

**THREE ESSAYS EXAMINING THE VARIOUS IDENTITY EXPRESSIVE FUNCTIONS  
OF BRANDS**

by

**Sara Loughran Dommer**

B.S. in Marketing with Honors, Pennsylvania State University, 2005

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KATZ GRADUATE SCHOOL OF BUSINESS

This dissertation was presented

by

Sara Loughran Dommer

It was defended on

April 4, 2012

and approved by

J. Jeffrey Inman, Albert Wesley Frey Professor, Marketing

Cait Poynor Lamberton, Assistant Professor, Marketing

Nicole M. Verrochi Coleman, Assistant Professor, Marketing

Zeynep Gürhan-Canli, Migros Professor of Marketing, Koç University

Dissertation Advisor: Vanitha Swaminathan, Associate Professor, Marketing

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# **THREE ESSAYS EXAMINING THE VARIOUS IDENTITY EXPRESSIVE FUNCTIONS OF BRANDS**

Sara Loughran Dommer, PhD

University of Pittsburgh, 2012

Previous research has shown that consumers' use of identity expressive brands serves a variety of purposes – belongingness, enhanced self-concept, coping, etc. This dissertation builds on this stream of research in three important ways. First, I contribute to the discussion of why consumers use brands to express identity by identifying two motivations that have been overlooked in the literature: differentiation and reducing self-discrepancy. Secondly, in addition to addressing why consumers use brands as vehicles of identity expression, this dissertation also looks at who prefers identity-expressive brands and circumstances under which they are more likely to prefer such brands. I examine the roles of gender, self-esteem, individuals' need to belong, and self-discrepancy, as well as various circumstantial factors such as social exclusion, social inclusion, and self-threat in affecting preference for identity expressive brands. Finally, this dissertation also examines the implications of identity-expressive brands in areas of consumer behavior outside of the literature on brands and consumer-brand relationships. Specifically, I argue that the identity associations of goods will moderate the endowment effect. In line with the ownership account for the endowment effect, I propose that owning a good leads to a psychological association with the good and that identity associations can strengthen or weaken this possession-self link and subsequently moderate the valuations owners place on such goods. Thus, I extend the discussion of brands and products as identity-expressive vehicles

beyond the questions of who, why, and when to further understand the much larger implications of such findings.

This dissertation is comprised of three essays which examine differentiation and self-discrepancy as motivators of consumers' use of brands to express identity (Essays 2 and 3), individual differences and circumstantial factors as moderators of such effects (Essays 1, 2, and 3), and the larger implications of the use of brands as vehicles of identity expression (Essay 1). I conclude with a discussion of implications of my findings and suggestions for future research.

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## 1.0 INTRODUCTION

The things we own and the brands we purchase have long been argued to be reflections of our selves (Belk 1988). A vast amount of research has confirmed that consumers use products in a symbolic way to narrate their identities (Kleine, Kleine, and Allen 1995; Levy 1959; McCracken 1989; Reed 2004), and that brand names also enable consumers to express their self-identities (Escalas and Bettman 2003; Fournier 1994). Marketers often link aspects of brands with a target consumer's identity to influence consumer preferences. For example, a beverage like Pepsi may attempt to position itself as the beverage of choice for those who want to project a youthful identity, while an environmentally-friendly car like Toyota Prius may try appeal to those who view themselves as environmentalists. Such brand-identity linkages not only provide competitive advantage, but also likely result in identity-based judgments, which are especially resistant to change (Bolton and Reed 2004).

Past research has shown that consumers react positively when there is a perceived congruency between their own identity and the brand's identity (Dolich 1969; Landon 1974; Fournier 1994; Reed 2004). Recent research, however, has shifted from demonstrating the importance of "fit" between consumers' identities and brand identities to evolving a deeper understanding of why consumers use brands to express their identity.

This quest to understand motivational underpinnings for the symbolic role of brands has yielded important insights. For instance, Escalas and Bettman (2003, 2005) suggest that brands



consistent with one's in-group enhance self-brand connections. Further, Escalas and Bettman (2005) argue that due to stronger self-differentiation goals of independent consumers, brands that are consistent with an out-group have a greater negative impact on independent (versus interdependent) consumers. Consumers also use brands to strengthen their belongingness to social groups (Escalas and Bettman 2005; Reed 2004; Swaminathan, Page, and Gürhan-Canli 2007) or to cope with interpersonal rejection and social exclusion (Loveland, Smeesters, and Mandel 2010; Mead et al. 2011). The broader implication of the above research is that consumers' goals and motivations with regard to their social world or their relationships can play an important role in their desire to use brands for identity expression (Reed 2004).

Researchers have also shown that brands and possessions can function as coping mechanisms. Emotional meanings tied to goods can help individuals cope with disruptive life events (Bonsu and Belk 2003; Gentry et al. 1995; Mehta and Belk 1991). People cling to possessions as a means of buffering against anxiety regarding both mortality (Rindfleisch, Burroughs, and Wong 2009) and the loss of a loved one (Bonsu and Belk 2003). Brands also help consumers restore confidence in a shaken self-view and assimilate with successful others (Gao, Wheeler, and Shiv 2009; Mandel, Petrova, and Cialdini 2006). Furthermore, brand and product evaluations and choices are often motivated by consumers' desire to protect and maintain feelings of individual self-worth (White and Argo 2009).

Taken together, previous research has shown that using brands to express identities serves a variety of purposes – belongingness, enhanced self-concept, coping, etc. This dissertation builds on this stream of research in three important ways. First, I contribute to the discussion of why consumers use brands to express identity by identifying two additional motivations: differentiation and reducing self-discrepancy. While there is a lot of research

suggesting that consumers are motivated to use brands to blend in to their social surroundings, relatively less attention has been devoted to understanding when, why, and which consumers use brands to stand out from the social or reference group. This is despite the fact that need for uniqueness can drive product purchases and that marketers often position brands as vehicles of self-differentiation (Tian, Bearden, and Hunter 2001). Furthermore, while it has long been proposed that in addition to making purchases to express who they are, consumers also make purchases to express who they want to be, to date little evidence has supported this proposition that consumers use products and brands to express their ideal selves (Dolich 1969; Landon 1974). Consumers' self-discrepancy, or the extent to which their actual self differs from their ideal self, likely motivates brand preferences in favor of brands that express one's ideal self or identity.

Secondly, in addition to addressing why consumers use brands as vehicles of identity expression, this dissertation also looks at who uses identity-expressive brands and when do they do it. I examine the roles of gender, self-esteem, individuals' need to belong and self-discrepancy, as well as various circumstantial factors such as social exclusion, social inclusion, and self-threat. Understanding not only why consumers use brands to express their identities, but also when and which consumers do so have important implications for marketers.

Finally, this dissertation also examines the implications of identity-expressive brands in other areas of consumer behavior and psychology outside of the literature on brands and consumer-brand relationships. Specifically, I argue that the identity associations of goods will moderate the endowment effect. In line with the ownership account for the endowment effect (Morewedge et al. 2009), I propose that owning a good leads to a psychological association with the good and that identity associations can strengthen or weaken this possession-self link and

subsequently moderate the valuations owners place on such goods. Thus, I extend the discussion of brands and products as identity-expressive vehicles beyond the questions of who, why, and when to further understand the much larger implications of such findings.

It is worth noting that the majority of research looking at identity-expressive brands has focused on social identity, making a distinction between in-group and out-group brands (Escalas and Bettman 2005; Reed 2004; White and Argo 2009; White and Dahl 2007). One's identity, however, is constructed of various dimensions beyond simple social connections (Brewer and Gardner 1996). Thus, I use "identity" as a general term, encompassing social identity, as well as individual identities, which may be ideal, differentiating, etc.

This dissertation is comprised of three essays which examine differentiation and self-discrepancy as motivators of consumers' use of brands to express identity (Essays 2 and 3), individual differences and circumstantial factors as moderators of such effects (Essays 1, 2, and 3), and the larger implications of the use of brands as vehicles of identity expression (Essay 1). I conclude with a discussion of implications of my findings and suggest avenues for future research.

## **1.1 SYNOPSIS OF ESSAY 1**

Many studies have shown that the valuations of a good from those randomly assigned to receive it (i.e., sellers "endowed" with the good) exceed the valuations of the good from those randomly assigned not to receive it (i.e., buyers; Kahneman, Knetsch, and Thaler 1990, 1991; Knetsch 1989; Knetsch and Sinden 1984; Thaler 1980; Van Boven, Dunning, and Loewenstein 2000).

Thaler (1980) called this increase in valuation of a good when the good becomes part of one's endowment the "endowment effect."

Traditionally, the difference in buying and selling prices has been explained with loss aversion (Kahneman and Tversky 1979; Thaler 1980). This "loss aversion account" suggests that possession of a good does not affect its attractiveness or appeal, but rather simply the pain associated with giving it up (Kahneman et al. 1991). The loss aversion argument is simply that sellers are averse to losing a possession and thus increase their valuations to avoid doing so.

More recently, however, researchers have begun to argue for an "ownership account," which contends that ownership indeed affects the appeal of a good because owning an item creates an association between the item and the self. Because of the intrinsic tendency to enhance one's self, this "possession-self link" resulting from ownership subsequently boosts the possession's perceived value (Gawronski, Bodenhausen, and Becker 2007).

This essay posits that if ownership accounts for valuation gaps between sellers and buyers, varying the possession-self link will have an impact on the magnitude of the endowment effect. Research on self-threat suggests that people increase the value of their possessions as a way to indirectly enhance their self (Beggan 1992; Pettit and Sivanathan 2011; Sivanathan and Pettit 2010). Identity theory also implies that by linking a good to an in-group or an out-group, people can modify the possession-self link (Escalas and Bettman 2005; Reed 2004). Therefore, I investigate whether social self-threat and the social identity associations of a good moderate the endowment effect, as well as whether gender differences affect valuations of identity-linked goods.

To garner support for the ownership account, four studies in this essay examine whether identity associations of a good, gender, and self-threat moderate the valuation disparities within

an endowment effect context. The results are consistent with the ownership explanation for the endowment effect.

## **1.2 SYNOPSIS OF ESSAY 2**

Brand names enable consumers to express their self-identities in various ways (Fournier 1994; Swaminathan et al. 2007). According to symbolic self-completion theory, individuals use material possessions to communicate aspects of the self, particularly when they feel insecure in such aspects (Braun and Wicklund 1989). Consumers have been known use brands to strengthen their belongingness to social groups (Escalas and Bettman 2005; Reed 2004; Swaminathan et al. 2007) or to cope with interpersonal rejection and social exclusion (Loveland, et al. 2010). While majority of past research focuses on social exclusion as a key factor that motivates consumers to use brands, recent research has shifted the focus away from belongingness to understanding how brands can also help consumers achieve distinctiveness (Chan, Berger and van Boven 2012).

This essay suggests that there are two primary ways in which individuals can differentiate themselves from others within their reference group: horizontal and vertical differentiation (Tafarodi, Marshall, and Katsura 2004). Horizontal differentiation implies achieving distinction by going against the norms of the reference group and distancing oneself from it. Individuals can achieve vertical differentiation by being better (or superior) to others in a reference group. I theorize that need for belongingness and self-esteem will interact to influence preference for horizontal and vertical differentiation via brands.

The results from a pilot study and four additional studies provide strong support for the hypotheses. Consumers with high self-esteem who have a low level of belongingness preferred

brands that were consistent with their in-group (studies 1-3). Individuals with low self-esteem, however, were more likely to seek brands to differentiate themselves—both under conditions where belongingness goals were satiated (inclusion) as well as when they were threatened (exclusion). Low self-esteem individuals preferred horizontal brands, when need for belongingness was high (studies 1-3). Furthermore, evidence suggests that their preference for horizontal brands is likely a manifestation of a decrease in identity salience (study 3). When low self-esteem individuals had high levels of belongingness, however, they sought out vertical differentiation through preference for vertical brands (studies 1, 2, and 4).

### **1.3 SYNOPSIS OF ESSAY 3**

Consumers use products and brands in a symbolic way to narrate and express their identities (Escalas and Bettman 2005). An individual's self-concept, however, consists of various domains, including the actual self, which constitutes the attributes an individual believes herself to actually possess, and the ideal self, which constitutes the attributes she would ideally like to possess (Higgins 1987). The extent to which each domain of self (actual versus ideal) drives brand preference has been the subject of considerable research (Birdwell 1968; Dolich 1969; Landon 1974; Malär et al. 2011). Evidence for when ideal self-congruency might drive brand preference, however, has been rather equivocal (Landon 1974; Malär et al. 2011),

This essay suggests that ideal self-congruency may drive consumption choices when individuals have high self-discrepancy (i.e., feel far from their ideal selves), but the avenues through which they prefer ideal self-congruency vary by gender. Women, whose ideal selves revolve around relationships (Josephs, Markus, and Tafarodi 1992), should be more likely than

men to seek ideal self-congruency in their social relationships. Men, on the other hand, should look towards more individual and independent avenues (Josephs et al. 1992; Markus and Kitayama 1991), such as brands, to reduce their self-discrepancies. I predict, therefore, that men (women) high in self-discrepancy will report more brand (social) relationships that match their ideal visions of themselves compared to men (women) low in self-discrepancy and women (men) in general. I also examine if consumers engage in unhealthy behaviors, such as self-deception to reduce self-discrepancy.

I both measured and manipulated self-discrepancy across four studies to test my predictions. In study 1a (1b), self-discrepancy was measured (manipulated) to examine whether men with high self-discrepancy report having more brand relationships with brands that they consider to be consistent with their ideal selves. In study 2, I measured self-discrepancy to see if women with high self-discrepancy belong to more social groups that are representative of their ideal selves. Study 3 focused on a particular self (one's American self) and manipulated self-discrepancy through the difficulty of a quiz about American history and government. Participants then interacted with an American brand to see whether such interaction reduced their American self-discrepancy. In study 4, undergraduate students' business school self-discrepancies were measured to test its effect on the students' likelihoods of exploiting opportunities to cheat on a quiz. I also examined whether this self-deception successfully reduced their self-discrepancy.

## **2.0 ESSAY 1: EXPLAINING THE ENDOWMENT EFFECT THROUGH OWNERSHIP: THE ROLE OF IDENTITY, GENDER, AND SELF-THREAT**

The price people are willing to pay for a particular good is often significantly less than the price they are willing to accept to give up the same good (Kahneman et al. 1990, 1991). Many studies have shown that the valuations of a good from those randomly assigned to receive it (i.e., sellers “endowed” with the good) exceed the valuations of the good from those randomly assigned not to receive it (i.e., buyers; Kahneman et al. 1990, 1991; Knetsch 1989; Knetsch and Sinden 1984; Thaler 1980; Van Boven et al. 2000). Thaler (1980) called this increase in valuation of a good when the good becomes part of one’s endowment the “endowment effect.” The key difference between buyers and sellers is the possession of a good; sellers have a good in their possession, while buyers do not. A question that has yet to be answered fully, however, is when and why possession of a good contributes to disparities in valuations between sellers and buyers.

Traditionally, possession has been thought to matter because it causes selling to feel like a loss (Kahneman and Tversky 1979; Thaler 1980). This “loss aversion account” suggests that a good is evaluated as a loss when it is given up and as a gain when it is acquired, and because losses loom larger than gains, sellers expect to suffer more than buyers expect to benefit. As a result, sellers demand more compensation than buyers are willing to provide, resulting in higher selling prices than buying prices for an identical good. Theorists have argued that possession of a good does not affect its attractiveness or appeal, but rather simply the pain associated with giving



it up (Kahneman et al. 1991). Their argument is simply that sellers are averse to losing a possession and thus increase their valuations to avoid doing so.

More recently, however, researchers have begun to challenge this traditional view. The “ownership account” argues that ownership indeed affects the appeal of a good. Morewedge et al. (2009) find evidence that buyers and sellers have similar valuations of a good when buyers already own an identical good. They argue that this result occurs “in part because people are motivated to justify their choices, and in part because owning an item creates an association between the item and the self” (Morewedge et al. 2009, 948). Because of the intrinsic tendency to enhance one’s self, this “possession–self link” resulting from ownership subsequently boosts the possession’s perceived value (Aggarwal 2004; Aggarwal and Law 2005; Belk 1988; Gawronski et al. 2007; Kleine, Kleine, and Kernan 1993). In other words, people like things more when they own them than when they do not, and therefore ownership affects the appeal of a good. Consistent with this self-enhancement view, Maddux et al. (2010) demonstrate that the endowment effect is stronger in Western cultures, in which self-enhancement tendencies are greater, than in Eastern cultures, in which self-enhancement goals are less salient.

The current research posits that if ownership accounts for valuation gaps between sellers and buyers, varying the possession–self link will have an impact on the magnitude of the endowment effect. Research on self-threat suggests that people increase the value of their possessions as a way to indirectly enhance their self (Beggan 1992; Pettit and Sivanathan 2011; Sivanathan and Pettit 2010). Identity theory also implies that by linking a good to an in-group or an out-group, people can modify the possession–self link (Escalas and Bettman 2005; Reed 2004). Therefore, I investigate whether social self-threat and the social identity associations of a

good moderate the endowment effect, as well as whether gender differences affect valuations of identity-linked goods.

In summary, the contributions of this research are threefold. First, these findings add to a growing stream of research on the role of ownership in explaining the endowment effect (Morewedge et al. 2009), calling into question the loss aversion explanation that has traditionally dominated understanding of the discrepancies in buyer and seller valuations. Second, I contribute to gender and social identity theory in consumer behavior (Escalas and Bettman 2005; He, Inman, and Mittal 2008; Reed 2004; Winterich, Mittal, and Ross 2009) by demonstrating that women are less likely to attend to differences with out-groups, unless intergroup comparisons are made salient. Third, I add social identity and gender to the set of endowment effect moderators that have previously been proposed, including relationship norm salience (Aggarwal and Zhang 2006), transaction features (Carmon and Ariely 2000), emotional attachment (Ariely, Huber, and Wertenbroch 2005), specific emotions (Lerner, Small, and Loewenstein 2004), and attributes of the good (Brenner et al. 2007). I test the hypotheses across four studies.

## **2.1 THEORY AND HYPOTHESES**

The ownership account for the endowment effect suggests that owning a good creates an association between the item and the self and that this possession–self link increases the value of the good (Maddux et al. 2010; Morewedge et al. 2009). As noted previously, variables that theoretically should increase (decrease) the possession–self link should, according to the ownership account, also increase (decrease) the price sellers are willing to accept for a good, thus moderating the endowment effect. Next, I outline arguments for why a social self-threat provides

an impetus for driving up sellers' valuations of goods. Following that, I develop arguments for why social identity and gender moderate the endowment effect.

### **2.1.1 Social self-threat**

Extensive literature documents that people look for ways to enhance their self following a threat to their self-concept (Argo, White, and Dahl 2006; Campbell and Sedikides 1999; Collange, Fiske, and Sanitioso 2009; Frey and Stahlberg 1986; Gao et al. 2009; Jordan and Monin 2008; Park and Maner 2009; Sivanathan and Pettit 2010). Given the intimate connection between the self and possessions (Belk 1988), it follows to reason that people will attempt to increase the value of their possessions as a way to indirectly enhance their self (Beggan 1992; Pettit and Sivanathan 2011; Sivanathan and Pettit 2010). For example, Beggan (1991) demonstrates that people attribute characteristics to their possessions that they feel they themselves lack. This argument is consistent with prior research showing that products can be used to restore self-views (Gao et al. 2009; Pettit and Sivanathan 2011; Sivanathan and Pettit 2010) and to cope with existential self-threats (Kasser and Sheldon 2000; Rindfleisch et al. 2008). Thus, following a self-threat, when self-enhancement tendencies are greater, people can use possessions to affirm their self, and endowment effects are likely to be exaggerated (Beggan 1992; Maddux et al. 2010).

I argue that a threat to a person's social self is especially damaging and results in self-enhancement through possessions. The sociometer hypothesis proposes that humans are driven to maintain a stable level of belongingness (Leary et al. 1995). If they detect evidence of social rejection, they experience lower levels of belongingness and subsequently lower levels of self-

esteem, which in turn lead to attempts to restore feelings of self-worth (Gardner et al. 2005; Loveland et al. 2010; Mead et al. 2010; Pickett, Gardner, and Knowles 2004).

