149]) through enhanced psychological ownership of the ride.

In conclusion, psychological ownership of experiences is lower in sharing economies than it is in legal-ownership based consumption. Through our lab and field studies, we demonstrated that the higher the psychological ownership, the higher the enjoyment of the experiences. The implications of this research are important. Consumers lack the incentive to take care of the goods they access in the sharing economy, as they do not have to think about the long-term impact of their actions during the short period of time they consume these goods. An enhanced sense of psychological ownership could prevent these ruinous consequences and increase satisfaction with the experiences a sharing economy platform provides.

**Virtual Touch Facilitates Psychological Ownership of Products in Virtual Reality**

**EXTENDED ABSTRACT**

Online product videos and virtual reality (VR) interfaces enliven consumer experiences and are a source of product information. Intriguingly, these virtual environments often lack a semblance of “self” in the experience, oftentimes using a cursor rather than a virtual hand. In this research, we investigate vicarious touch, conceptualized as the observation of a virtual hand using a haptic exploratory procedure with a product in an online or virtual environment. Does the vicarious experience of virtual touch affect consumers’ perceptions of psychological ownership? That is, does observing someone else touch make a consumer feel as if they, themselves, are touching the product? Previous research demonstrates that people can feel transported to a virtual space by blurring the lines of what is considered one’s own body (Slater et al., 2008). A sense of body ownership is the feeling that the body that I inhabit is ‘my own’ and a part of ‘me’ (Tsakiris, 2010). Psychological ownership, or the feeling that something is ‘MINE!’ (Pierce, Kostova, and Dirks 2001), is often associated with greater product valuation (Peck, Barger, and Webb 2013; Peck and Shu 2009). We conjecture that vicarious touch increases body ownership of a virtual limb, which then increases psychological ownership felt of a product, termed the vicarious haptic effect.

Study 1 tests the main proposition that body ownership drives the effect of vicarious touch on psychological ownership. Participants ($N=208$) were either shown a video of a hand pointing toward a wristwatch or picking up and hefting the wristwatch. Psychological ownership (e.g., “I feel a personal ownership of the watch”) and body ownership (e.g., “While viewing the video: ‘I felt as if the hand in the video was my hand’”) were measured. An ANOVA reveals a significant effect of vicarious touch on body ownership ($M_{EgoTouch}=2.84, M_{AlloTouch}=2.32, F(1,194)=3.96, p<.001, \eta^2=.14$) and psychological ownership ($M_{EgoTouch}=1.89, M_{AlloTouch}=2.23, F(1,194)=3.86, p=.05, \eta^2=.02$). A mediational model demonstrates that body ownership mediates the effect of vicarious touch on psychological ownership (.3670; CI95%=[.2326, .5109]). These results reveal the vicarious haptic effect.

Given that vicarious touch facilitates a sense of body ownership for the displayed arms, we expect to attenuate this effect by altering the orientation of touch. Authorship processing suggests we leverage cues from the environment to discern whether an event has occurred as a result of oneself (Wegner and Sparrow 2004). Study 2 was a 2 (no touch/touch) x 2 (egocentric/allocentric orientation). MTurk participants ($N=209$) view a video displaying a hand either resting on the table or feeling the texture of the product. This was shown either from the perspective of the self or from the other. Results reveal a significant interaction between touch and orientation on psychological ownership ($F(1,185)=6.43, p=.012, \eta^2=.03$) such that perceptions of psychological ownership were significantly higher when viewing touch from an egocentric (vs. allocentric) orientation ($M_{EgoTouch}=3.13, M_{AlloNoTouch}=2.32, F(1,185)=4.28, p=.04, \eta^2=.02$) while there was no significant difference in orientation with no touch ($M_{EgoNoTouch}=2.50, M_{AlloNoTouch}=3.08, F(1,185)=2.29, p=.13, \eta^2=.01$). A significant mod-
eral mediational model indicates that body ownership mediates the relationship between vicarious touch and psychological ownership under conditions of egocentric orientation but not allocentric orientation ($r = -.5205; CI_{95\%}=[-.1164, .6245]$).