Taken together, the literature on self-threat and social belongingness suggests that when a person's social self is threatened, a way to enhance the self is to increase the valuation of his or her possessions. I expect this increase in valuation to hold only under selling conditions, not under buying conditions. Consistent with the ownership account, objects in a person's possession become connected with the self (Gawronski et al. 2007; Morewedge et al. 2009), and this possession–self link is less pronounced in buying conditions in which the person is required to consider the costs of the purchase. This argument is in line with recent work by Pettit and Sivanathan (2011), who show that buying prices for luxury goods typically remain unchanged following a self-threat, when people are forced to consider the psychological cost of the expenditure involved.

In other words, in support of the ownership account, if a possession can enhance the self, I would expect a social self-threat to increase the possession–self link; this should subsequently drive up the value of a person's possessions (i.e., selling or willingness to accept [WTA] prices) but have no effect on the value of things outside one's possession (i.e., buying or willingness to pay [WTP] prices). Therefore, I posit the following hypothesis and test it with the first study.

H1: Participants in the social self-threat condition will demand a higher selling price than participants in the control condition ( $WTA_{\text{social self-threat}} > WTA_{\text{control}}$ ), but no difference will emerge in buying prices across the two conditions ( $WTA_{\text{social self-threat}} = WTA_{\text{control}}$ ).

### **2.1.2 Social identity nature of the good**

Tajfel and Turner (1979, 1985) introduced social identity, or the portion of a person's self-concept derived from his or her membership in relevant social groups, to explain intergroup behavior, such as prejudice, stereotyping, and discrimination. According to Tajfel and Turner, people prefer the groups to which they belong (in-groups) to groups to which they do not (out-groups)—a preference they call “in-group bias.” Favoritism toward the in-group elicits many positive effects, including an increase in self-esteem (Luhtanen and Crocker 1991; Oakes and Turner 1980). In this way, membership in various social groups becomes an integral part of the self-concept and contributes to people's social identity (Brewer 1991).

Building on social identity theory, consumer behavior research demonstrates that product preferences are often based on the social identity associations inherent in a good (Escalas and Bettman 2005; Ferraro, Escalas, and Bettman 2011; White and Dahl 2007). For example, Escalas and Bettman (2005) find that brands consistent with an in-group enhance self-brand connections for all consumers, while brands consistent with an out-group have stronger negative effects on independent versus interdependent consumers. Research also suggests that people consume goods both to reaffirm their social identities and to communicate their social identities to others (Belk, Bahn, and Mayer 1982; Escalas and Bettman 2005; Ferraro et al. 2011; Kleine et al. 1993; Kleine et al. 1995; Reed 2004; Richins 1994). In this vein, White and Dahl (2007) argue that products linked to dissociative reference groups can result in negative self-brand connections, product evaluations, and choice, particularly when self-presentation concerns are relevant.

These findings suggest that products become imbued with meanings derived from the social identities they symbolize. In other words, social identity theory suggests that in-group goods (e.g., a mug with the logo of one's university) and out-group goods (e.g., a mug with the

logo of a rival university) vary in their possession–self link. I compare the results for identity-linked goods with control conditions involving plain goods, without identity associations. If, as the ownership account would suggest, the possession–self link is contributing to the endowment effect, sellers should value in-group goods (with high possession–self links) more, thus exacerbating the endowment effect. Similarly, sellers should value out-group goods (with low possession–self links) less, thus eliminating the endowment effect.

The effect of social identity associations on the possession–self link should be especially prevalent following a social self-threat. Symbolic self-completion theory (Wicklund and Gollwitzer 1981) posits that people use material possessions and other indicators to communicate aspects of the self, particularly when they feel insecure in such aspects (Braun and Wicklund 1989). A good linked to a person’s social relationships, therefore, should be especially helpful in restoring his or her social self. Furthermore, as previously argued, a social self-threat increases the connection between the possession and the self as a person strives to restore his or her self. Following a social self-threat, therefore, people should adopt mundane possessions (without identity associations) as part of their identity. When an item already reflects a person’s identity (i.e., an in-group good), the possession–self link should be further enhanced, whereas a good that opposes a person’s identity (i.e., an out-group good) should weaken the possession–self link.

### **2.1.3 Gender**

There is reason to believe, however, that the downward pressure on selling prices by out-group identity associations varies by gender. Research has long argued that men and women differ in their conceptions of the self. Men are more likely than women to have what is called an individualist, independent, or agentic self schema (Markus and Kitayama 1991). Men’s

conception of the self comes from striving for power and differentiation from others (Bakan 1966; Carlson 1971; Josephs et al. 1992; Wiggins 1991). In contrast, women have a communal self-schema, which is less focused on differentiation and more focused on forming connections with others (Bakan 1966; Carlson 1971; Markus and Kitayama 1991).

Many terms have been used to classify this difference in self-conceptualization between men and women. The most common are self-construal (Cross and Madson 1991; Markus and Kitayama 1991) and agency–communion (Bakan 1966; Carlson 1971). While much research has examined these gender differences, less discussion has been devoted to how self-construal and agency–communion differ. Both definitions rely on perceptions of separateness from others. According to Bakan’s (1966, 15) definition of agency and communion, “agency manifests itself in the formation of separations; communion in the lack of separations.” Markus and Kitayama (1991, 226) also use the idea of separation when they define self-construal as people’s beliefs “about the relationship between the self and *others* and, especially, the degree to which they see themselves as *separate* from others or as *connected* with others.” Thus, on the surface, self-construal and agency–communion seem indistinct. The traditional focus of self-construal theory, however, is on a desire for relationships, leading some to question whether gender differences in self-construal actually exist (Baumeister and Sommer 1997). Conversely, agency–communion is not about wanting or not wanting relationships, but rather perceptions of individual distinctiveness (Carlson 1971). Whereas the line between the self and others is blurred for communal individuals, agentic individuals perceive themselves as clearly unique and distinct from others.

Although both men and women may desire relationships, they seem to desire them for very different reasons and act differently in relationships. Zarbatany, Conley, and Pepper (2004)

show that men are more likely to use friendships to enhance their social prominence. Not surprisingly, in same-sex friendships, men typically exhibit agentic behaviors, while women exhibit more communal behaviors (Suh et al. 2004). In consumer behavior literature, gender differences in agency–communion have been shown to influence how men and women respond to charitable donations, advertising, financial and risky decision making, and social influences while shopping (Byrnes, Miller, and Schafer 1999; He et al. 2008; Kurt, Inman, and Argo 2011; Meyers-Levy 1988; Winterich et al. 2009). For example, Winterich et al. (2009) provide evidence that the communal orientation of women makes them more likely to incorporate out-groups into their conceptions of the self. Thus, within a charitable donation context, women with high moral identity are more favorably disposed to an out-group than men.

As I stated previously, the possession–self link is weaker for objects associated with one’s out-group. Agency–communion theory suggests that gender moderates this effect. If men perceive themselves as distinct and different from others, out-group distinctions are likely to be significant for them. Out-group differentiation can serve their needs for uniqueness and separation (Brewer 1991). Thus, the possession–self link is likely reduced by out-group associations for men. In contrast, women are less likely to classify themselves as separate from others. The line between themselves and others is blurred. Therefore, their possession–self link may be less affected by out-group associations. In other words, the communal nature of women makes them less likely to perceive distinctions between self and others, which should also make them less likely to classify an out-group good as being “not me.”

For these reasons, while I expect selling prices to be lower for out-group goods than for goods without identity associations among men, I do not expect the same pattern for women. Formally, I predict that under a social self-threat, men will have low selling prices for an out-



group good, thus eliminating the difference between selling prices and buying prices and, consequently, the endowment effect. In contrast, women will show no such out-group derogation and thus continue to exhibit the endowment effect for an out-group good.

H2: Under a social self-threat, (a) men will exhibit no difference in selling prices and buying prices of an out-group good ( $WTA_{\text{out-group}} = WTP_{\text{out-group}}$ ), thus eliminating the endowment effect, while (b) women will demand higher selling prices than buying prices of an out-group good ( $WTA_{\text{out-group}} > WTP_{\text{out-group}}$ ), thus demonstrating the standard endowment effect.

In addition, I suggest that this pattern of results is driven by the social identity associations of a good. Therefore, I expect that a contrast between social identity-linked goods and a plain good (with no identity associations) will be significant. Specifically, men's possession-self links will be weaker for out-group goods than for plain goods, resulting in lower selling prices of an out-group good than a plain good for men (but not women).

H3: Under a social self-threat, compared with a plain good, (a) men will demand significantly lower selling prices of an out-group good ( $WTA_{\text{out-group}} < WTA_{\text{plain}}$ ), while (b) women will exhibit no difference in selling prices ( $WTA_{\text{out-group}} = WTA_{\text{plain}}$ ).

I do not expect gender differences, however, to affect the selling prices of in-group goods. Rather, I believe that the possession-self link will be strengthened by the in-group associations for both men and women. Thus, in support of the ownership account for the endowment effect, I expect that both men and women will demonstrate exaggerated endowment effects for in-group goods.

H4: Under a social self-threat: (a) men and (b) women will demand higher selling prices than buying prices of an in-group good ( $WTA_{in-group} > WTP_{in-group}$ ), thus demonstrating the standard endowment effect.

In addition, because of a strengthened possession–self link, I expect that selling prices of an in-group good will be greater than selling prices of a plain good for both men and women.

H5: Under a social self-threat, compared with a plain good, (a) men and (b) women will demand significantly higher selling prices of an in-group good ( $WTA_{in-group} > WTA_{plain}$ ).

I test the hypotheses across four studies. In study 1, I test hypothesis 1 by examining the moderating effect of social self-threat on the endowment effect. In study 2, I show evidence that the social identity associations affect the strength of the possession–self link and find support for hypotheses 2–5. In study 3, I find that making intergroup comparisons salient to women leads them to lower their selling prices for out-group goods, thus providing additional evidence of the processes governing gender differences in the valuation of out-group possessions. Finally, in study 4, I use a different experimental paradigm with motivation to exchange a good as the dependent measure (instead of price valuations) and find similar effects. Study 4 also provides evidence for the role of agency–communion in explaining the gender differences within the context of out-group possession valuation.

## 2.2 STUDY 1

In study 1, I tested the hypothesis that a social self-threat would moderate the endowment effect (hypothesis 1). Specifically, I expected that a social self-threat would increase selling prices but not buying prices within an endowment effect context.

### 2.2.1 Method and procedure

The study was a  $2 \times 2$  design with social self-threat (yes, no) and role (seller, buyer) as manipulated between-subjects factors. Fifty-five undergraduate students (58% females; 42% males) were randomly assigned to the four conditions based on social self-threat and role. The study consisted of two parts: the social self-threat manipulation or control task and an endowment effect experiment. In this study, as well as all the other studies, I disassociated the two parts by presenting the study as two separate studies, with the social self-threat manipulation or control task presented as a “life events survey” and the endowment effect experiment presented as a “product evaluation study.”

#### 2.2.1.1 Social self-threat manipulation

I manipulated social self-threat through a variation of the priming procedure that Bartz and Lydon (2004) use. I asked respondents to imagine a previous relationship in which they felt unloved and rejected and further encouraged them to think about how they felt being in this relationship, to imagine conversations and interactions with this person, and so forth. Then they wrote about their thoughts and feelings regarding themselves in relation to this person. Interpersonal rejection is a powerful threat to a person’s social self and results in a negative view

of self (Shaver and Hazan 1988). Appendix A contains the social self-threat description and instructions.

I ran a pretest to ensure that the manipulation resulted in a negative view of self (i.e., successfully manipulated self-threat). Participants ( $n = 46$ ) were either given the social self-threat manipulation or asked to write about activities they engage in on an average day (control condition). I measured participants' general views of self by averaging their agreement with two measures on a seven-point scale (1 = "extremely negative" and 7 = "extremely positive"): "What is your opinion of yourself at this point in time?" and "How do you view yourself at this point in time?" ( $r = .60$ ). I also measured participants' state self-esteem on social, performance, and appearance dimensions using Heatherton and Polivy's (1991) scale ( $\alpha_{\text{social}} = .86$ ,  $\alpha_{\text{performance}} = .80$ ,  $\alpha_{\text{appearance}} = .87$ ). Participants in the social self-threat condition reported lower general self-views than those in the control condition ( $M_{\text{control}} = 5.15$  vs.  $M_{\text{self-threat}} = 4.40$ ;  $F(1, 44) = 4.18$ ,  $p < .05$ ). Participants in the social self-threat condition also reported lower social state self-esteem than those in the control condition ( $M_{\text{control}} = 3.54$  vs.  $M_{\text{self-threat}} = 3.06$ ;  $F(1, 44) = 4.08$ ,  $p < .05$ ). No difference occurred in either performance or appearance state self-esteem among the two groups ( $ps > .10$ ).

Do men and women respond differently to a social self-threat? After all, if women are more communal in nature, perhaps a social self-threat is more threatening to them. A desire to connect with others is a fundamental human motivation, however, and research shows that men also desire relationships with others (Baumeister and Sommer 1997; Gabriel and Gardner 1999). Given this, men and women should respond similarly in terms of both physiological and psychological reactions to a social self-threat (Gruenewald et al. 2004). I checked for gender differences in the manipulation check measures, but neither gender's main effect nor its

interaction effect had a significant impact. This finding suggests that the social self-threat manipulation successfully lowered participants' view of self, both generally and with respect to their social self, and that the manipulation was equally effective for men and women.

### **2.2.1.2 Endowment effect experiment**

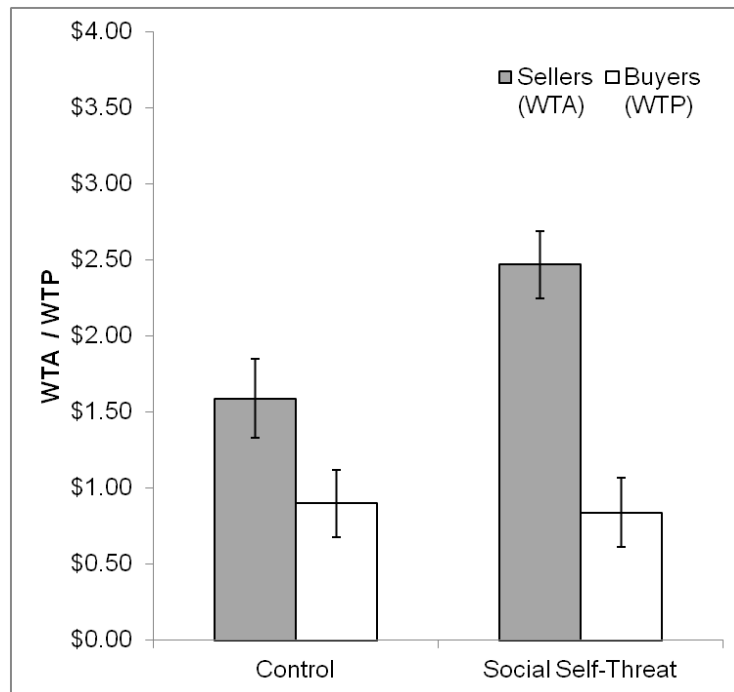
Following the social self-threat manipulation, respondents participated in a typical endowment effect experiment (Kahneman et al. 1990) in which they assumed the roles of buyers and sellers of a plain, nondescript ballpoint pen. Participants in the seller (endowed) condition received a pen at the beginning of the study and were told that it was theirs to keep in appreciation for completing the study. After completing the social self-threat manipulation, these “sellers” indicated whether they would prefer to keep the pen or exchange it for a cash amount. They made this decision for each of 40 prices, ranging from \$0.25 to \$10.00 (in \$0.25 increments). Participants in the buyer (nonendowed) condition saw the pen following the social self-threat manipulation and then chose whether to receive the pen or the cash amount for each of the 40 prices.

### **2.2.2 Results and discussion**

I analyzed the data with price as the dependent variable and social self-threat, role, and their interactions as independent variables. The overall model was significant ( $F(3, 51) = 11.49, p < .0001$ ). The main effect of role was significant ( $F(1, 51) = 24.59, p < .0001$ ), and the main effect of social self-threat was marginally significant ( $F(1, 51) = 3.04, p < .09$ ). As expected, the interaction between social self-threat and role was significant ( $F(1, 51) = 4.01, p = .05$ ). I also

included gender as a factor in the model, but its effect was not significant so I removed it for parsimony.

In the control condition, the endowment effect was present, with sellers stating higher prices than buyers ( $M_{\text{seller}} = \$1.59$  vs.  $M_{\text{buyer}} = \$0.90$ ;  $F(1, 51) = 4.10, p < .05$ ). The endowment effect was also present in the social self-threat condition ( $M_{\text{seller}} = \$2.47$  vs.  $M_{\text{buyer}} = \$0.84$ ;  $F(1, 51) = 25.95, p < .0001$ ). As expected, and in support of hypothesis 1, a social self-threat increased selling prices ( $F(1, 51) = 6.59, p < .05$ ) but had no effect on buying prices ( $F(1, 51) = .04, \text{NS}$ ). Figure 1 presents the least squares means for each condition.



**Figure 1.** Mean Selling (WTA) and Buying (WTP) Prices across Control and Social Self-Threat Conditions

This pattern of findings supports the hypothesis that social self-threat moderates the endowment effect by increasing selling prices. If a possession can enhance the self (Beggan 1992; Sivanathan and Pettit 2010), a social self-threat should increase the possession–self link and subsequently drive up the value of possessions. Thus, the ownership account for the endowment effect would predict that a social self-threat increases selling prices and thus

moderates the endowment effect. The findings, therefore, show support for the ownership account for the endowment effect.

This study provides initial evidence on the possession–self link. I find that when people experience a social self-threat, even a good without identity associations can become linked to the self. Therefore, those endowed with a good increase their valuation of it by virtue of ownership. Consistent with this, a good imbued with social identity associations can greatly strengthen the possession–self link. Study 2 explicitly manipulates the possession–self link by varying identity associations of a good to garner more conclusive evidence of the role of the possession–self link.

### **2.3 STUDY 2**

In study 2, I tested the hypotheses regarding the moderating effects of the social identity nature of the good and gender on the endowment effect. I expected that following a social self-threat, the endowment effect would be greater for in-group goods for both men and women, driven by an increase in the selling prices of in-group goods compared with goods without identity associations. In addition, I expected that following a social self-threat, the endowment effect would be eliminated for out-group goods among men, driven by a decrease in the selling prices of out-group goods compared with plain goods without identity associations. I did not expect this latter pattern of results for women.

### 2.3.1 Design and procedure

The study was a  $3 \times 2 \times 2$  design with object (plain, in-group, out-group) and role (seller, buyer) as the between-subjects manipulated factors and gender as a measured factor. The good was a reusable shopping bag that was plain (i.e., no identity), had the participants' university's logo prominently printed on it (i.e., in-group), or had the rival university's logo printed prominently on it (i.e., out-group). Two hundred fifty-three undergraduate students (58% females; 42% males) were randomly assigned to the six conditions based on object and role. All participants completed the social self-threat manipulation used in study 1.

After completing the social self-threat manipulation, respondents participated in an endowment effect experiment similar to that of study 1. In this study, however, I ensured incentive compatibility by telling respondents that I would randomly select one of their choices (or prices) to determine what they would receive at the end of the experiment (Becker, DeGroot, and Marschak 1964; Kahneman et al. 1991; Lerner et al. 2004). At the end of the study, the experimenter randomly selected one of the prices listed, and the participant received their choice at that price (either the bag or the money).

Participants in the selling condition also completed six items intended to measure possession–self link strength. I adapted the items from Escalas and Bettman's (2005) self-concept connection scale. Participants rated their agreement with the following statements on a seven-point scale: “This tote bag makes me feel connected to others,” “This tote bag is a statement about how I am a part of a group,” “This tote bag reminds me of who I am,” “This tote bag is a part of me,” “This tote bag says a lot about the kind of person I would like to be,” and “This tote bag is a statement of who I want to be.” I averaged the six items together to form an overall measure of possession–self link strength ( $\alpha = .89$ ).



## 2.3.2 Results and discussion

### 2.3.2.1 Manipulation check

I first tested whether the social identity associations of a good successfully manipulated the strength of the possession–self link among sellers. If my theorizing is correct, I would find men to have stronger possession–self links to in-group possessions than to goods without social identity associations and weaker possession–self links to out-group possessions than to goods without social identity associations. Comparing the means across the object conditions supports this expectation. Men had stronger possession–self links to the in-group bag than to the no-identity bag ( $M_{\text{in-group}} = 2.94$  vs.  $M_{\text{plain}} = 2.13$ ;  $F(1, 103) = 6.60$ ,  $p < .05$ ). Their possession–self links to the out-group bag, however, were weaker than to the no-identity bag ( $M_{\text{out-group}} = 1.41$  vs.  $M_{\text{plain}} = 2.13$ ;  $F(1, 103) = 4.76$ ,  $p < .05$ ).

Recall that my prediction was that women would be more connected with the in-group bag; however, I also argued that their communal nature makes them less affected by out-group associations. In other words, I expected no difference in possession–self link strength between the out-group bag and the plain (no-identity) bag. In support of this theorizing, women reported greater possession–self link strength to the in-group bag than to the plain bag ( $M_{\text{in-group}} = 3.56$  vs.  $M_{\text{plain}} = 2.35$ ;  $F(1, 103) = 15.01$ ,  $p < .001$ ) but reported no difference in their possession–self link strength to the out-group bag than to the plain bag ( $M_{\text{out-group}} = 2.14$  vs.  $M_{\text{plain}} = 2.35$ ;  $F(1, 103) = 1.73$ , NS). Thus, the social identity associations of the good successfully manipulated possession–self link strength in the predicted manner.

### 2.3.2.2 Endowment effect results

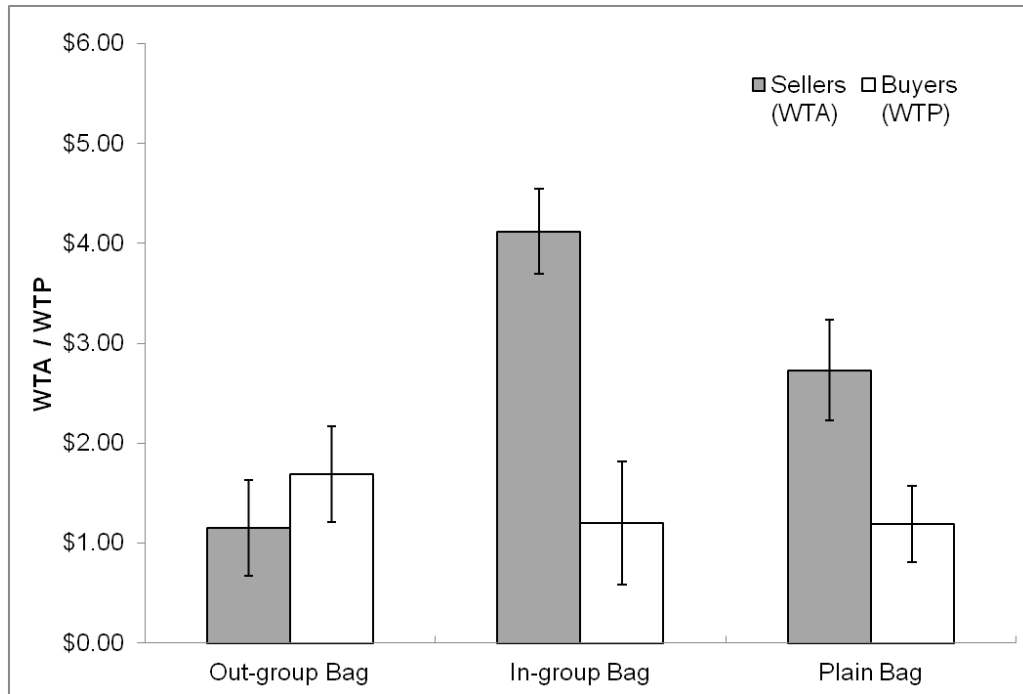
I analyzed the data using an analysis of variance (ANOVA) with price as the dependent measure and object, role, gender, and their interactions as independent variables. The overall model was significant ( $F(11, 241) = 8.95, p < .0001$ ). The main effects of object, role, and gender were all significant (object:  $F(2, 241) = 4.86, p < .01$ ; role:  $F(1, 241) = 42.83, p < .0001$ ; gender:  $F(1, 241) = 19.43, p < .0001$ ). The interaction between object and role was significant ( $F(2, 241) = 5.99, p < .01$ ). The three-way interaction among object, role, and gender was also significant ( $F(2, 241) = 3.07, p < .05$ ). No other effects were significant. I ran simple effects tests for men and women separately; I present these results next.

### 2.3.2.3 Men

Tests for simple effects revealed that the interaction between object and role was significant for men ( $F(2, 241) = 6.10, p < .01$ ). In the out-group condition, the endowment effect was not present for men because there was no difference between buying and selling prices ( $M_{\text{seller}} = \$1.15$  vs.  $M_{\text{buyer}} = \$1.69$ ;  $F(1, 241) = .65, \text{NS}$ ). This pattern of results supports hypothesis 2a. In contrast, the endowment effect was present in the in-group bag condition ( $M_{\text{seller}} = \$4.12$  vs.  $M_{\text{buyer}} = \$1.20$ ;  $F(1, 241) = 14.97, p < .001$ ), in support of hypothesis 4a. The endowment effect was also present in the plain bag condition ( $M_{\text{seller}} = \$2.73$  vs.  $M_{\text{buyer}} = \$1.19$ ;  $F(1, 241) = 5.86, p < .05$ ).

The effect of bag condition was significant among male sellers ( $F(2, 241) = 10.77, p < .0001$ ). Men in the out-group bag condition had significantly lower selling prices than those in the plain bag condition ( $F(1, 241) = 5.20, p < .05$ ). Thus, hypothesis 3a was supported. In support of hypothesis 5a, men in the in-group bag condition demanded significantly higher selling prices than those in the plain bag condition ( $F(1, 241) = 4.36, p < .05$ ). The effect of bag

condition was not significant, however, among male buyers ( $F(2, 241) = .37, NS$ ). Figure 2 presents the means for each condition.

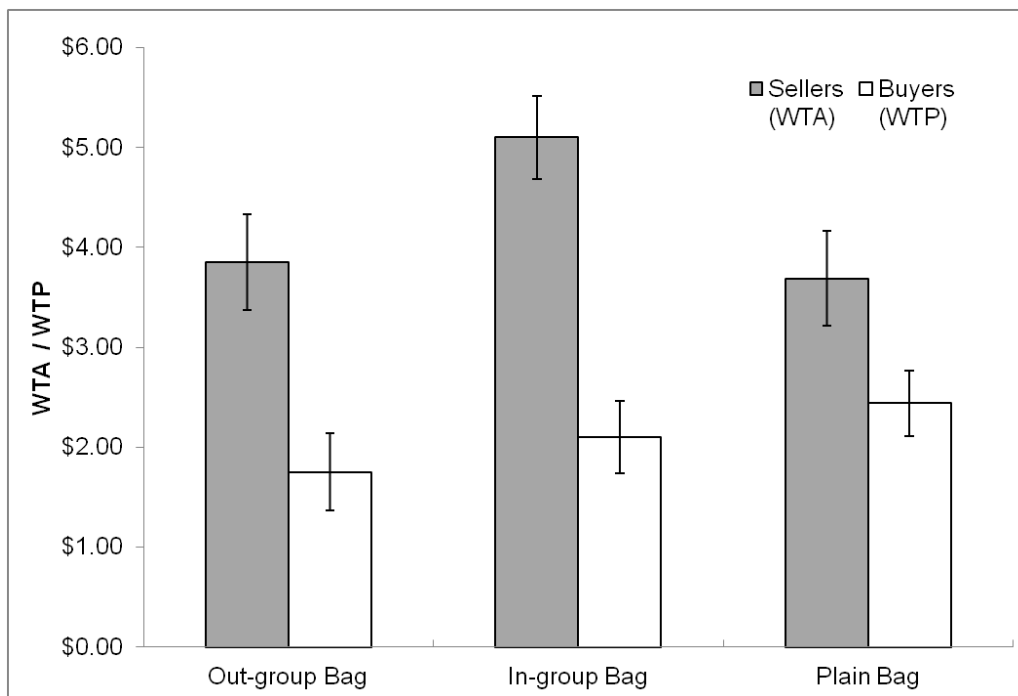


**Figure 2.** Mean Selling (WTA) and Buying (WTP) Prices among Men for Out-Group, In-Group, and Plain Bags under a Social Self-Threat

### 2.3.2.4 Women

The interaction between object and role was only marginally significant for women ( $F(2, 241) = 2.38, p < .10$ ). Unlike men, and in support of hypothesis 2b, women demonstrated the endowment effect for the out-group bag ( $M_{\text{seller}} = \$3.85$  vs.  $M_{\text{buyer}} = \$1.79$ ;  $F(1, 241) = 11.36, p < .001$ ). Like men, and in support of hypothesis 4b, women also demonstrated the endowment effect for the in-group bags ( $M_{\text{seller}} = \$5.10$  vs.  $M_{\text{buyer}} = \$2.10$ ;  $F(1, 241) = 29.18, p < .0001$ ). The endowment effect was also present for the plain bags ( $M_{\text{seller}} = \$3.69$  vs.  $M_{\text{buyer}} = \$2.44$ ;  $F(1, 241) = 4.71, p < .05$ ).

The effect of bag condition was significant among female sellers ( $F(2, 241) = 3.09, p < .05$ ). While no differences occurred in selling prices across the out-group and plain bag conditions ( $F(1, 241) = .06, NS$ ), women in the in-group condition demanded significantly higher selling prices than those in the plain bag condition ( $F(1, 241) = 4.95, p < .05$ ). This pattern of results supports hypotheses 3b and 5b. There was no effect of bag condition, however, among female buyers ( $F(2, 241) = .83, NS$ ). Figure 3 presents the least squares means for each condition.



**Figure 3.** Mean Selling (WTA) and Buying (WTP) Prices among Women for Out-Group, In-Group, and Plain Bags under a Social Self-Threat

The results from study 2 demonstrate that social identity plays a moderating role in the endowment effect by affecting selling prices, thus providing further support for the ownership account. I find that sellers experiencing a social self-threat have higher valuations of in-group goods than of goods without social identity associations, thus exacerbating the endowment effect. Regarding out-group goods, following a social self-threat, in the selling condition men

had lower valuations of such possessions than of goods without social identity associations, while female sellers exhibited no such change in valuations. Therefore, the endowment effect for an out-group good was not present for men but remained for women.

I also find evidence in study 2 that social identity associations affect possession–self link strength, as I expected. The possession–self link strength for the in-group good was the strongest for both men and women, but only men demonstrated a weakened possession–self link for out-group goods. Women had an equal connection with out-group and plain possessions. The ownership account for the endowment effect would suggest that the endowment effect for an out-group good is not eliminated for women because their possession–self link is not altered. In support of this proposition, I find that possession–self link strength and selling prices were correlated ( $r = .24, p < .02$ ). To ensure robustness, I also replicated these findings using a different type of product (i.e., pens). The results were identical to those obtained with tote bags. (Detailed results are not provided here to save space but are available on request.)

The preceding results suggest that out-group identity associations do not have as strong an effect on women as on men. Women’s valuations of out-group goods are consistent with their valuations of goods without social identity associations. I have argued that this is because women’s communal nature blurs the line between the self and others, making women more likely to incorporate out-groups into their conceptions of the self (Winterich et al. 2009). Consistent with this view, Brewer and Chen (2007, 146) argue that “for those whose psychological basis for attraction to their in-group is based on relational connectedness, devotion to the group is less affected by competition with out-groups.” Therefore, women may not be as likely to recognize and comprehend intergroup comparisons as well as men. If this is the primary reason for the gender differences observed, making intergroup comparisons salient across both

men and women should eliminate the differences based on gender. Study 3 incorporates an explicit intergroup comparison condition in which participants receive both in-group and out-group goods simultaneously.

## **2.4 STUDY 3**

The purpose of study 3 was to determine whether women's pattern of valuations in an endowment effect for out-group goods would mimic that of men when intergroup comparisons were salient. Therefore, I modeled study 3 after the work of Nayakankuppam and Mishra (2005). Study 3 was similar to study 2, with one key difference. I added a condition in which participants saw both the in-group and out-group bags next to each other before valuing one or the other. Presumably, seeing the bags next to each other should force women to attend to features they may not automatically attend to, thus increasing the likelihood of intergroup comparison. To establish robustness of the effects, I also used a different manipulation of social self-threat based on an unscrambled sentences task.

### **2.4.1 Design and procedure**

One hundred thirteen undergraduate students took part in the experiment (51% females, 49% males). All participants began by participating in the social self-threat manipulation. They were asked to unscramble a series of sentences, many of which were related to social self fears (e.g., "I often feel alone," "People are often unsupportive"). The remaining sentences were filler sentences (e.g., "Jogging is a good way to exercise").

After the social self-threat manipulation, participants again received tote bags. Some of the participants (the comparison group) saw both the in-group (own university) and the out-group (rival university) tote bags. Other participants (the control group) saw only one of the bags. Participants who saw both tote bags only evaluated one of the bags. Rather than assign participants to buying and selling conditions, in this study, I had them act as both buyers and sellers, imagining themselves in both roles. Research has shown that simply imagining owning an object is sufficient to induce feelings of ownership (Brinbaum et al. 1992; Strahilevitz and Loewenstein 1998). The order of buying and selling prices was counterbalanced. Thus, the design of the experiment was a 2 (role: buyer vs. seller)  $\times$  2 (group: control vs. comparison)  $\times$  2 (object: in-group vs. out-group)  $\times$  2 (gender: male vs. female) design, with group and object as between-subjects factors, role as a within-subject factor, and gender as a measured variable.

## **2.4.2 Results and discussion**

### **2.4.2.1 Manipulation checks**

I pretested the scrambled sentence task ( $n = 58$ ) to ensure that it successfully lowered participants' view of self and social self-esteem. Half the participants completed the scrambled sentence task, and the other half completed a control task in which they wrote about their trip to campus that day. I again measured participants' general view of self by averaging their agreement with two measures on a seven-point scale (1 = "extremely negative" and 7 = "extremely positive"): "What is your opinion of yourself at this point in time?" and "How do you view yourself at this point in time?" ( $r = .95$ ). I also used Heatherton and Polivy's (1991) scale for participants' state self-esteem on social, performance, and appearance dimensions ( $\alpha_{\text{social}} = .91$ ,  $\alpha_{\text{performance}} = .83$ ,  $\alpha_{\text{appearance}} = .90$ ).

I found that the scrambled sentence task significantly lowered overall self-view ( $M_{\text{control}} = 5.66$  vs.  $M_{\text{self-threat}} = 4.61$ ;  $F(1, 56) = 8.87, p < .01$ ). This task also lowered social state self-esteem ( $M_{\text{control}} = 3.50$  vs.  $M_{\text{self-threat}} = 3.02$ ;  $F(1, 56) = 4.13, p < .05$ ) but had no effect on performance or appearance state self-esteem ( $ps > .10$ ). I also checked for gender differences in the manipulation check, but neither its main effect nor its interaction effect had a significant impact.

To check whether showing the two bags together successfully manipulated intergroup comparison salience among women, I asked the participants to rate their connection with and attachment to their university on seven-point scales (1 = “not at all,” and 7 = “very”;  $r = .73$ ). Women reported being more attached to their university in the comparison condition than in the control condition ( $M_{\text{control}} = 5.53$  vs.  $M_{\text{comparison}} = 6.13, F(1, 110) = 3.87, p = .05$ ). Showing the two bags together had no effect, however, on men’s attachment to their university ( $M_{\text{control}} = 5.96$  vs.  $M_{\text{comparison}} = 5.53, F(1, 110) = 1.94, \text{NS}$ ). This pattern of results supports my theorizing about gender. If men already incorporate intergroup comparisons into their judgments, seeing the bags together should have no effect on them. If, however, women are less likely to incorporate intergroup comparisons into their judgments, seeing the two bags together should make the comparison salient and thus increase their attachment to their university. Therefore, the comparison condition successfully manipulated intergroup comparison salience for women.

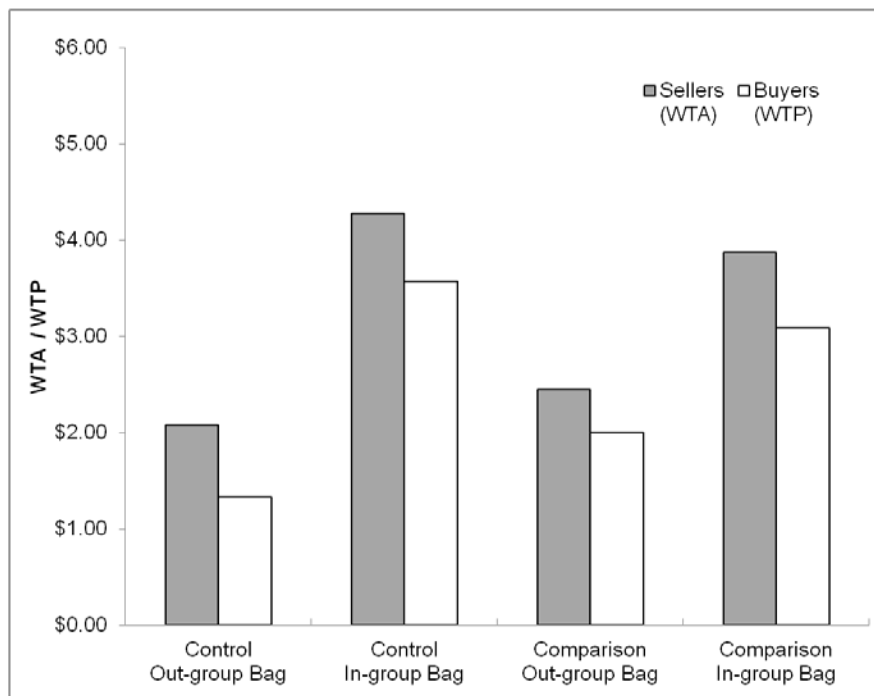
#### **2.4.2.2 Endowment effect**

I ran a 2 (role: buyer vs. seller)  $\times$  2 (group: control vs. comparison)  $\times$  2 (object: in-group vs. out-group)  $\times$  2 (gender: male vs. female) mixed ANOVA. To simplify the results, I present them for men and women separately.

For men, the three-way interaction among role, group, and object was not significant ( $F(1, 52) = .34, \text{NS}$ ). This was not unexpected; I assumed that the comparison would have no



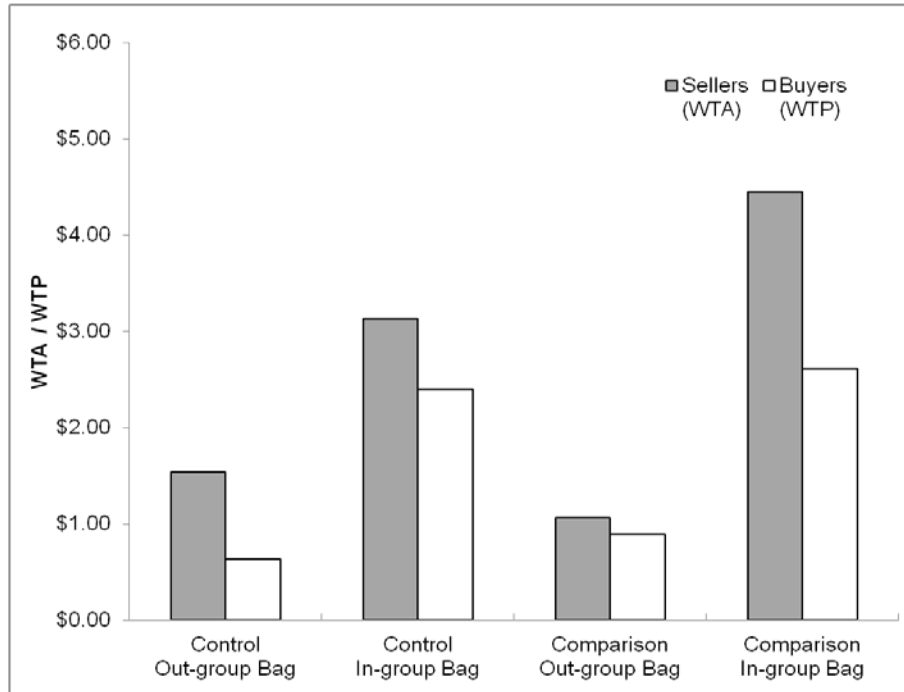
effect on men, because they likely automatically incorporate intergroup comparisons into their judgments. In the control condition, men demonstrated the endowment effect for the in-group bag but not for the out-group bag (in-group:  $M_{\text{seller}} = \$4.28$  vs.  $M_{\text{buyer}} = \$3.57$ ;  $F(1, 105) = 4.56$ ,  $p < .05$ ; out-group:  $M_{\text{seller}} = \$2.08$  vs.  $M_{\text{buyer}} = \$1.33$ ;  $F(1, 105) = 1.71$ , NS). This same pattern of results also emerged in the comparison condition (in-group:  $M_{\text{seller}} = \$3.87$  vs.  $M_{\text{buyer}} = \$3.09$ ;  $F(1, 105) = 5.22$ ,  $p < .05$ ; out-group:  $M_{\text{seller}} = \$2.45$  vs.  $M_{\text{buyer}} = \$2.00$ ;  $F(1, 105) = 1.53$ , NS). The least squares means for each condition appear in figure 4.