In study 3, we test whether the vicarious haptic effect holds in virtual reality. Further we examine if having one’s own hands occupied (i.e., holding onto balls) interferes with feelings of body ownership. We created a 360° virtual reality retail store. The design was a 2 (vicarious touch/cursor) x 2 (hands occupied/hands free). Undergraduates ($N=255$) viewed a VR retail store on Oculus headsets. Participants responded to a variety of additional measures including willingness to pay, product evaluation, and purchase intention. Results of an ANOVA reveal a significant effect of vicarious touch on body ownership ($F(1,241)=20.31, p=.001, \eta^2=.08$). Holding onto something (thereby having one’s hands occupied) did not dampen the effect of vicarious touch on body ownership ($F(1,239)=.346, p=.56$). Body ownership mediates the effect of vicarious touch on psychological ownership ($r = .1642; CI_{95\%}=[.0855, .2590]$), purchase intention ($r = .1320; CI_{95\%}=[.0596, .2239]$), product evaluation ($r = .1093; CI_{95\%}=[.0508, .1828]$), as well as willingness to pay ($r = .3320; CI_{95\%}=[.1164, .6245]$).

A human need for stimulation or activation is one of the fundamental motives that is considered the reason for the existence of the psychological state of ownership (Pierce and Jussila 2011; Pierce and Peck 2018). Heart rate is one physiological manifestation of this individual difference in need for stimulation (Mathias and Stanford 2003). We expect that those highly stimulated by VR would feel stronger effects of vicarious touch on psychological ownership. Undergraduates ($N=144$) viewed a VR retail store while having their heart rate measured on a Biopac MP36. Study design was similar to study 3 with the addition of a no touch condition in which participants saw a hand but it did not touch the product. Viewing the virtual touch, as opposed to no touch and cursor, enhanced feelings of body ownership ($F(2,141)=6.55, p=.002, \eta^2=.09$). Mediational analyses replicate the effects from study 3. There is a significant interaction with vicarious touch and heart rate on psychological ownership ($\beta = -.665, t(123) = -2.25, p=.026$). For highly stimulated individuals (+1 sd heart rate change), the effect of vicarious touch on psychological ownership is positive and significant ($t(123)=2.17, p=.03$) while for those low in stimulation (-1 sd heart rate change) the relationship between vicarious touch and psychological ownership is not significant ($t(123)=-1.096, p=.28$).

We document the power of virtual touch. Our research demonstrates that vicarious touch increases a sense of psychological ownership of a product, which occurs due to a sense of body ownership of the virtual hands. We find that not only should a virtual hand be present, but it should be engaging haptically with the product. We further show that this effect is attenuated when observing touch from the perspective of another (i.e., allocentric orientation) as opposed to oneself (i.e., egocentric orientation). The effect is robust even if the observer’s hand is otherwise occupied. Finally, using the physiological measure of elevation of heart rate, we demonstrate that for those individuals who become highly stimulated in VR, the effect of vicarious touch on psychological ownership is strengthened.

“My Brand is Moving Away from Me”:
When Upgrade Products Leave Consumers Behind

EXTENDED Abstract

In today’s advanced economies, continual product enhancement through product upgrades is deemed a key component of a firm’s success. Despite the increasing prevalence of upgrades, however, only limited research has investigated its implication for consumers’ attitudes toward upgrades.

In this research, we aim to broaden an understanding of the emerging but limited body of research on product upgrades. Specifically, we investigate an effect of introductions of upgraded products on consumers’ brand preference and examine how the effect may differ depending on ownership status. We propose that the release of an upgraded product has distinct psychological effects on consumers who are current owners of the brand, and that this psychological process would subsequently influence how much they prefer their current brand. Contrary to common intuition, we argue that the introduction of an upgrade could have an undesirable effect on current owners (but not for non-owners). We propose that since owners perceive the product they currently own as a representation of “me” (Weiss and Johar 2013, 2016) and perceive the new upgraded product as an embodiment of “the brand” (John, Loken, and Joiner 1998), the upgrade product would make the owners feel as if the brand has moved away from them just as the new product has advanced away from its previous versions. Feeling distant from a brand results in a less positive consumer-brand relationship, which in turn decrease brand commitment (Park, Eisengerich, and Park 2013). In line with the findings, we propose that the owners’ feeling of being distanced from the brand would decrease the owners’ preference for the brand. For non-owners, however, we expect to observe a positive effect of upgraded product because without an anchor for self-referencing, non-owners are only positively influenced by the brand’s competence signaled by its advanced products (Heath, DelVecchio, and McCarthy 2011).

Four studies support our predictions. Throughout studies, we measured participants’ purchase intention and their general attitudes toward the brand as dependent variables. For purchase intention, we measured consumers’ willingness to choose the brands for purchasing another product because upgraders are often hindered by mental cost of retiring their current products that are still functional (Okada 2006).