**Figure 4.** Mean Selling (WTA) and Buying (WTP) Prices among Men for In-Group and Out-Group Bags

For women, the three-way interaction among role, group, and object was significant ( $F(1, 53) = 4.05$ ,  $p < .05$ ). Consistent with previous findings, women in the control condition reported higher selling prices than buying prices for both the in-group bag and the out-group bag (in-group:  $M_{\text{seller}} = \$3.13$  vs.  $M_{\text{buyer}} = \$2.40$ ;  $F(1, 105) = 4.08$ ,  $p < .05$ ; out-group:  $M_{\text{seller}} = \$1.54$  vs.  $M_{\text{buyer}} = \$0.63$ ;  $F(1, 105) = 7.91$ ,  $p < .01$ ). In the comparison condition, women continued to demonstrate the endowment effect for the in-group bag ( $M_{\text{seller}} = \$4.45$  vs.  $M_{\text{buyer}} = \$2.61$ ;  $F(1,$

105) = 23.93,  $p < .0001$ ), but the endowment effect was not present for the out-group bag ( $M_{\text{seller}} = \$1.06$  vs.  $M_{\text{buyer}} = \$0.89$ ;  $F(1, 105) = .13$ , NS). The least squares means for each condition appear in figure 5.



**Figure 5.** Mean Selling (WTA) and Buying (WTP) Prices among Women for In-Group and Out-Group Bags

The findings from this study shed light on why out-group identity associations have less impact on women’s selling prices in an endowment effect experiment. Because of their agentic nature, men tend to adopt intergroup comparisons into their judgments. In contrast, the communal nature of women blurs the line between the self and others, making women less likely to notice in-group and out-group distinctions. Thus, agency–communion theory combined with social identity theory would suggest that men’s possession–self links are more affected by out-group identity associations than women’s. When intergroup comparisons are made salient, however, I find that out-group associations affect women’s possession–self links and, subsequently, their selling prices.

I have argued that the gender differences within the context of an out-group good are due to the agentic nature of men and the communal nature of women. If the results are primarily due to these agentic–communal differences, I expect that in the presence of agency–communion measures, the role of gender effects will be minimized. To obtain further support for these arguments, in study 4, I measure agency and communion across both men and women. Specifically, I predict that under a social self-threat, participants high in agency will have lower preference for an out-group good than participants high in communion. The findings from the previous studies seem to be a consequence of the social self-threat, which makes social identity an avenue to restore one’s view of self. I test this assumption in study 4 by examining whether the effects of social identity are mitigated when people are given an opportunity to restore their self-view before the endowment effect.

Furthermore, an unanswered question from the preceding findings is whether gender effects driven by agency–communion persist in situations in which a lower risk is associated with the transaction. Brown (2005) argues that a certain amount of risk is present in an endowment effect experiment because of the ambiguity surrounding the true value of a good. Specifically, within an endowment effect context, sellers are at risk of selling at a price below value, and buyers are at risk of paying a price above value. Thus, sellers (buyers) protect themselves from getting a bad deal by increasing (decreasing) their offers. To examine the robustness of the findings in situations in which the transaction cost is lowered, I broaden the experimental paradigm in study 4 by using a riskless choice paradigm similar to those used previously in the literature on loss aversion (Inesi 2010). Specifically, I asked participants to imagine exchanging their identity-linked good for another similar good without identity associations. This minimizes the risk of selling at a price below value, though it may not

eliminate the risk entirely. If the findings regarding gender persist in this choice paradigm, it will help establish robustness of the preceding findings.

## **2.5 STUDY 4**

Study 4 had three primary purposes. First, as described previously, I examined whether the results hold when participants are given an opportunity to affirm their self after the social self-threat manipulation (but before the exchange motivation measures). Second, I included measures of agency and communion to shed further light on why gender differences were obtained in the preceding studies. Third, for reasons stated previously, I changed the experimental paradigm and examined people's stated propensity to exchange one good for another. Consequently, I use a different dependent variable to measure valuation in study 4—that is, motivation to exchange.

### **2.5.1 Design and procedure**

The study was a  $2 \times 2 \times 2$  design with object (in-group, out-group) and self-affirmation (yes, no) as the between-subjects manipulated factors and gender as a measured variable. One hundred eighteen college students (48% females, 51% males) from an online panel were initially asked to provide the name of their own university and the name of a rival university (that competed with their own university in both academics and athletics). Then they completed 16 five-point bipolar adjective scales from the Extended Version of Personal Attributes Questionnaire (Spence, Helmreich, and Holahan 1979), which taps people's agency and communion. Examples of agency items are “not at all independent/very independent” and “feels very inferior/feels very

superior.” Examples of communion items are “very cold in relation with others/very warm in relation with others” and “not at all aware of others’ feelings/very aware of others’ feelings.” I averaged the eight agency items and the eight communion items to form overall scores ( $\alpha_{\text{agency}} = .83$ ;  $\alpha_{\text{communion}} = .82$ ). In line with previous research using such measures (Kurt et al. 2011), I created a new measure to assess relative agency and relative communion orientation by subtracting each respondent’s communion score from his or her agency score. Creating a difference variable of the two scores enables me to capture the difference between the two dimensions. Higher scores on this difference variable indicate a relative agentic orientation, and lower scores indicate a relative communal orientation.

Participants were then exposed to one of the following: the social self-threat manipulation used in studies 1 and 2 or the social self-threat manipulation followed by a self-affirmation task. The self-affirmation task involved ranking 11 personal characteristics and values and then elaborating on their choice for most important (Cohen, Aronson, and Steele 2000). Next, all participants were asked to imagine the following situation:

Suppose it is pouring rain outside and you have to be outside running errands. Unfortunately, you have forgotten your umbrella, so you are forced to visit the only store nearby that sells umbrellas. Because umbrellas are in high demand that day, when you arrive there is only one umbrella left. It has the colors and logo of [name of own university/name of rival university] on it, and you are forced to purchase it. You take it, walk up to the register, and pay for it.

Thus, I essentially made all participants “sellers” of an umbrella and then presented them with an opportunity to exchange the umbrella:

After you pay for the umbrella, you start to walk outside when you see the manager bringing out more umbrellas from the stock room. The umbrellas are plain black. The manager tells you that you are able to exchange the umbrella currently in your possession for the plain black umbrella.

Then I asked the participants to respond to the following two questions on seven-point scales: “How good would it feel to exchange the umbrella?” (“not at all good/very good”) and “How motivated would you be to exchange your umbrella?” (“not at all motivated/very motivated”). I averaged the two items ( $r = .75$ ) to create the dependent measure of exchange motivation.

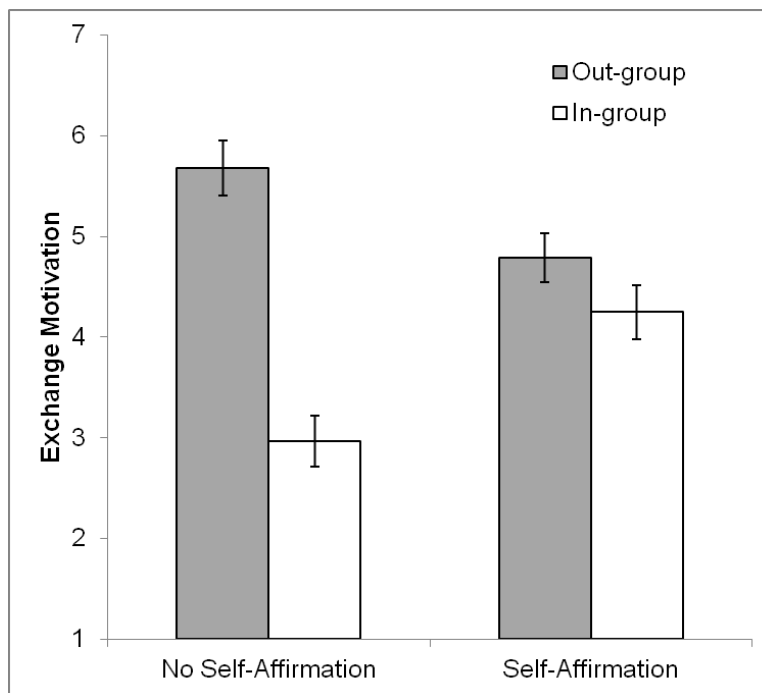
## **2.5.2 Results**

I conducted an ANOVA with exchange motivation as the dependent measure and object, gender, and self-affirmation as independent variables in a full factorial model. The overall model was significant ( $F(7, 110) = 13.53, p < .0001$ ). The main effect of object was significant ( $F(1, 110) = 74.82, p < .0001$ ), as was the main effect of self-affirmation ( $F(1, 110) = 4.55, p < .05$ ). The two-way interaction between object and self-affirmation was also significant ( $F(1, 110) = 13.36, p < .001$ ). Finally, the three-way interaction among object, gender, and self-affirmation was significant ( $F(1, 110) = 4.30, p < .05$ ). No other effects were significant. To simplify the presentation, I discuss the results of the analysis of simple effects conducted for men first and then women.

### **2.5.2.1 Men**

The interaction between object and self-affirmation was significant for men ( $F(1, 110) = 17.23, p < .0001$ ). Planned contrasts indicated that in the absence of self-affirmation, men had

greater exchange motivations for the out-group umbrella than for the in-group umbrella ( $M_{\text{out-group}} = 5.68$  vs.  $M_{\text{in-group}} = 2.97$ ;  $F(1, 110) = 53.44, p < .0001$ ). However, a social self-threat with the addition of self-affirmation mitigated this effect ( $M_{\text{out-group}} = 4.79$  vs.  $M_{\text{in-group}} = 4.25$ ;  $F(1, 110) = 2.22, p > .13$ ). The addition of the self-affirmation task decreased exchange motivation for the out-group umbrella ( $F(1, 110) = 5.85, p < .05$ ) and increased exchange motivation for the in-group umbrella ( $F(1, 110) = 11.95, p < .001$ ). The least square means for each condition appear in figure 6.

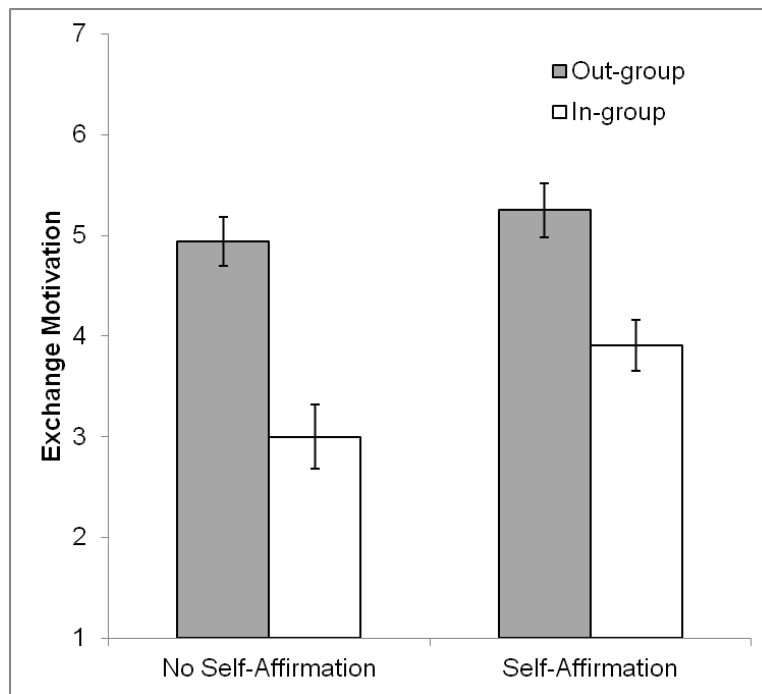


**Figure 6.** Mean Exchange Motivation among Men for Out-Group and In-Group Umbrellas under a Social-Self Threat

### 2.5.2.2 Women

In contrast, the interaction between object and self-affirmation was not significant for women ( $F(1, 110) = 1.18, \text{NS}$ ). Planned contrasts revealed that women had greater exchange motivations for the out-group good in both the presence and the absence of the self-affirmation

task (no self-affirmation:  $M_{\text{out-group}} = 4.94$  vs.  $M_{\text{in-group}} = 3.00$ ;  $F(1, 110) = 23.12$ ,  $p < .0001$ ; self-affirmation:  $M_{\text{out-group}} = 5.25$  vs.  $M_{\text{in-group}} = 3.91$ ;  $F(1, 110) = 13.14$ ,  $p < .001$ ). However, while self-affirmation had no effect on the exchange motivation for the out-group good ( $F(1, 110) = .71$ , NS), women were less motivated to exchange the in-group good in the absence of the self-affirmation task ( $F(1, 110) = 4.93$ ,  $p < .05$ ). The least square means for each condition appear in figure 7.



**Figure 7.** Mean Exchange Motivation among Women for Out-Group and In-Group Umbrellas under a Social-Self Threat

Recall that in the previous study, out-group identity associations had stronger effects on men's evaluations than women's. In this study, consistent with the previous findings, in the absence of a self-affirmation task, men had greater exchange motivations for the out-group good than women ( $F(1, 110) = 4.07$ ,  $p < .05$ ). This difference was not significant, however, in the presence of the self-affirmation task ( $F(1, 110) = 1.56$ , NS). In addition, no gender differences



occurred in the exchange motivations for the in-group good in either condition ( $ps > .35$ ), again replicating the previous findings.

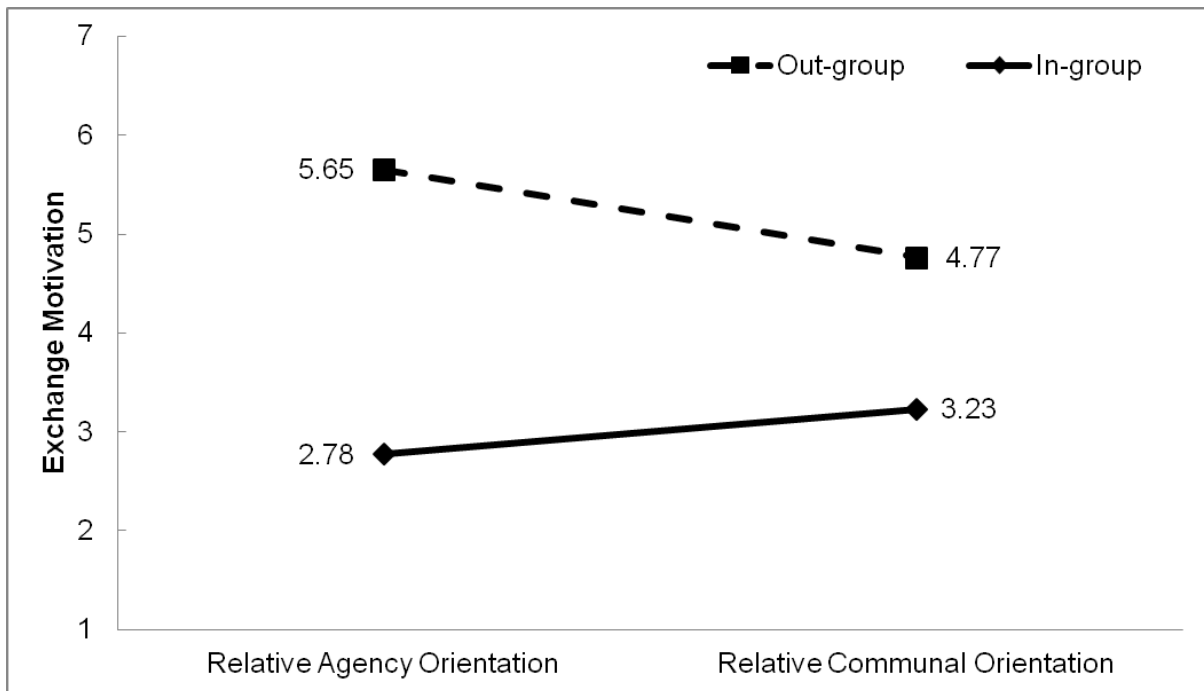
In summary, both men and women were more motivated to exchange the out-group good than the in-group good, but this result was mitigated somewhat in the presence of a self-affirmation task. Men were more motivated than women to exchange the out-group good, but only in the absence of the self-affirmation task. Next, I examined whether these results replicated using measures of agency and communion, rather than gender, as a factor.

### **2.5.2.3 Agency and communion measures**

As expected, men scored significantly higher than women on the agency–communion difference variable ( $F(1, 116) = 34.92, p < .0001$ ), suggesting that men are more agentic and women are more communal. To discover whether the results replicated using measures of agency and communion, I next ran an analysis of covariance with object, self-affirmation, and agency–communion in a full factorial model predicting exchange motivation. I also included gender as a covariate. The overall model was significant ( $F(8, 109) = 13.83, p < .0001$ ). The main effects of object and self-affirmation were significant (object:  $F(1, 109) = 60.50, p < .0001$ ; self-affirmation:  $F(1, 109) = 4.26, p < .05$ ). The two-way interaction between object and self-affirmation was significant ( $F(1, 109) = 21.22, p < .0001$ ), as was the three-way interaction among object, self-affirmation, and agency–communion ( $F(1, 109) = 11.52, p < .01$ ). No other effects were significant, including gender as a covariate ( $F(1, 109) = .01, NS$ ). To further explore the three-way interaction, I examined the effect of object and agency–communion in the presence and absence of self-affirmation separately.

In the absence of self-affirmation, the interaction between object and agency–communion was significant ( $F(1, 109) = 6.38, p < .05$ ). Further simple effects tests revealed that the effect of

agency–communion was significant in the out-group umbrella condition ( $F(1, 109) = 9.58, p < .01$ ) but not in the in-group umbrella condition ( $F(1, 109) = 1.01, NS$ ). Plotting the means at one standard deviation above and below the mean of agency–communion revealed that participants with a relative agentic orientation had greater exchange motivation for the out-group umbrella than those with a relative communal orientation. In addition, a spotlight analysis at one standard deviation above the mean of agency–communion revealed a significant difference such that participants with a relative agentic orientation reported greater exchange motivation for the out-group umbrella than for the in-group umbrella ( $b = -3.13, t(109) = -7.15, p < .0001$ ). A similar spotlight analysis at one standard deviation below the mean of agency–communion revealed that participants with a relative communal orientation also reported greater exchange motivations for the out-group umbrella than for the in-group umbrella ( $b = -1.80, t(109) = -5.60, p < .0001$ ). Figure 8 plots the mean exchange motivation for the in-group umbrella and out-group umbrella conditions at plus or minus one standard deviation from the mean of agency–communion.



**Figure 8.** Impact of Agency–Communion on Exchange Motivation for Out-Group and In-Group Umbrellas

In the presence of self-affirmation, the interaction between object and agency–communion was also significant ( $F(1, 109) = 5.21, p < .05$ ). Further simple effects tests revealed, however, that the effect of agency–communion was not significant in the out-group umbrella condition ( $F(1, 109) = 2.27, p > .13$ ) and only marginally significant in the in-group condition ( $F(1, 109) = 3.09, p < .09$ ). Thus, the effect of agency–communion was mitigated in the presence of self-affirmation.

### **2.5.3 Discussion**

In study 4, I showed that the results occur under a social self-threat because people view social identity as a way to enhance the self, and I explain gender differences on the basis of agency and communion. By using another dependent variable (exchange motivation), I were also able to show that the results hold outside a traditional endowment effect experiment.

I sought evidence that social identity matters under a social self-threat because the possession–self link allows social identity–linked possessions to restore people’s self-view through self-enhancement. When participants had an opportunity to affirm their self before stating their exchange motivations, no significant gender differences emerged in motivation to exchange an out-group good. This finding provides evidence that social identity–linked possessions act as avenues for self-enhancement.

Finally, using measures of agency and communion, I was able to replicate the gender results. Specifically, I showed that regardless of agency or communion orientation, participants had greater exchange motivations for an out-group good than for an in-group good, but participants with an agentic orientation had greater exchange motivations for an out-group than those with a communal orientation. These results further support the argument that the gender

effects I observed are due to men's agentic orientation and women's communal orientation. The combined results from the preceding studies suggest that by altering the possession–self link, social identity affects sellers' valuations in an endowment effect. The ownership account argues that sellers overvalue possessions because the self is reflected in their possessions. Social identity theory would predict that the social identity association of the good affects the possession–self link and, consequently, valuations of such possessions. Thus, the results from this research support the ownership account for the endowment effect.

## **2.6 GENERAL DISCUSSION**

The endowment effect, or the idea that the price people are willing to pay for a particular good is often significantly less than the price they are willing to accept to give up the same good, has been the subject of considerable research. Although loss aversion has been the traditional explanation for this effect, researchers have begun to argue that ownership actually enhances the appeal of the good because a possession becomes tied to the self (Gawronski et al. 2007; Morewedge et al. 2009). The current work finds support for the ownership account of the endowment effect by examining three theoretically meaningful moderators: social self-threat, social identity, and gender. First, I show that a social self-threat moderates the endowment effect through an increase in selling prices (study 1). Furthermore, I show that identity associations affect the possession–self link (study 2) and that, under a social self-threat, men reject out-group goods by lowering their selling prices for such goods while women do not (studies 2 and 4). I also provide evidence that both men and women increase their valuations of in-group goods under a social self-threat (studies 2 and 3). Gender differences disappear when women are

explicitly given an opportunity to engage in intergroup comparison, providing further evidence of the process governing these effects (study 3). These results also replicate when people are given an opportunity to exchange the good but are mitigated when people have an opportunity to affirm the self (study 4). Thus, gender differences in the endowment effect for an out-group good seem driven by fundamental differences in how men and women process out-group identities.

The results could not be explained in terms of the loss aversion account for the endowment effect. The loss aversion account maintains that ownership does not increase the attractiveness of a good (Kahneman et al. 1991). Regarding the social identity associations of a good, therefore, the loss aversion account would suggest that sellers are equally attracted to a good as buyers, regardless of the good's social identity associations. Therefore, both buyers' and sellers' prices should move up or down when varying the social identity associations. In other words, social identity should have a main effect on prices across both buyers and sellers, and no change should occur in the magnitude of the endowment effect. I find, however, that social identity associations affect selling prices, which suggests that such associations have a stronger effect on owners' evaluations. The ownership account would attribute this result to the social identity association changing the strength of the possession–self link. Thus, the results are better explained by the ownership account than the loss aversion account.

Aside from providing support for the ownership account for the endowment effect, this research provides new insights into gender differences and social relationships by showing that men engage in more out-group derogation than women. Men's agentic nature, which makes them more likely to perceive the self as separate from others, likely makes the distinction between themselves and the out-group quite clear. Thus, men engage in social comparison and, as a result, devalue out-group goods. In contrast, women have a communal nature, which blurs the

line between the self and others. This work extends work by Winterich et al. (2009), who show that women are more likely to include out-groups into their self-conceptions, by demonstrating that increasing the salience of intergroup comparisons can make women just as likely as men to devalue out-group goods. Such a result suggests that when intergroup comparisons are made salient to women, they are more likely to distinguish themselves from an out-group.

The findings from this research also extend the set of previously proposed moderators of the endowment effect, such as relationship norm salience, specific emotions, and attributes of a good (Aggarwal and Zhang 2006; Ariely et al. 2005; Brenner et al. 2007; Carmon and Ariely 2000; Lerner et al. 2004). I have argued that the gender differences within the context of an out-group good are due to the agentic nature of men and the communal nature of women. Related research by Aggarwal and Zhang (2006) and Maddux et al. (2010) shows that differences based on priming exchange and communal relationships or self-construal contribute to variations in the endowment effect. As noted previously, the focus of self-construal theory has been on a desire for relationships (Baumeister and Sommer 1997). Exchange and communal norm salience is based on principles that guide a relationship (Aggarwal and Zhang 2006). In contrast, agency–communion is based on perceptions of individual distinctiveness (Carlson 1971). The evidence (studies 3 and 4) is consistent with this view and therefore extends the research on relationship norms as moderators of the endowment effect.

Future research could provide further evidence of the ownership account by examining other theoretically meaningful moderators and boundary conditions. For example, Gawronski et al. (2007) find evidence that the act of choosing an item creates an association between the self and the item, resulting in implicit self-evaluations being transferred to the chosen object. In traditional endowment effect experiments, participants are given items to evaluate. It would be

worthwhile to examine the moderating effect of choice on the endowment effect. The ownership account would predict that choice leads to a stronger possession–self link and, consequently, to higher selling prices.

One limitation of this research is that I manipulate a single type of identity across all the experiments (i.e., affiliation to either own university or rival university). From the data obtained across studies, no significant gender differences emerged in how connected or attached men and women felt to either their university or the rival university, making this an appropriate context for the purposes of this research. Future research, however, could replicate these findings within other contexts in an effort to either strengthen or reverse the gender effects I observed. For example, men are likely to draw extreme distinctions between in-groups and out-groups in terms of sports team affiliations, thus contributing to greater gender differences in this regard. With women, any category of social identity for which the salience of intergroup comparisons is high should, in line with study 4, make them more likely to devalue goods associated with such out-group identities.

What are the substantive implications of the findings? Consumers engage in valuation exercises on an almost daily basis. For example, homeowners interested in selling their homes are required to list a selling price for their home, and millions of dollars of goods are purchased and sold in auctions using websites such as eBay. As such, this research demonstrates how sellers can be biased in their valuation of goods. For example, among couples experiencing a social self-threat (e.g., going through divorce), men may become unreasonably detached from certain objects that remind them of an out-group (i.e., objects symbolizing their spouse who is now part of the out-group). Conversely, women may tend to hold on to belongings more, regardless of their identity associations, because these have less impact on their judgments and

valuations. Both situations could result in improper valuations of goods by their owners. Consumers should recognize that possessions or objects, particularly those associated with identities, can have a distinct significance in the aftermath of a social self-threat.

This research may also have implications for product returns and coupon usage. It would be worthwhile to examine gender differences in the propensity to return faulty or defective goods. The results suggest that women would be more unwilling than men to return or exchange these types of goods. Such a finding could have implications for lowering consumer welfare, particularly within the context of a product recall.



### **3.0 ESSAY 2: SHIFTING IDENTITIES, SELF-CATEGORIZATIONS, AND BRAND PREFERENCES: HOW, WHEN, AND WHICH INDIVIDUALS DIFFERENTIATE WITH BRANDS**

Brand names enable consumers to express their self-identities in various ways (Fournier 1994; Swaminathan et al. 2007). For instance, Vans shoes, whose slogan is “Off the wall,” are likely to appeal to consumers who would like to exhibit their nonconformity to the group. In contrast, Mercedes Benz’s “Unlike any other” slogan will potentially attract consumers interested in demonstrating their superiority to others. Brands can also emphasize their power in helping consumers connect with others, such as AT&T’s slogan, “Reach out and touch someone.” While the symbolic use of brands has been an important topic in consumer behavior (Belk 1988), more recent research has been devoted to developing a greater understanding of why consumers use products and brands to express their identities.

This quest to understand motivational underpinnings for the identity expressive role of brands has yielded important insights. Research has demonstrated that consumers use brands to strengthen their belongingness to social groups (Escalas and Bettman 2005; Fournier 1994, 1998; Reed 2004; Swaminathan et al. 2007) or to cope with interpersonal rejection and social exclusion (Loveland et al. 2010). While there is a lot of research suggesting that social exclusion and the need for belongingness can motivate consumers to use brands to blend in to their social surroundings, relatively less attention has been devoted to understanding when and why

consumers use brands to stand out from the social or reference group. As noted by Tafarodi et al. (2004), the quest for individuality, distinction, and uniqueness has been a topic which has received much less attention in the literature. This is despite the fact that marketers (such as Vans) often position their brands as vehicles of differentiation.

The present research suggests that there are two primary ways in which individuals can differentiate themselves from others within their reference group: horizontal and vertical differentiation (Tafarodi et al. 2004). Horizontal differentiation implies achieving distinction by going against the norms of the reference group and distancing oneself from it. Ancient writing tends to equate this desire for autonomy and uniqueness as defiance of legitimate authority. This type of counter-conformity has been examined previously in the consumer behavior literature (Berger and Heath 2007; Tian et al. 2001; White and Dahl 2007), although its implications in the context of brand relationships and choice has not been fully explored. Second, individuals can achieve distinctiveness by being better (or superior) to others in a reference group, which is known as vertical differentiation. In a consumer context, this desire for superiority could lead to preference for vertical brands because these brands are focused on demonstrating superiority to the average member of the reference group. A desire for horizontal and vertical differentiation, therefore, can contribute to varying preferences for either horizontal brands or vertical brands, respectively.

In sum, the present research focuses on uncovering conditions favoring the use of brands that differentiate oneself from the in-group (horizontal and vertical brands) instead of brands that are consistent with the in-group. Building on optimal distinctiveness theory (Brewer 1991), I examine how belongingness goals interact with consumer's self-esteem to create a preference for differentiating brands. Results suggest that individuals with low self-esteem lower identity

saliency following exclusion, and subsequently increase their preference for horizontal differentiation with horizontal brands. Under inclusion, however, individuals with low self-esteem try to secure their belongingness by shifting their self-categorization to a more elite subgroup, thus increasing their preference for vertical brands. Paradoxically, the findings suggest that these increases in desire for the horizontal and vertical brands may have less to do with distinctiveness per se, but more to do with consumers' standing within their reference group. Thus, a counterintuitive finding is that some consumers may use brands to distinguish themselves vertically and horizontally from an in-group as a way to maintain belongingness.

### **3.1 THEORY AND HYPOTHESES**

Since Belk (1988) introduced the concept of possessions “extending the self,” a vast amount of research has confirmed that consumers use products in a symbolic way to narrate their identities (Kleine et al. 1995; Reed 2004). Brand names enable consumers to express their self-identities (Fournier 1994) and marketers often link aspects of brands with a target consumer's identity to influence consumer preferences. More recently, there has been an increasing emphasis on identity marketing, particularly with respect to the role brands play in connecting consumers with others (Loveland et al. 2010; Reed 2004; White and Argo 2009). For instance, consumers have greater self-brand connections with brands that are indicative of their in-groups (Escalas and Bettman 2005). I call brands that are associated with a sense of belongingness to an in-group as “in-group brands.”

Brands can also help consumers differentiate from others through either horizontal or vertical differentiation (Tafarodi et al. 2004). Horizontal differentiation is sometimes called

“counter-conformity motivation” (Nail 1986), which typically arises when individuals perceive a high degree of similarity to others (Snyder and Fromkin 1977). Thus, a desire for horizontal differentiation will lead consumers to choose products and brands that go against the norm to assert their separateness from others. I call brands that assert one’s horizontal differentiation “horizontal brands.” Horizontal brands are unexpected for an identity because of their atypical and unconventional image. They may be more representative of nonmainstream subgroups within an identity. It is not the case that members of group wouldn’t wear horizontal brands, but rather that it would be atypical for them to do so. It should be noted that although other related terms have been used in the literature, including out-group brands and dissociative brands (Escalas and Bettman 2005; White and Dahl 2007), by using the term “horizontal” I hope to convey a more precise view of horizontal brands, which focuses on their unconventional and unique, but not necessarily dissociative nature.

A second type of differentiation, called vertical differentiation, is distinctiveness achieved through being better or superior than others (Tafarodi et al. 2004). When consumers choose products and brands that make them feel superior to others they are likely striving for vertical differentiation. Such “vertical brands,” as I will refer to them, are very desirable and likely signal status, but are somewhat uncommon for the identity. They are not inconsistent with identity, but rather atypical because of the status associated with them. In some cases, they may be comparable to luxury brands, which have become the focus of much research in recent times (Han, Nunes, and Dreze 2010). For instance, Han et al. (2010) describe how wealthy consumers high in need for status use loud luxury goods to signal their superiority to the less affluent.

Thus, brands can help consumers fit in, feel dissimilar from others, or feel superior to others. When they rely on brands to achieve these goals is likely to depend on the belongingness

and/or distinctiveness needs that are unmet in their lives. While the traditional paradigm in consumer behavior is that brand names are reflections of our selves, recent research suggests that brands can also play a compensatory role by helping repair or compensate for what consumers lack in their lives (Braun and Wicklund 1989; Rucker and Galinsky 2008; Sivinathan and Pettit 2010; Woodruffe-Burton 1998). The focus of this research, therefore, is to understand factors that are likely to influence consumers' preferences for different types of identity expression with brands; in particular, those that help consumers differentiate from a reference group.

### **3.1.1 Optimal distinctiveness theory**

Optimal distinctiveness theory (Brewer 1991) suggests that social identities derive from fundamental tensions between individuals' need for assimilation and a countervailing need for distinctiveness. Social identities can be viewed as compromise between the needs, with in-groups satisfying belongingness needs, and intergroup comparisons satisfying uniqueness needs. An important implication of optimal distinctiveness theory is that individuals will seek differentiation when their groups offer too much inclusiveness and belongingness when their groups offer too much individuation. Thus, social identification is strongest for groups that offer opportunities for both assimilation and distinctiveness (Badea et al. 2010; Hornsey and Hogg 1999).

Optimal distinctiveness theory, therefore, would suggest that using brands to express differentiation should occur when distinctiveness needs are high, which likely occurs when a consumer experiences high levels of belongingness. The idea that consumers can use brands to fill their distinctiveness needs is in line with research on compensatory consumption. Compensatory consumption occurs when an individual uses purchasing behavior as an

alternative means of fulfillment of a need or desire (Woodruffe 1997; Woodruffe-Burton 1998). For example, when individuals feel they are lacking in an aspect of their identity, they look for clear public symbols (such as material things) to compensate for such deficiencies (Braun and Wicklund 1989; Rucker and Galinsky 2009). Taken together, optimal distinctiveness theory and work on compensatory consumption suggest that individuals' desire for differentiation likely depends on their levels of belongingness, or the extent to which they feel excluded or included.

### **3.1.2 Social exclusion**

Much research in consumer behavior has shown that individuals with a need for belongingness strategically gravitate towards consumption that serves affiliation. Consumers for whom the need to belong is an active goal (either chronically or temporarily via social exclusion) have been known to exhibit a significantly stronger preference for nostalgic products (Loveland et al. 2010), are more likely to buy a product symbolic of group membership (Mead et al. 2011), and demonstrate a greater attention to brand personality (Swaminathan, Stilley, and Ahluwalia 2009). Therefore, based on past research, it is expected that when consumers' feel excluded from a group, they will like and prefer brands that connect them to the group (i.e., in-group brands).

More interestingly, one could also imagine circumstances where exclusion from the group could lead individuals to seek belongingness with an alternative group rather than try to connect to the group that has excluded them. Rejection leads people to engage in behaviors likely to gain them social approval but only from sources other than the rejecter (Maner et al. 2007; Williams, Cheung, and Choi 2000). Researchers have only begun to explore the moderating circumstances under which exclusion leads to ingratiation versus nonconformity (Romero-Canyas et al. 2010).

Under social exclusion, therefore, some consumers may seek out alternative social relationships to fulfill their need for belongingness. This suggests that social exclusion could also lead to a desire for differentiation from the excluding group and result in lower identity salience among some consumers. Lowering identity salience and moving towards a group that is horizontally differentiated from the mainstream is a possible strategy that could offer consumers both belongingness (from the new group) as well as distinction (from the excluding group; Hornsey and Jetten 2004). The choice of horizontal differentiation with horizontal brands, therefore, can be a manifestation of a desire for belongingness, albeit to an alternative social group. Thus, in addition to a preference for in-group brands, social exclusion could also lead to a preference for horizontal brands.

#### **3.1.2.1 Moderating role of self-esteem**

There is reason to believe that chronic self-esteem will moderate the preference for a horizontal brand following social exclusion. Self-esteem has been shown to function as a sociometer that monitors whether an individual is being included or excluded and motivates a person to engage in behaviors that minimize the probability of future rejection (Leary and Baumeister 2000; Leary et al. 1995).

High self-esteem individuals (HSE) possess sufficient motivation, skills, and resources to enhance their self-esteem following a threat (Brown and Dutton 1995; Park and Maner 2009). They tend to worry less about rejection (Leary and Baumeister 2000) and their high self-confidence and self-certainty enable them to take social risks following a threat. Brown and Dutton (1995) show that following failure feedback, those with HSE reported higher feelings of self-worth following failure than did low self-esteem (LSE) individuals. Further, HSE individuals often demonstrate a greater desire to connect with close others to affirm their self-

worth (Park and Maner 2009). Therefore, under conditions of exclusion, HSE individuals should find in-group brands appealing and yet have little use for horizontal brands.

Compared to HSE individuals, LSE individuals lack self-confidence and have more negative self-views (Campbell 1990). Because LSE individuals believe they possess fewer positive qualities than those with HSE, they do not react to threats by seeking affirmation. Instead, their self-doubt causes them to adopt a cautious and restrained stance in their interactions with the source of rejection (Baumeister, Tice, and Hutton 1989; Heatherton and Vohs 2000). Therefore, while LSE individuals may try to reconnect with a rejecting group, they may also begin to look for belongingness in other groups to enhance their probability of being accepted. This implies that LSE individuals are likely to be more open to horizontal brands than HSE individuals.

H1: Self-esteem will moderate the effect of social exclusion on attachment to and preference for horizontal brands. Specifically, compared to a control group, social exclusion will lead to greater attachment to and preference for horizontal brands among consumers with low self-esteem, but not consumers with high self-esteem.

### **3.1.2.2 Mediating role of social self-concept connection**

Self-concept connection refers to the bond between self and a person's real or ideal self (Fournier 1998). Self-concept connection can be based on both personal and group identities (Swaminathan et al. 2007; Tajfel and Turner 1979). Specifically, the relationship between the self and brand based on one's self-concept as a member of a group is a "social self-concept connection" between the consumer and brand.

If LSE individuals desire differentiation with horizontal brands following social exclusion because they are seeking belongingness outside of the rejecting group, I would expect



that social self-concept connection (or the extent to which the brand makes them feel that they belong to a group) would mediate their preference for horizontal brands. That is, when LSE individuals experience social exclusion they likely have a heightened need to belong somewhere, which will lead them to view a horizontal brand as a brand that will connect them with others and make them feel like a part of a group.

H2: Social self-concept connection to the brand will mediate the effect of self-esteem and social exclusion on attachment to horizontal brands.

### **3.1.3 Social inclusion**

Although most prior research has focused on the effect of social exclusion (or high need for belongingness) on consumption, optimal distinctiveness theory also suggests that social inclusion might affect preference for brands that help individuals differentiate themselves from the group. According to optimal distinctiveness theory, too much belongingness results in a need for differentiation. Social inclusion, therefore, likely increases an individual's desire for distinctiveness. To balance a need for differentiation while maintaining belongingness, Hornsey and Jetten (2004) suggest a strategy of shifting one's level of self-categorization through subgroup identification. They argue that some degree of distinctiveness can be achieved through identifying with a smaller subcategory of the group. For example, members of large political parties can find distinctiveness by identifying with smaller factions of the party.

Perhaps then, when individuals feel a high level of inclusiveness within a group, they seek vertical differentiation in an effort to identify with a smaller, more elite, subgroup. Vertical brands enable individuals to vertically differentiate themselves from their group. The mere use or display of these exclusive goods has been shown to bring the owner prestige, over and above any

functional utility derived from these goods (Grossman and Shapiro 1988; Han et al. 2010; Wilcox, Kim, and Sen 2009). Thus, vertical brands offer differentiation by connecting the consumer with an elite subgroup, while not jeopardizing their inclusiveness with the larger superordinate group.

### **3.1.3.1 Moderating role of self-esteem**

Interestingly, the sociometer hypothesis suggests that self-esteem appears to respond primarily to exclusion such that when people are excluded they show decrements in self-esteem, while those who feel included show no corresponding increment in self-esteem (Leary et al. 1995). Notably, HSE individuals who feel included are socially secure; they believe they are lovable and worthy of care and attention and feel that others will be available and responsive to their needs. Secure individuals are less interested in utilizing brands to bolster their self-view (Swaminathan et al. 2009). Furthermore, evidence suggests that the motivation for differentiation stems from a low view of self (Fromkin 1972). Therefore, HSE individuals likely have a lower need for uniqueness (Clark and Goldsmith 2005). As a result, it is unlikely that social inclusion will affect preferences for vertical brands among HSE individuals.

In contrast, I believe social inclusion will lead to a greater preference for vertical brands among LSE individuals for two reasons. First, self-esteem has been shown to be negatively correlated with need for uniqueness (Clark and Goldsmith 2005), suggesting that LSE individuals have a greater desire for differentiation. Secondly, it is likely that inclusion may not completely satisfy LSE individuals' belongingness needs. Due to their lack of self-concept clarity and certainty, even under conditions of social inclusion, LSE individuals continue to harbor a fear of potential rejection (Park and Maner 2009) and are likely to seek approval of others in an effort to enhance their self-view (Baumeister et al. 1989). Identifying with a smaller

subgroup could help more clearly define their sense of self (Morrison and Wheeler 2010). In sum, LSE individuals may find a vertical brand to be a helpful aid in associating themselves with desirable attributes or traits and to enhance their appeal within the group, while at the same time serving their need for differentiation.