Study 1 examined actual brand owners’ and non-owners’ responses to the release of upgraded products, and tests the underlying process. To this end, we recruited 344 owners and non-owners of Apple 10th generation iPhone and assessed their responses to the presence of newer generations of iPhones. To manipulate the presence of upgraded products, we manipulated the saliency of the upgrades to make them look either more or less apparent for consumers. The owners and non-owners were randomly assigned to either a control or an upgrade condition and were asked to rate their purchase intention (computer monitor), brand attitude, and perceived relational closeness toward Apple as a process measure using IOS scale (Aron, Aron, and Smollan 1992). The result revealed a significant 2 (upgrade) X 2 (ownership status) interaction ($p < 0.01$). Participants in the owner (non-owner) condition were less (more) willing to choose Apple when purchasing another product if the upgraded products were made more salient compared to when they were made less salient. The results for brand attitude ($a = 0.96$) followed the parallel pattern. Moderated mediation analysis suggested that the indirect effect of upgraded products through IOS variances as a function of ownership status ($p = 0.08$); the conditional indirect effect of upgraded products was significant for owners ($p < 0.05$) but not for non-owners ($p > 0.1$).

Study 2 replicates the findings from Study 1 in a more controlled setting with hypothetical scenarios to eliminate prior brand knowledge. As in Study1, results on purchase intention (microwave)
revealed the anticipated 2 (upgrade) X 2 (ownership status) interaction (p < 0.01), showing that owners (non-owners) were less (more) willing to choose the brand when the brand released upgraded products. The results for brand attitude (α = 0.94) followed the parallel pattern, and the moderated mediation analysis replicated the finding from Study 1 (p < 0.05).

Study 3 put the focus on owners and further examined the underlying process using a moderation-of-process approach by manipulating the extent to which the focal brand is manipulated as psychologically close or neutral to one’s self. Study 3 also tested an alternative explanation that upgrades makes owners unhappy because they see a frequent release of upgrades as an attempt by brands to entice consumers to unnecessarily spending. To test this account, we incorporated an additional condition in which the interval between the new upgrades is manipulated to be longer. 362 students participated and were randomly assigned to one of six conditions in a 2 (brand-self distance: neutral vs. close) X 3 (upgrade: no-upgrade vs. upgrade vs. upgrade-after-three-years) between-subjects design. The result showed that the brand-self distance moderates the predicted pattern (2, -1, -1 contrast) across the three upgrade conditions (p < .01). As predicted, when the brand-self distance was perceived close (neutral), participants were no less (less) likely to choose their current brand in both the upgrade and the upgrade-after-three-years condition than in the no-upgrade condition.

Study 4 complements our experimental results with evidence from a real-world dataset containing vehicle ownership data of 49,998 households across the United States. Using a multilevel model incorporating 30 different automobile brands and 294 different car models nested within the brands, we find that the number of newer generations of car models that current households own increases in the market, the households become more likely to switch their brand rather than to stay loyal for their next car purchase.

We believe that our research may offer substantive implications in today’s ever innovating economies. We suggest that while managers intend to leverage brand equity among consumers through product enhancement, the presence of new upgrades may in fact come with unintended consequences. Therefore, adequate strategy may be needed that pays special attention to current consumers.

**Heritage Lost: How Connection to the Past Shapes Consumer Valuation in the Present**

**EXTENDED ABSTRACT**

Heritage – a connection to a shared past – is a fundamental part of human experience, and consumers’ interest in connecting to the people who came before them has been growing (Belk 1990; Csikszentmihalyi and Rochberg-Halton 1981) researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase discovery, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase discover, use, and build upon a wide range of content in a trusted digital archive. For more information about JSTOR, please contact support@jstor.org. Psychology and Things The Manchester seminars on Technology as Skilled Practice brought together perspectives from a number of disciplines, including anthropology, history, and psychology. As an intentionally peripheral psychologist, I thought twice about attending an interdisciplinary meeting willing to include psychologists. Academic psychology throughout its brief history has been remarkably anxious about demarcating its own exclusive subject — the "subject" — and has perpetuated, even insititutionalized, the traditional dualism within modern science of the objective and subjective. Psychology (along with the other human sciences. From the popularity of heritage travel on Airbnb to the trendiness of heritage fabrics in England, guochao style in China, consumers have increasingly chosen to buy goods that connect them to a shared past (Achim 2019; Duveau and Dunnenil 2018; Killam 2019; Luo 2019; Rapp 2019).