H3: Self-esteem will moderate the effect of social inclusion on attachment to and preference for vertical brands. Specifically, compared to a control group, social inclusion will lead to greater attachment to and preference for vertical brands among consumers with low self-esteem, but not consumers with high self-esteem.

### **3.1.3.2 Mediating role of social self-concept connection**

I have argued that LSE individuals will prefer vertical brands under social inclusion because they will be looking for differentiation as well as to secure their belongingness within the group. Their need for differentiation, however, likely serves their desire to secure their belongingness (Baumeister and Sommer 1997). Lower status consumers may increase their conspicuous consumption of status goods in an effort to “keep up with the Joneses” (Ordabayeva and Chandon 2011). In a similar vein, LSE individuals, in an effort to elicit admiration from others, are likely to be more motivated to choose vertical brands that reflect ideal attributes of the group. Power and prestige can connect and bind them with others (Baumeister and Sommer 1997). Thus, LSE individuals may view differentiating vertical brands as a way of obtaining belongingness above and beyond what inclusion has already offered them.

I anticipate that LSE individuals desire differentiation with vertical brands following social inclusion as they try to secure their belongingness within group. Given this, social self-concept connection should also mediate their preference for vertical brands. When LSE individuals experience social inclusion they likely have a heightened need to protect their

belongingness, which will lead them to view vertical brands as a means to further connect them to the group.

H4: Social self-concept connection to the brand will mediate the effect of social inclusion on attachment to vertical brands for consumers with low self-esteem.

My framework predicts that LSE individuals are most likely to use and prefer differentiating brands (both horizontal and vertical). Under social exclusion, LSE consumers will lower the identity salience and subsequently increase their preference for horizontally differentiation via horizontal brands. Under social inclusion, however, they will shift their self-categorization to a more elite subgroup and hence increase their preference for vertical differentiation with vertical brands. Notably, my argument is that these differentiating brands are sought out not solely because they help these consumers assert their uniqueness or independence. Paradoxically, their choice of differentiating brands is likely to be motivated by them seeking or securing belongingness.

I used multiple approaches to test the hypotheses and to establish the robustness of these results. Belongingness was both measured (study 1) and manipulated through a writing task (studies 2 and 4) and Cyberball (study 3). The studies also employed different approaches in selecting brands. In study 1, I identified a particular reference group (i.e., college students) and manipulated positioning strategies for a brand (i.e., Motorola cell phones) such that the same brand was positioned as in-group, vertical, or horizontal. In study 2, participants named both the reference group as well as the brands. In studies 3 and 4, I pre-selected the reference group (i.e., business school student), but in study 3 participants named associated brands, while in study 4 preselected brands were used. Finally, the studies utilized multiple dependent variables including purchase likelihood (study 1), brand attachment (study 2), and brand preference (studies 3 and

4). The use of multiple contexts and dependent variables provides evidence of robustness, since consistent results are obtained across various settings. The next section outlines the conceptual framework and develops the rationale for each of the hypotheses.

## **3.2 PILOT STUDY**

In arguing that brands can serve two types of differentiating functions (both horizontal and vertical), it is important to show that people actually have perceptions of brands as serving these two functions. Furthermore, it is also important to show that brands that serve a horizontal differentiating function (horizontal brands) are distinct from brands associated or consistent with an out-group (out-group brands).

I conducted a pilot study to collect evidence of horizontally and vertically differentiated brands I conducted a pilot study. The purpose of the study was to identify brands that are positioned as typical with regard to a reference group (e.g., college student group). In addition, respondents were asked to name brands which they considered horizontally differentiated as well as brands which they considered vertically differentiated. This information was used to create a perceptual map of various brands based on dimensions of typicality and status.

### **3.2.1 Design and procedure**

Sixty-one undergraduate business school majors (53% males, 47% females) began the pilot study by thinking of themselves as business school students and then named five clothing brands that were typical of business school students (fit with the image of business school students;

something that the average business school student owns), five clothing brands that were atypical of business school students (does not fit with the image of business school students; something that the average business school student does not own, but not necessarily brands that they wouldn't own), and five clothing brands that were associated with status among business school students (makes you feel distinct from or superior to the average business school student; something that the average business school student aspires to own but may not presently own). Additionally, they named an out-group (Escalas and Bettman 2005) and five clothing brands associated with that out-group.

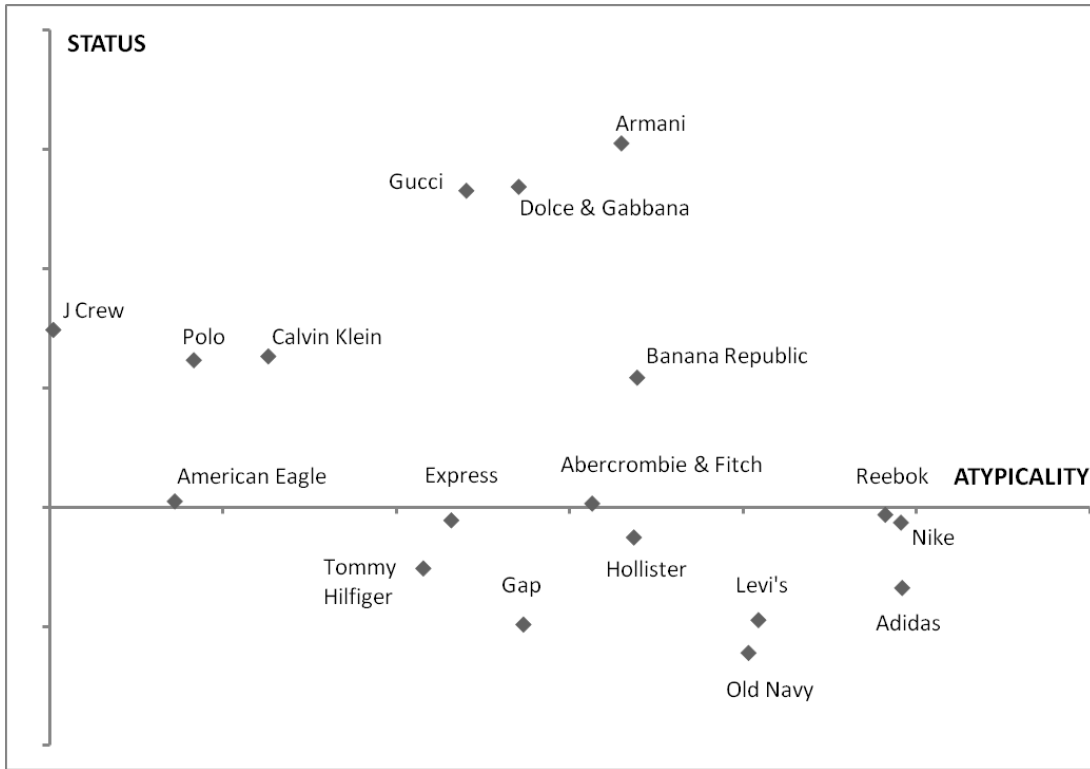
Next, they rated each brand they named on both typicality and status measures. Four nine-point semantic differential measures tapped the typicality, or similarity between the brand and the average business school student identity (consistent-inconsistent; representative-unrepresentative; typical-atypical; similar-dissimilar). They evaluated the status of the brands by rating the extent to which the brand was a symbol of status, wealth, power, and prestige on nine-point scales anchored with “not at all” and “very much so.”

### **3.2.2 Results**

Since brand names were elicited from the participants, brands were idiosyncratic to individuals and the result was over 100 unique brands being rated by respondents. To make the data more manageable and reliable, I selected the brands that seven or more participants named, which resulted in a final list of 18 brands.

The dimensions of the perceptual map were predefined (typicality and status), so I performed confirmatory factor analysis on the eight measures with a varimax rotation to ensure two orthogonal factors. The result of such analysis was two factors with Eigenvalues greater than

one, which explained 94% of the variance. The four typicality measures loaded on one factor, and the four status measures loaded on a second factor. The perceptual map, which plots the average factor scores for each of the 18 brands, can be seen in figure 9.



**Figure 9.** Perceptual Map of Business School Student Clothing Brands Based on Typicality and Status

American Eagle appears to be the best example of an in-group clothing brand for business school students. It is closest to the origin, which means it is consistent with the business school student identity and offers little status. Brands become more atypical of the business school student identity the further away they are from the origin on the horizontal axis. Abercrombie & Fitch and Hollister appear to be atypical while offering little in terms of status. Brands even further away from the origin on the horizontal axis represent brands which are low in typicality relative to the business school student identity.

In terms of status, there appear to be two types of brands, which differ on the extent to which they are typical of the group. Brands like J. Crew, Polo, and Calvin Klein rate high in

typicality while also offering a modest amount of status. The other set of brands (Gucci, Armani, Dolce & Gabbana) score high on both the atypicality and status dimensions.

Differentiating brands are uncharacteristic brands that make an individual stand out, either simply through being different (horizontal), or through achieving status (vertical). Therefore, both horizontal and vertical brands should be atypical to the group, but they should differ on the extent to which they exhibit status. Thus, for the purposes of this research, when I refer to “horizontal brands,” I am referring to brands that offer only atypicality, like Hollister and Abercrombie & Fitch in this case. When I refer to “vertical brands,” I am referring to brands that offer both status and atypicality, like Gucci, Armani, and Dolce & Gabbana.

Now that I have evidence that consumers perceive brands as serving both horizontal and vertical differentiating functions, I set out to test the hypotheses regarding the roles of belongingness and self-esteem in driving attachment to and preference for such brands.

### **3.3 STUDY 1**

In the first study, I examined the effect of consumers’ chronic need to belong on their purchase likelihood of a brand positioned as in-group, vertical, or horizontal. A consumer’s chronic need to belong is considered a good proxy for chronic feelings of social inclusion and exclusion (Loveland et al. 2010).



### 3.3.1 Design and procedure

One hundred and fifty-one undergraduate business school students from a national panel completed the study online in exchange for a small monetary incentive. The study was a single factor between subjects design in which participants were randomly assigned to the in-group, vertical, or horizontal brand positioning conditions. The key dependent variable of interest was purchase likelihood.

Participants began the study by completing measures of chronic self-esteem and chronic need to belong. Following these measures, participants saw an ad for a Motorola cell phone that was either positioned as in-group, vertical, or horizontal. They then rated their likelihood of purchasing the Motorola phone (1 = “very unlikely” to 7 = “very likely”). The study ended with a brief demographics section.

#### 3.3.1.1 Measures

The ten-item Rosenberg self-esteem scale measured participants’ chronic self-esteem ( $\alpha = .90$ ;  $M = 3.96$ ,  $s.d. = .75$ ). To measure consumers’ chronic need to belong I used a variation of Leary et al.’s (2007) need to belong scale by adapting the measures slightly to refer to a specific need to belong with other college students. Respondents rated their agreement with four items on a five-point scale: “If other college students don't seem to accept me, I don't let it bother me” (reverse coded); “I try hard not to do things that will make other college students avoid or reject me”; “I seldom worry about whether other college students care about me” (reverse coded); “I need to feel that there are college students I can turn to in times of need.” ( $\alpha = .57$ ;  $M = 2.87$ ,  $s.d. = .70$ ). Self-esteem and need to belong were marginally negatively correlated ( $r = -.14$ ,  $p < .10$ ).

### 3.3.1.2 Ad stimuli

The brand positioning (in-group, vertical, horizontal) varied across the Motorola ads. The in-group version included pictures of college students on campus, touted the phone as being “rated the #1 cell phone by college students,” and included the tag line “belong...with the most popular phone on campus.” In the vertical ad, the participants were told that Motorola had teamed up with “famed designers, Dolce and Gabbana” to create an “exclusive phone” that would “make you look great and feel great.” They also saw pictures of the cell phone with Dolce and Gabbana’s logo on it. The horizontal ad included pictures of skateboarders flying through the air, an oddly shaped Motorola phone, and the headline “Life is too short to follow other people’s rules... the phone for the unconventional you.” The actual ads are included in appendix B.

In a pretest ( $n = 50$ ), participants rated one of the three ads on several measures related to positioning such as: (1) The extent to which ad conveyed a differentiating positioning (“Using this brand would make me feel unique,” and “Using this brand would make me feel different from others”;  $r = .81$ ); (2) The extent to which the ad conveyed a vertical positioning (“Using this brand would make me feel better than others,” and “Using this brand would make me feel superior to others”;  $r = .83$ ); (3) The extent to which the ad conveyed a belongingness positioning (“Using this brand would make me feel connected to others,” and “Using this brand would make me feel similar to others”;  $r = .75$ ).

Respondents rated both the horizontal and vertical brand as more differentiating than the in-group brand ( $M_{\text{horizontal}} = 3.56$ ,  $M_{\text{vertical}} = 4.00$ ,  $M_{\text{in-group}} = 2.50$ ;  $F(1, 47) = 7.19$ ,  $p < .05$ ). They also rated the vertical brand as being more exclusive than both the horizontal and in-group brand ( $M_{\text{horizontal}} = 2.47$ ,  $M_{\text{vertical}} = 3.64$ ,  $M_{\text{in-group}} = 2.47$ ;  $F(1, 47) = 6.30$ ,  $p < .05$ ). Finally, participants

rated the in-group brand as having a stronger belongingness positioning compared to the horizontal and vertical brands ( $M_{\text{horizontal}} = 3.22$ ,  $M_{\text{vertical}} = 2.76$ ,  $M_{\text{in-group}} = 4.65$ ;  $F(1, 47) = 16.81$ ,  $p < .001$ ). I also measured attitudes toward the brands and the ads, but there were no differences in either across the three conditions ( $ps > .14$ ).

### **3.3.2 Results**

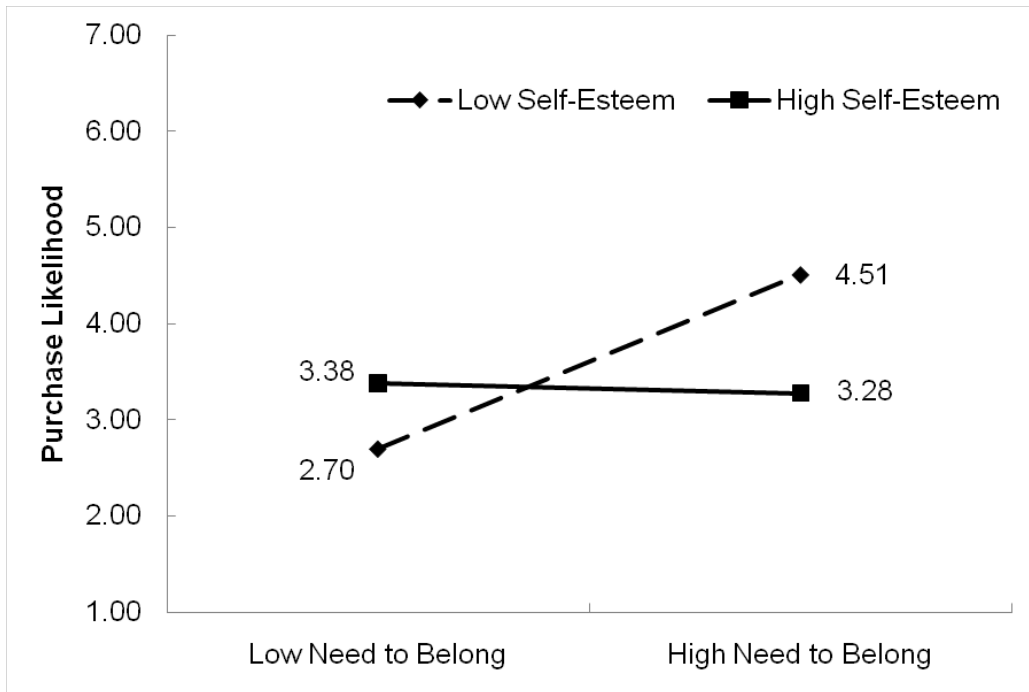
An analysis of covariance (ANCOVA) predicting purchase likelihood with need to belong, self-esteem, and brand positioning in a full factorial design, resulted in a significant model ( $F(11, 139) = 5.35$ ,  $p < .0001$ ). The three-way interaction of self-esteem, need to belong, and brand positioning was significant ( $F(2, 139) = 4.23$ ,  $p < .05$ ). The only other significant effects were the interaction of need to belong and brand positioning ( $F(2, 139) = 5.09$ ,  $p < .01$ ), the main effect of brand positioning ( $F(2, 139) = 11.47$ ,  $p < .0001$ ), and the main effect of need to belong ( $F(1, 139) = 3.89$ ,  $p < .06$ ).

To explore the three-way interaction further, I analyzed the results for each of the three brand positioning conditions (in-group, vertical, horizontal). I then used Aiken and West's (1991) post-hoc procedure to plot the purchase likelihoods at plus and minus one standard deviation from the means of both need to belong and self-esteem in each of these conditions separately. These plots are presented in figures 2 through 4 and the results are discussed next.

#### **3.3.2.1 Horizontal brand condition**

A simple effects test revealed that the interaction of self-esteem and need to belong was significant in the horizontal brand positioning condition ( $F(1, 139) = 4.27$ ,  $p < .05$ ). As seen in figure 10, consistent with hypothesis 1, the post hoc analysis revealed that for LSE individuals,

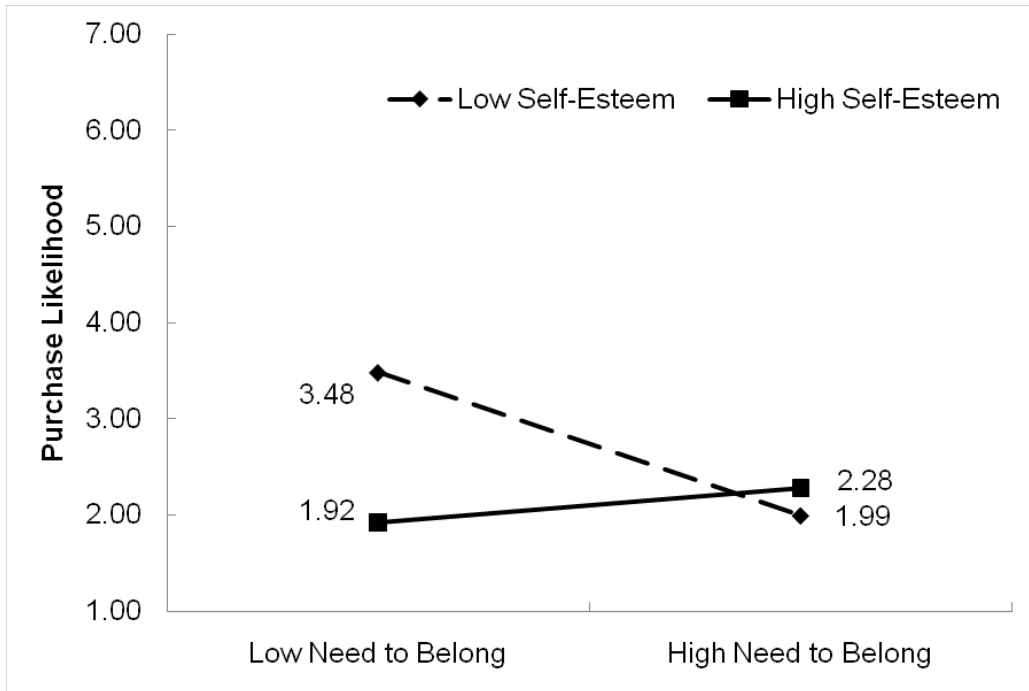
the relationship between need to belong and purchase likelihood was positive and significant ( $b = 1.50, p < .05$ ); greater need to belong was associated with greater purchase likelihood of an atypical brand. As expected, this effect did not emerge for HSE individuals ( $b = -.09, NS$ ).