In this project we explore how a connection to this shared past affects consumer valuations in the present. This research on heritage connection builds on the sharing literature, which has introduced the concept of “ours” and called for work on how the aggregate extended self – “us” – affects consumer practices (Belk 2010, 2017; Curasi, Price, and Arnould 2004; Epp and Price 2008; Lastovicka and Fernandez 2015). The current work also extends research on the endowment effect by exploring how collective ownership of the shared past can impact sellers’ WTA (Brough and Isaac 2012; Dommer and Swaminathan 2013; Morewedge, Shu, Gilbert, and Wilson 2009; Shu and Peck 2011; Weiss and Johar 2013) a phenomenon called the endowment effect. Loss aversion has typically accounted for the endowment effect, but an alternative explanation suggests that ownership creates an association between the item and the self, and this possession-self link increases the value of the good. To test the ownership account, this research examines three moderators that theory suggests should affect the possession-self link and consequently the endowment effect: self-threat, identity associations of a good, and gender. After a social self-threat, the endowment effect is strengthened for in-group goods among both men and women but is eliminated for out-group goods among men (but not women). We predict that the same factor – heritage connection - increases valuations for both sellers and buyers—but it has the opposite effect that an economist would predict on selling prices. The buyer’s heritage connection reduces the seller’s WTA.

We define heritage connection as a good’s capacity to bridge the gap between the consumer and their heritage by helping the consumer remember where they come from, giving them a sense of history, and connecting them with the people who came before them. In four studies, we find a main effect such that sellers set lower prices for heritage goods when selling to buyers with heritage connection, relative to buyers without heritage connection (i.e., the heritage discount). In Study 1, we sampled California residents on Mturk (N = 400). The study ran online during the 250th anniversary of Monterey, a city in California that is home to California’s first constitution, California’s first scenic highway, and is the first place where Californians raised the American flag. Monterey also has an aquarium, and visitors come to see it. We informed participants that one person taking the study would receive a Monterey 250th anniversary hat, and that it would be theirs to keep. We endowed participants with the anniversary hat, and we measured participants actual WTA for this heritage good using the Becker DeGroot Marschak test (Becker, Degroot, and Marschak 1964) As predicted, sellers’ WTA from a control buyer (visitor to Monterey) was higher than their WTA from the heritage buyer (resident of Monterey). t(1,564) = 2.32, p = .021. Sellers had a lower WTA for heritage buyers despite indicating that heritage buyers would value the good more (p < .001). Further, the effect of heritage held after adding controls for buyers’ usage (p = .030). Thus, Study 1 provided preliminary evidence for a heritage discount.

Study 2 tested heritage in a new domain using real goods that people have in their homes. Participants (N = 547) were randomly assigned to answer questions about either an inherited or a purchased item in their home that would normally cost less than $1000. Participants indicated their WTA from both a close family member and a stranger. As predicted, the simple effect of stranger vs. family for heritage products was larger than the simple effect of stranger vs. family for non-heritage products. The interaction of buyer’s identity...
and product type (heritage vs. no heritage) was significant, all ps < .001, and sellers’ heritage connection to a good moderated the heritage discount with more connected sellers giving larger discounts, \( F(1, 545) = 46.20, p < .001 \). Specifically, we found that the greater the seller’s heritage connection, the larger the heritage discount connected buyers received, \( B = 1.405, \ SE = .175, t(545) = 8.04, p < .001 \).

At this point, it seemed like holding the item constant and manipulating heritage connection might provide an even cleaner test of our hypothesis, and we did this in Study 3. We asked participants (\( N = 400 \)) to imagine that they were going through storage and found a watch from their great grandfather. In a between subjects design, we asked them to consider selling this heritage good to a control buyer or a heritage buyer, and we specified usage: both buyers would use the watch as they went about their daily work. Sellers set a lower WTA for heritage buyers than control buyers, \( r(386) = 2.50, p = .013 \). There was no difference in appropriateness of usage between conditions, \( p = .714 \). We also measured seller’s heritage connection, buyer’s perceived heritage connection, and we calculated heritage loss (i.e., the difference between a seller’s heritage connection and a buyer’s heritage connection). Overall, Study 3 provided strong evidence that heritage loss mediates the effect of buyer’s identity on the seller’s WTA (95%, CI = $127.25, $218.35). Next, we sought to validate these findings in an incentive compatible context.

In Study 4, we sampled the population on the campus of a large American research university (\( N = 388 \)), and endowed participants with a good symbolizing 100 years of the university’s history. In a between subjects, fully incentive compatible task, participants indicated their WTA from a heritage buyer (student at their university) or their WTA from a control buyer (stranger with no university connection). As predicted, participants’ WTA from a control buyer (\$2.65) was higher than their WTA from a heritage buyer (\$2.20, \( F(1,385) = 6.54, p = .011 \)). Further, we found this effect was mediated by heritage loss.

In conclusion, this research suggests that the shared past affects consumer valuations in the present. In four studies, we quantify the value of this heritage connection, and these findings have significance for marketing practice. Our research has applications to marketers of products that appeal to consumers’ desire to connect to their heritage across time as well as markets that involve resale (e.g., housing and collectibles).

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