**Figure 10.** Impact of Need to Belong and Self-Esteem on Purchase Likelihood of a Horizontal Brand

### 3.3.2.2 Vertical brand condition

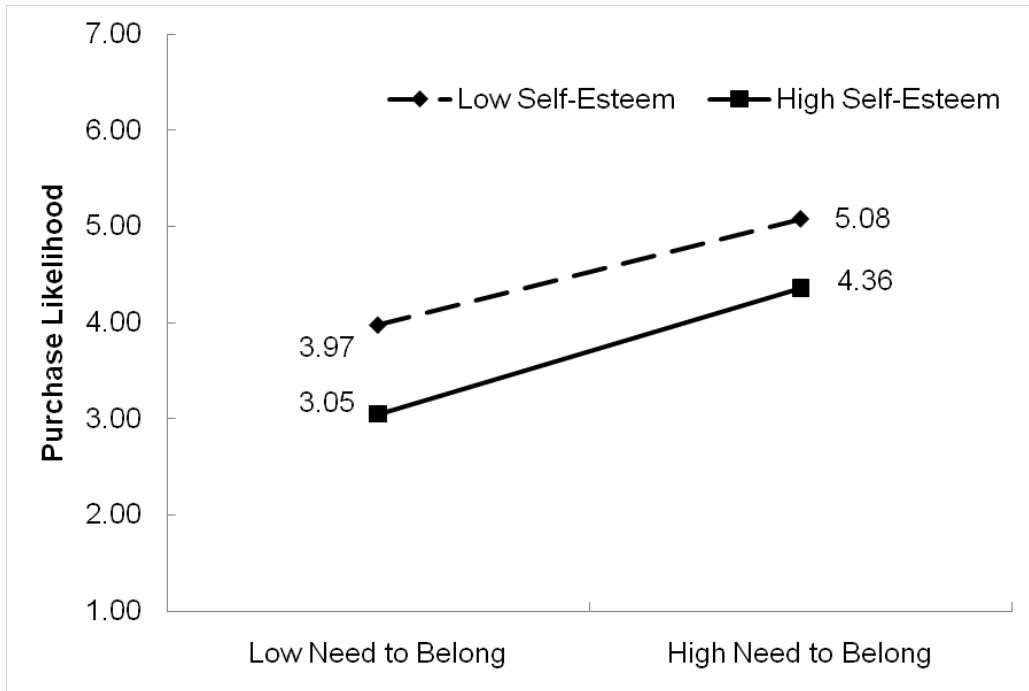
The interaction of self-esteem and need to belong was also significant in the vertical brand positioning condition ( $F(1, 139) = 4.64, p < .05$ ). As displayed in figure 11, the relationship between need to belong and purchase likelihood was negative and significant for LSE individuals ( $b = -.94, p < .05$ ). In support of hypothesis 3, for LSE individuals a lower need to belong was associated with greater purchase likelihoods of a vertical brand. The effect of need to belong on purchase likelihood was not significant, however, for HSE individuals ( $b = .23, NS$ ).



**Figure 11.** Impact of Need to Belong and Self-Esteem on Purchase Likelihood of a vertical Brand

### 3.3.2.3 In-group brand condition

Consistent with past research, it was expected that a greater need to belong would be associated with greater purchase likelihood of an in-group brand, regardless of self-esteem. In line with these expectations, the only significant effect to emerge in this condition was the main effect of chronic need to belong ( $F(1, 139) = 7.48, p < .01$ ); no other effects were significant ( $ps > .10$ ). As seen in figure 12, the relationship between need to belong and purchase likelihood was positive and significant for both LSE individuals ( $b = .80, p < .05$ ) and HSE individuals ( $b = .95, p < .05$ ).



**Figure 12.** Impact of Need to Belong and Self-Esteem on Purchase Likelihood of an In-group Brand

### 3.3.3 Discussion

Study 1 provided a basic test of hypotheses 1 and 3, revealing that LSE individuals were more likely to attempt to differentiate themselves via brands than HSE individuals. More importantly, LSE individuals gravitated towards horizontal differentiation (horizontal brand) when they had a high need for belongingness, but seemed to prefer vertical differentiation (vertical brand) when their need for belongingness was low.

Although the motivation to differentiate seems to be greater among the LSE individuals, all consumers, irrespective of their self-esteem, increased their purchase likelihood of the in-group brand when their need for belongingness was high. These results however, are simply correlational. Additionally, self-esteem and need to belong were marginally significantly correlated. Both of these issues could be addressed by manipulating social inclusion and

exclusion, rather than using need to belong as a proxy for chronic feelings of exclusion. Finally, while study 1 offers support for the main hypotheses, I have yet to test the underlying processes mediating these effects. I address all these concerns in study 2.

## **3.4 STUDY 2**

In study 2, participants named in-group, vertical, and horizontal brands. Thus, the brands were idiosyncratic to each respondent. Social inclusion and exclusion were manipulated through a writing task. The key dependent variable was brand attachment, although participants also responded to measures of social self-concept connection to provide insights into the underlying processes.

### **3.4.1 Design and procedure**

Two hundred and ninety-nine participants completed the study online in exchange for a small monetary incentive. The study was a 3 (manipulation: control, exclusion, inclusion) x 3 (brand: in-group, vertical, horizontal) between-subjects design.

Participants began by completing Rosenberg's measures of chronic self-esteem ( $\alpha = .89$ ;  $M = 3.98$ ,  $s.d. = .72$ ). Next, they responded to a brand elicitation procedure adapted from Escalas and Bettman (2005) in which they read the following:

In the box below, we would like you to type in the name of a group that you belong to and feel a part of. You should feel you are this type of person and that you fit in with these people. This group should be a tightly knit group, consisting of individuals who are very similar to one another.

After listing a group, participants named a clothing brand that was either in-group vertical, or horizontal, following the same elicitation procedure from the pilot study. Next, participants were presented with a “life events survey” in which they were assigned to one of the key manipulations (exclusion or inclusion) or the control task (writing about their commute that day).

In the exclusion (inclusion) manipulation, participants read the following:

Please think about a time when you felt uncomfortable (comfortable) as a member of the group you just named and felt that other members didn't value (valued) you as much as you valued them. Now, take a moment and try to get a visual image in your mind of this event. What was it like being in this situation? What did others say to you? What would you say in return? How did you feel? After the visualization, write a sentence or two about your thoughts and feelings regarding this situation.

I removed participants who could not think of a group or their assigned brand, as well as those who could not think of an inclusion or exclusion situation. This left 231 respondents for analysis (61% female, 39% male;  $M_{\text{age}} = 34.9$ ). The study concluded with demographic measures and an open-ended suspicion probe. No participant raised suspicion regarding the purpose of the study.

### **3.4.1.1 Pretest**

In a pretest of the manipulations, participants ( $n = 44$ ) completed the exclusion manipulation, inclusion manipulation, or control task and then rated their agreement with the following statements based on how they were currently feeling: “I feel like I don't fit in; I am often not included in other people's plans; I feel excluded a lot of the time.” I averaged these three measures ( $\alpha = .90$ ) and found significant differences across the three conditions ( $M_{\text{control}} = 3.02$ ,  $M_{\text{exclusion}} = 3.90$ ,  $M_{\text{inclusion}} = 2.17$ ;  $F(2, 41) = 5.22$ ,  $p < .01$ ). Contrasts revealed that those in the exclusion condition reported greater agreement with feelings of exclusion compared to those in the control and inclusion conditions ( $F(1, 41) = 8.09$ ,  $p < .01$ ), and those in the inclusion



condition reported lower agreement with feelings of exclusion compared to those in the control and exclusion conditions ( $F(1, 41) = 7.91, p < .01$ ).

### 3.4.1.2 Measures

Brand attachment was the key dependent variable. Respondents rated their agreement with four items (1 = “strongly disagree” to 7 = “strongly agree”) which were averaged to form one overall brand attachment score ( $\alpha = .93$ ): “I feel better if I am not without the brand for a long period of time; I miss the brand when it is not around; If the brand was permanently gone from my life I would be upset; Losing the brand forever would be distressing for me.”

Participants also indicated their agreement with two social self-concept connection measures on a seven-point scale (1 = “strongly disagree” to 7 = “strongly agree”): “This brand is a statement of how I am part of a group,” and “This brand makes me feel connected to others” ( $r = .85$ ).

### 3.4.2 Results

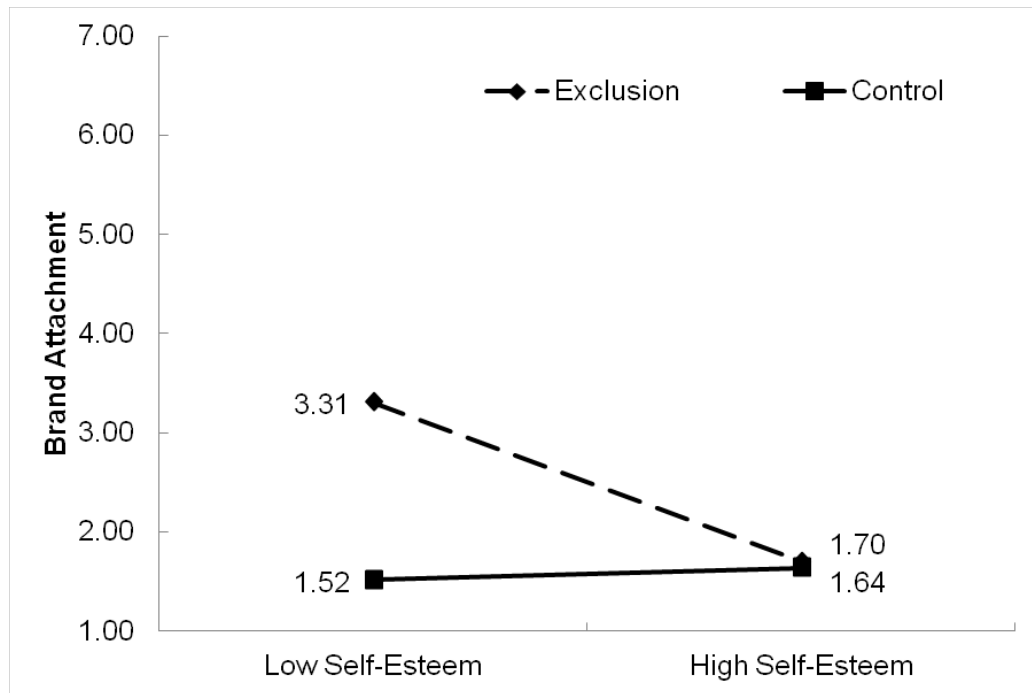
I ran an ANCOVA on brand attachment with manipulation (exclusion vs. inclusion vs. control), brand (in-group, vertical, horizontal), and chronic self-esteem in a full factorial model. The overall model was significant ( $F(17, 213) = 6.23, p < .0001$ ). The main effect of brand ( $F(2, 213) = 36.84, p < .0001$ ), the interaction of manipulation and brand ( $F(4, 213) = 2.87, p < .05$ ), and the interaction of self-esteem and manipulation ( $F(2, 213) = 3.27, p < .05$ ) were all significant. These effects were qualified by a significant three-way interaction of manipulation, brand, and self-esteem ( $F(4, 213) = 2.41, p = .05$ ). No other effects were significant. To further explore and

understand this three-way interaction, I next present the results for each of the three brand conditions individually.

### **3.4.2.1 Horizontal brand condition**

A simple effects test revealed that the interaction of self-esteem and manipulation was significant for those in the atypical brand condition ( $F(2, 213) = 5.49, p < .01$ ). Recall that in regards to horizontal brands, the prediction focused on social exclusion. In support of hypothesis 1, the effect of self-esteem was significant in the exclusion condition ( $F(1, 213) = 8.95, p < .01$ ), but not significant in either the control or inclusion conditions (control:  $F(1, 213) = .03, NS$ ; inclusion:  $F(1, 213) = 2.67, NS$ ).

I followed the post-hoc probing procedure recommended by Aiken and West (1991) to further examine the interaction, plotting mean brand attachment for participants in the control and exclusion conditions at plus or minus one standard deviation from the mean of self-esteem (figure 13). A spotlight analysis revealed that for LSE individuals, the relationship between exclusion and attachment to an atypical brand was significant and positive ( $b = 1.82, p < .01$ ); compared to the control condition, exclusion lead to greater attachment to a horizontal brand. For HSE individuals, the effect of exclusion on brand attachment was not significant ( $b = .05, NS$ ). These results support hypothesis 1 and are consistent with the findings of study 1.

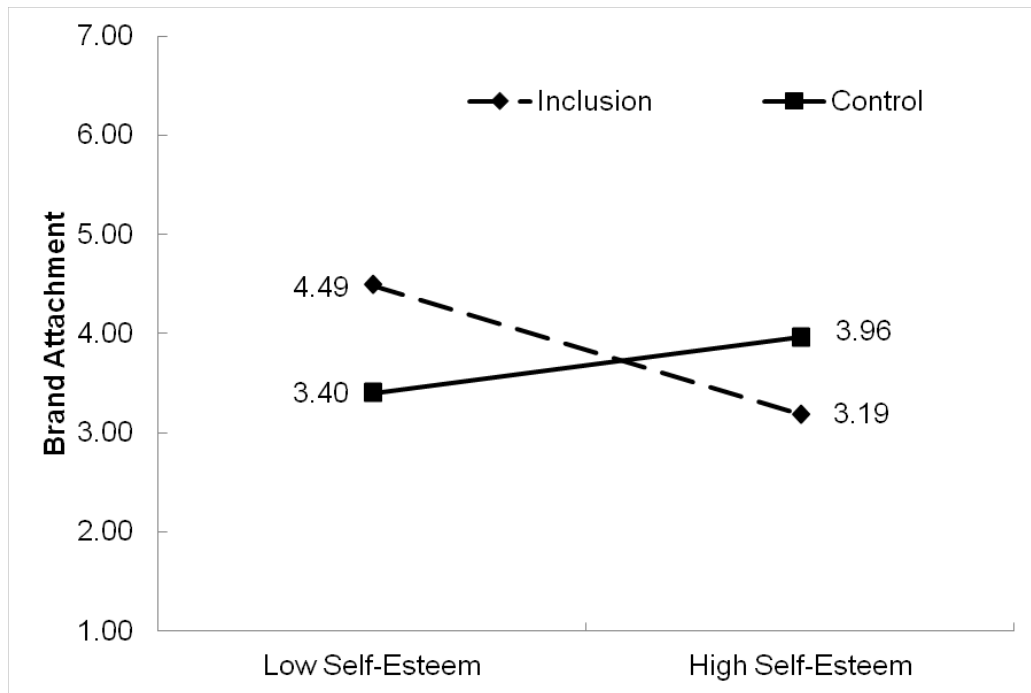


**Figure 13.** Impact of Exclusion and Self-Esteem on Attachment to a Horizontal Brand

### 3.4.2.2 Vertical brand condition

A simple effects test on those in the status brand condition revealed a significant interaction of self-esteem and manipulation ( $F(2, 213) = 3.06, p < .05$ ). Recall that the prediction for vertical brands dealt with social inclusion. I did not expect exclusion to have an impact on the desirability of vertical brands. In support of these predictions, self-esteem had a significant effect on those in the inclusion condition ( $F(1, 213) = 5.11, p < .05$ ), but not in the control or exclusion conditions (control:  $F(1, 213) = 1.22, NS$ ; exclusion:  $F(1, 213) = .81, NS$ ).

A spotlight analysis (see figure 14) examined the effect of inclusion compared to the control condition at high and low levels of self-esteem. There was a marginally significant relationship between inclusion and attachment for LSE individuals ( $b = 1.1, p < .06$ ); compared to the control condition, inclusion lead to greater attachment to a vertical brand. This relationship was not significant for HSE individuals ( $b = -.70, NS$ ).



**Figure 14.** Impact of Inclusion and Self-Esteem on Attachment to a Vertical Brand

### 3.4.2.3 In-group brand condition

The interaction of self-esteem and manipulation was not significant among those in the in-group brand condition ( $F(2, 213) = .50, NS$ ). The main effect of manipulation, however, was significant ( $F(2, 213) = 3.51, p < .05$ ).

As expected, participants in the exclusion condition reported greater attachment to the core brand compared to participants in both the control and inclusion conditions ( $M_{\text{exclusion}} = 4.61$  vs.  $M_{\text{control}} = 3.65; F(1, 76) = 5.26, p < .05$ ; vs.  $M_{\text{inclusion}} = 3.67; F(1, 70) = 4.88, p < .05$ ). There was no difference in attachment to an in-group brand among those in the control and inclusion conditions ( $F(1, 70) < .01, NS$ ). This set of results replicate previous findings concerning the impact of exclusion on preference for an in-group brand.

#### **3.4.2.4 Mediation analysis**

My theory suggests that these changes in attachment, even to differentiating brands, are driven by a desire to belong. Hypotheses 2 and 4, therefore, predict that changes in attachment will be mediated by changes in social self-concept connection to the brand across all the conditions. That is, increases in attachment to the brand should be driven by increases in individuals' perceptions of the brands as connecting them to the group. To see if social self-concept connection mediated the results, I ran the regression analyses suggested by Baron and Kenny (1986). First, the interaction of self-esteem, manipulation, and brand significantly predicted brand attachment ( $b = .53$ ,  $t(223) = 2.29$ ,  $p < .05$ ). Second, the interaction of self-esteem, manipulation, and brand significantly predicted social self-concept connection ( $b = .62$ ,  $t(223) = 2.59$ ,  $p < .05$ ). Finally, when I added social self-concept connection to the model predicting brand attachment, its effect was significant ( $b = .69$ ,  $t(223) = 15.07$ ,  $p < .0001$ ), while the three-way interaction of self-esteem, manipulation, and brand was no longer significant ( $b = .10$ ,  $t(223) = .62$ , NS). These results suggest that social self-concept connection does mediate the results (Sobel's  $Z = 2.55$ ,  $p < .05$ ), supporting hypotheses 2 and 4.

#### **3.4.3 Discussion**

The first two studies together provide strong support for the hypothesized effects. Specifically, irrespective of whether I measured the consumer's need for belonging or manipulated inclusion/exclusion, I found the same pattern of effects: LSE individuals were more likely to seek brands to differentiate themselves—both under conditions where belongingness goals were satiated (inclusion) as well as when they were threatened and salient (exclusion). Importantly, preference for horizontal (vertical) brands under conditions of exclusion (inclusion) emerged

robustly in the forms of increased purchase likelihood for a new product (study 1) as well as enhanced attachment towards an existing and familiar option (study 2). The findings emerged whether the brand's positioning was manipulated in the lab or brand names corresponding to the positioning strategies were elicited by participants.

Most importantly, study 2 provided evidence for social self-concept connection as a mediator of the results. Individuals viewed the brands as brands that could connect them with others. This perceived social self-concept connection enhanced LSE individuals' attachment to horizontal brands under exclusion and vertical brands under inclusion, as well as all individuals' attachment to in-group brands under exclusion, regardless of self-esteem.

My theorizing with respect to LSE individuals preferring horizontal brands under social exclusion suggests that these individuals are lowering their identity salience. I argued that their increase in preference for horizontal brands was actually a manifestation of their desire for belongingness, albeit to a more nonmainstream social group. While study 2 offers support for the fact that LSE individuals view horizontal brands as a way of connecting them to others, I have not yet provided direct evidence of their lowered identity salience. In study 3, therefore, I attempt to replicate the findings while also providing evidence that in increasing their preference for the horizontal brand LSE individuals are beginning to decrease the importance they place on the identity.

## 3.5 STUDY 3

In study 3 I examined whether the results replicated under a different exclusion manipulation. I also sought evidence that their increase in preference for a horizontal brand was a result of LSE individuals reducing their importance of and similarity to the excluding group.

### 3.5.1 Design and procedure

One hundred and forty-one undergraduate business school students completed the study for course credit in a lab session (50% female, 50% male). The study was a single factor between subjects design with participants randomly assigned to either an exclusion or control condition.

Participants once again began by completing Rosenberg's measures of chronic self-esteem ( $\alpha = .88$ ;  $M = 4.29$ , s.d. = .63). After a few filler measures, participants engaged in a brand elicitation procedure similar to that used in the pilot study and study 2. Participants named a clothing brand that was very typical of business school students, as well as a clothing brand that was very atypical of business school students. They also named an out-group in relation to their business school identity as well as another relevant in-group for themselves, and clothing brands associated with both in-groups. All together respondents named four clothing brands: business in-group brand, horizontal business brand, out-group brand, in-group brand which was linked to an alternative identity. The dependent variable was brand preference and participants assigned 100 points across the four brands.

Next, I randomly assigned participants to either the control condition, in which they wrote about their plans for the next day, or the exclusion condition. Those in the excluded condition played a game of Cyberball (Williams et al. 2000). Instructions informed participants

that they were taking part in a mental visualization study which involved a computer ball-tossing game called Cyberball. On the screen they saw three “Cyberball” icons, intended to represent other business school students in the lab, and an animated hand at the bottom of the screen, intended to represent the participant. Participants had no information about the other players from the lab. In actuality, there were no other players; the participant played with the computer. The game consisted of a total of 32 throws. I manipulated exclusion by programming the number of ball tosses thrown to the participant. Participants received three tosses at the beginning of the game and then never received another toss. The number of throws an individual went without a toss varied, but on average participants went about 21 rounds without a toss between their last toss and the end of the game.

After they participated in the Cyberball study or the control task, I asked participants to think about what they planned on wearing the next day. They distributed 100 points among the brands they had named previously based on the likelihood that they would wear the brand. More points indicated a greater likelihood of wearing the brand the next day.

Finally, respondents completed measures intended to measure identity salience. I measured their identification with the business school student identity using a Venn diagram illustrating the overlap between the respondents’ identity and a business school student identity, such that the overlap represented the extent to which the respondent identified with the identity (Lam et al. 2010). An example of the Venn diagram illustration can be found in appendix C. The importance of their business school student identity was measured by their agreement on a seven-point Likert scale with two statements: “I would feel at a loss if I were forced to give up being a business school student,” and “I really don’t have any clear feeling about being a business school student” (reverse coded). I averaged the two items to form an overall importance



measure ( $r = .40, p < .0001$ ). Respondents' similarity to the business school student identity was measured by an average of three seven-point bipolar scales (unrepresentative – representative; atypical – typical; different – similar;  $\alpha = .89$ ).

## **3.5.2 Results**

### **3.5.2.1 Manipulation check**

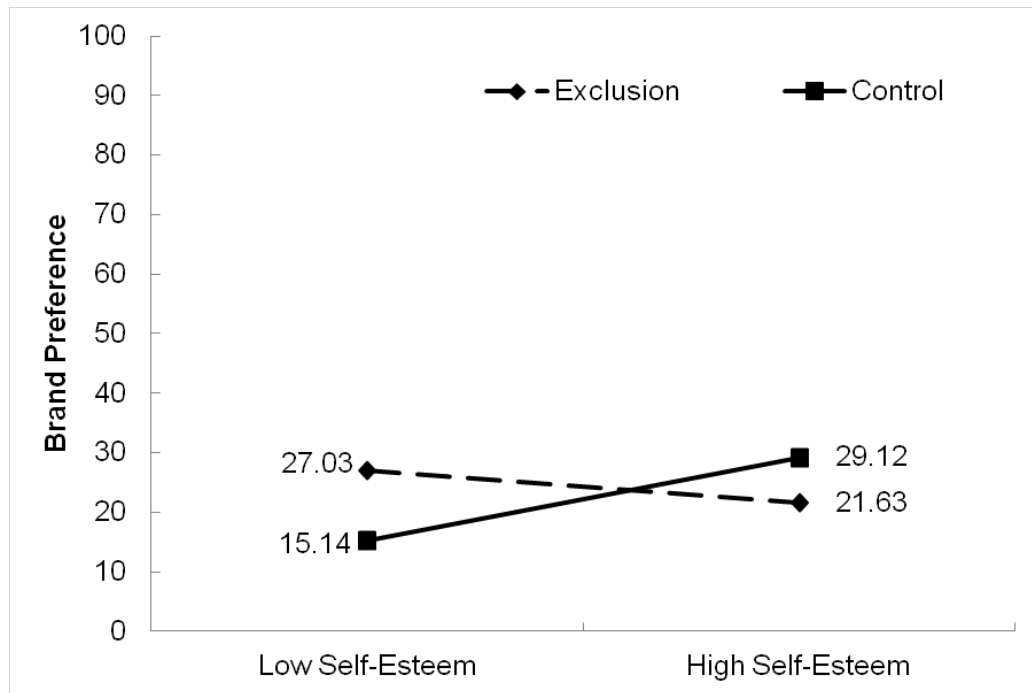
Immediately following the Cyberball game or the control task, respondents completed eight items from Leary et al.'s (2007) need to belong scale. As in study 1, I adapted the measures slightly to refer to a specific need to belong with other business school students. The five-point scale items included “I want other business school students to accept me,” “It bothers me a great deal when I am not included in other business school students' plans,” and “I try hard not to do things that will make other business school students avoid or reject me,” ( $\alpha = .83$ ).

Those in the social exclusion (Cyberball) condition had higher scores on the need to belong scale than did participants in the control condition ( $M_{\text{exclusion}} = 2.98$  vs.  $M_{\text{control}} = 2.62$ ;  $F(1, 139) = 7.74, p < .01$ ). Participants in the exclusion condition demonstrated a stronger need to belong than did those in the control condition, suggesting that the manipulation was successful. I also ran a full factorial model with exclusion and self-esteem predicting the need to belong scores to ensure that the manipulation of exclusion did not vary by self-esteem. Only the main effect of manipulation was significant in the model ( $F(1, 137) = 7.27, p < .01$ ).

### 3.5.3 Brand preference

In line with previous research and the results from the previous studies, I expected preference for the business in-group brand to increase under exclusion. I ran an ANCOVA with exclusion, self-esteem, and their interaction predicting points awarded to the business in-group brand and only the main effect of exclusion was significant. Respondents in the exclusion condition gave more points to the business in-group brand compared to respondents in the control condition ( $M_{\text{exclusion}} = 36.00$  vs.  $M_{\text{control}} = 27.57$ ;  $F(1, 139) = 4.00, p < .05$ ). Thus, in line with previous results, I found that preference for the business in-group brand increased following exclusion.

Hypothesis 1 predicts that exclusion will increase preference for the horizontal brands among LSE respondents, but not HSE respondents. I ran an ANCOVA with exclusion, self-esteem, and their interaction predicting points awarded to the atypical brand. As expected, the interaction of exclusion and self-esteem was significant ( $F(1, 137) = 5.91, p < .05$ ). As seen in figure 7, consistent with the expectations, a spotlight analysis revealed that for LSE individuals, the relationship between exclusion and preference for the horizontal brand was positive and significant ( $b = 12.34, p < .05$ ); exclusion almost doubled the likelihood of wearing the horizontal brand compared to the control condition. This effect did not emerge for HSE individuals ( $b = -7.21, \text{NS}$ ).



**Figure 15.** Impact of Exclusion and Self-Esteem on Preference for a Horizontal Brand

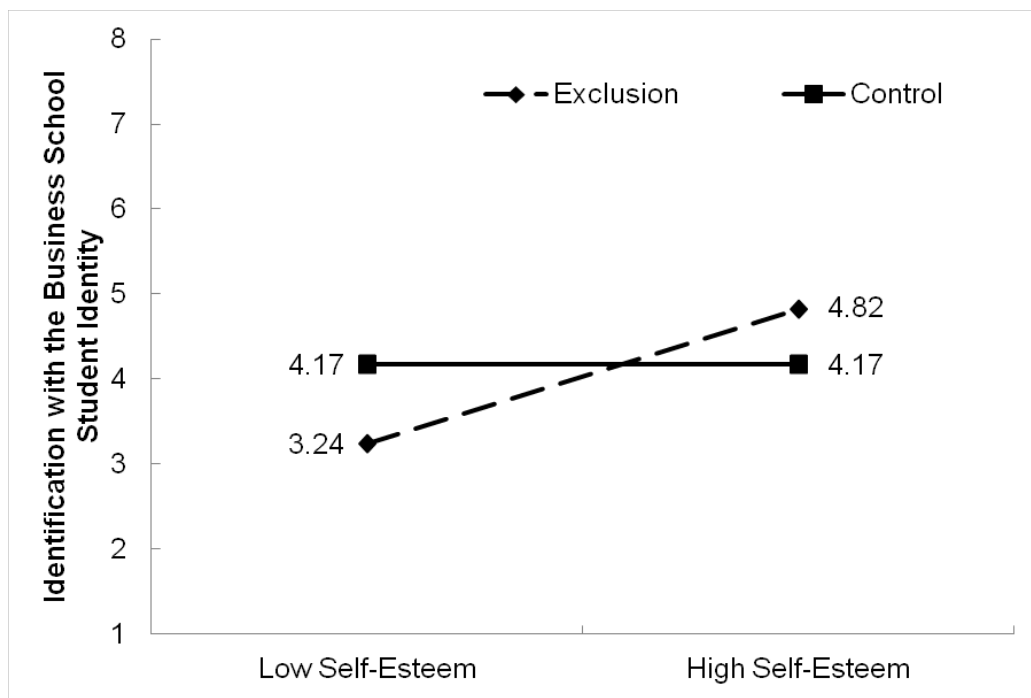
I also examined the impact of exclusion and self-esteem on preference for the out-group and alternative in-group brands. Exclusion and self-esteem had no effect on points awarded to the out-group brand. In terms of the alternative in-group brand, however, there was a significant interaction of exclusion and self-esteem. A spotlight analysis revealed that for LSE individuals, the relationship between exclusion and preference for the alternative in-group brand was negative and significant ( $b = -18.90, p < .01$ ); exclusion lowered the likelihood of wearing the brand. This effect did not emerge for HSE individuals ( $b = .11, NS$ ).

The fact that the pattern of results for out-group brands and alternative in-group brands differs from the horizontal brands allows me to rule out the possibility that participants increase their preference for a horizontal brand in an effort to find belongingness with an out-group or another one of their in-groups. Moving away from the typical business school student identity does not appear to be synonymous with moving towards an out-group or another one of their in-

groups. I believe that preference for a horizontal brand is a reflection of LSE consumers' strategic decrease in identity salience. I look for evidence of this next.

### 3.5.3.1 Identity salience measures

I first looked at the effect of exclusion and self-esteem on the extent to which participants reported identifying with the business school identity. The interaction of exclusion and self-esteem was significant ( $F(1, 84) = 6.58, p < .05$ ). As seen in figure 16, a spotlight analysis revealed that exclusion lowered LSE participants' identification with the business school identity ( $b = -.93, p < .05$ ). Exclusion had no effect among HSE individuals ( $b = .65, NS$ ).

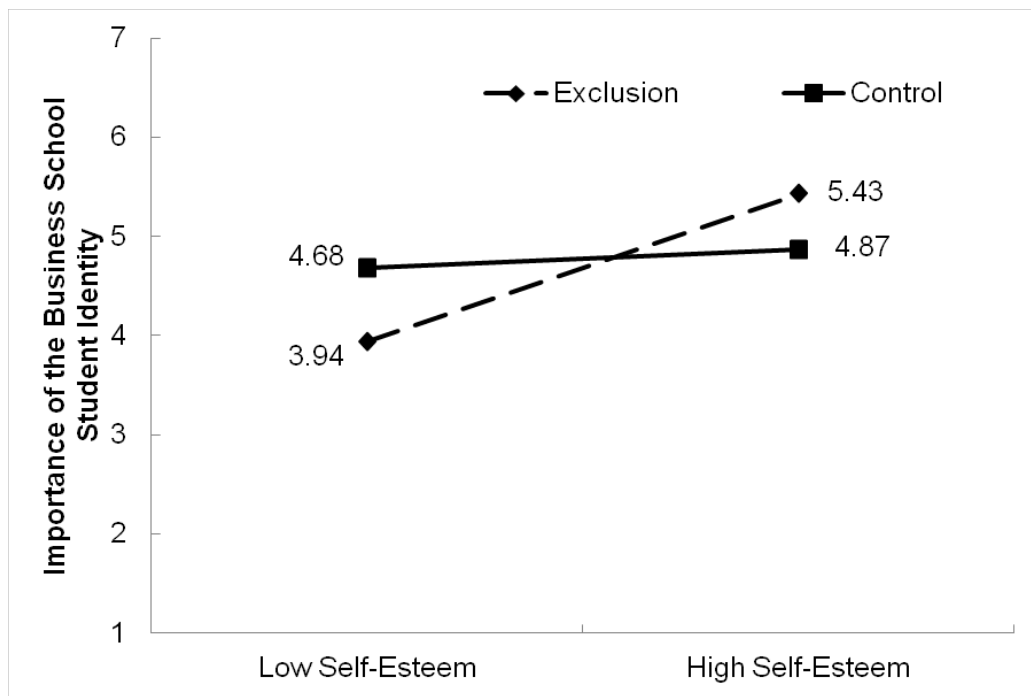


**Figure 16.** Impact of Exclusion and Self-esteem on Identification with the Business School Student Identity

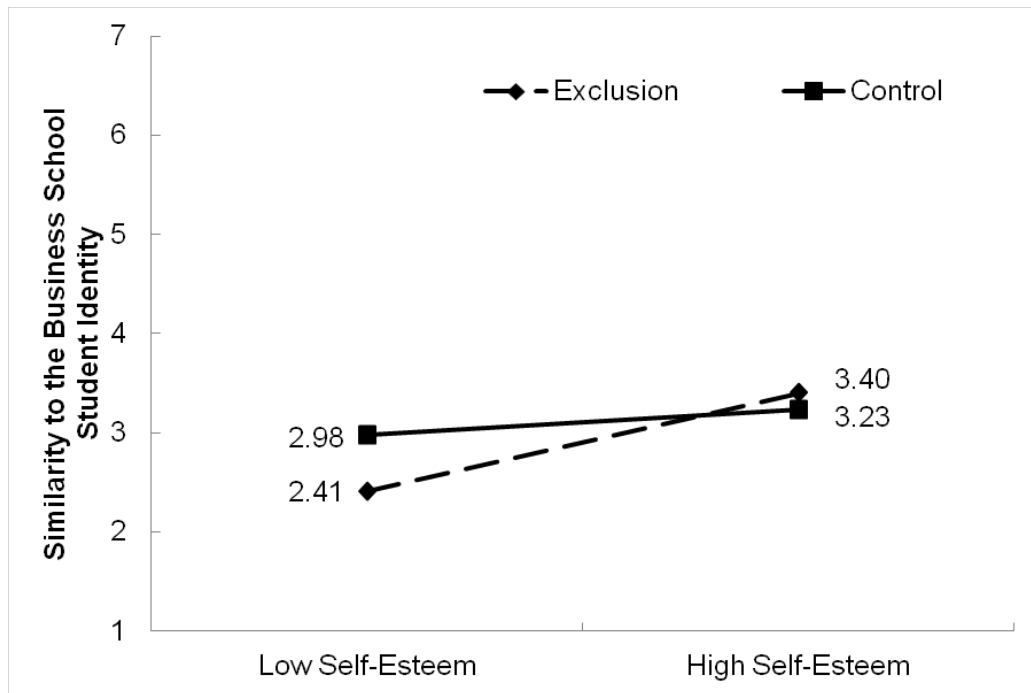
A similar pattern emerged for the measures of identity importance (see figure 17). The interaction of exclusion and self-esteem was significant ( $F(3, 111) = 6.24, p < .05$ ). A spotlight analysis showed that among LSE participants, excluded individuals reported the identity as being

less important to them compared to participants in the control condition ( $b = -.75, p < .05$ ), but this difference was not significant among HSE participants ( $b = .57, NS$ ).

Finally, the results of an analysis on the similarity measures also revealed a significant interaction of exclusion and self-esteem ( $F(1, 80) = 4.30, p < .05$ ). As seen in figure 18, a spotlight analysis revealed that for LSE individuals, the relationship between exclusion and similarity to the identity was negative and significant ( $b = -.57, p < .05$ ); compared to the control condition exclusion lowered participants' feelings of similarity to the business school student identity. This effect did not emerge for HSE individuals ( $b = .17, NS$ ).



**Figure 17.** Impact of Exclusion and Self-esteem on Importance of the Business School Student Identity



**Figure 18.** Impact of Exclusion and Self-esteem on Similarity to the Business School Student Identity

### 3.5.4 Discussion

Taken together, these results suggest that following social exclusion, LSE individuals lower the salience of the identity that has excluded them. When LSE participants felt excluded from their fellow business school students, they reported less identification with the identity, reported the identity as being less important, and felt less similar to the identity. Thus, their preference for a horizontal brand is likely a manifestation of this decrease in identity salience. They do not, however, appear ready to abandon the identity entirely. The results also suggest that, following social exclusion, LSE consumers increase their preference for in-group brands. These individuals, therefore, respond to social inclusion both by trying to reconnect with the group (through in-group brands) as well as trying to connect with a less mainstream group (through horizontal brands). While these behaviors may seem to contradict one another, they are likely

both manifestations of LSE individuals' constant vigilance regarding belongingness (Leary and Baumeister 2000). So while they may try to regain inclusion in the group, at the same time they may also start to shift away and look for alternative sources of belongingness. This may also imply that LSE consumers exhibit greater amount of switching between core and nonmainstream brands. By attaching to multiple brands, these individuals are likely to be less loyal to any one brand, which may result in their greater propensity to exhibit variety-seeking or switching behavior.

While I have evidence of LSE individuals decreasing identity salience following social exclusion, I have yet to examine why these same individuals gravitate towards vertical brands under social inclusion. The fact that LSE individuals seek vertical brands following inclusion is an interesting and noteworthy finding. Most prior research has focused on the effects of exclusion, or high need for belongingness on brand and product preferences (Loveland et al. 2010; Mead et al. 2011). To my knowledge, I am the first to examine how inclusion (which lowers need for belongingness) might induce a preference for a vertical brand. My theorizing had suggested that LSE individuals under inclusion conditions are likely to shift their self-categorization to a smaller, more elite subgroup of the identity because power and status can secure their belongingness within the group (Baumeister and Sommer 1997). It is likely that these individuals will want to signal their shift in categorization to others. Power and status are more likely to result in greater belongingness if such status is effectively communicated through others. Therefore, following social inclusion LSE individuals should be concerned about self-presentation. Self-presentation goals are often aimed at establishing, maintaining, or refining an image of the individual in the minds of others (Baumeister 1982). If self-presentation is the main driver of the results for LSE individuals, I would expect that these consumers are more willing to

choose and display their choice of brands publicly (Ratner and Kahn 2002). Study 4 attempts to explicitly test this proposition.

### 3.6 STUDY 4

Study 4 was a single factor between subjects design (inclusion vs. control). The key dependent variable was brand choice. I expected social inclusion to increase LSE individuals' preference for a vertical brand, as well as their preference for conspicuous consumption of the vertical brand.

One hundred and twenty-five undergraduate business school students from a national panel completed the study online in exchange for a small monetary incentive. They began by completing measures of chronic self-esteem using the ten-item Rosenberg self-esteem scale ( $\alpha = .91$ ;  $M = 4.12$ ,  $s.d. = .67$ ). They were then randomly assigned to either the inclusion condition or the control condition. The inclusion manipulation was identical to study 2 except I replaced the words "member of the group you just named" with "business school student." Participants who could not think of an inclusion situation were removed from the data set, leaving 100 respondents for analysis. Participants in the control condition wrote about their commute to campus that day.

Next, respondents were asked to imagine themselves in the following scenario:

Assume you are a member of your school's chapter of Phi Beta Lambda, a national professional student business organization. You are about to go to a meeting of Phi Beta Lambda and are deciding what to wear to the meeting. You are choosing between the three different brands of shirts. Which brand of shirt would you be most likely to wear to the meeting?



Respondents chose among three brands selected from the perceptual map study: an in-group brand (American Eagle), a vertical (Armani Exchange), and a horizontal brand (Hollister).

Following the choice task, participants saw two shirt options for each of the three brands (i.e., total of 6 shirt options). For each brand, one shirt version publicly displayed the brand and logo on the left chest area of the shirt; in the second shirt version the logo was only visible on the inside tag, behind the neck (hidden from public view). Respondents ranked all six shirt options in order of their likelihood of wearing it to the meeting. An example of the public and private shirts can be found in appendix D. Finally, they completed demographic measures and an open-ended suspicion probe. No participant connected the studies or guessed the purpose.

I selected an in-group brand (American Eagle), a vertical brand (Armani Exchange) and a horizontal brand (Hollister) from the perceptual map from the pilot study. I also, however, conducted a pretest ( $n = 52$ ) in which participants rated American Eagle and Armani Exchange as significantly more consistent with their business school student identity than Hollister ( $M_{\text{Hollister}} = 3.19$  vs.  $M_{\text{American Eagle}} = 4.67$ ;  $F(1, 49) = 6.64, p < .05$ ; vs.  $M_{\text{Armani Exchange}} = 4.39$ ;  $F(1, 49) = 4.38, p < .05$ ), but not significantly different from each other ( $F(1, 49) = .25, \text{NS}$ ). Importantly, they reported that wearing Armani Exchange was significantly more likely to make them feel superior to other business school students than wearing either American Eagle ( $M_{\text{Armani Exchange}} = 5.11$  vs.  $M_{\text{American Eagle}} = 2.94$ ;  $F(1, 49) = 23.75, p < .0001$ ) or Hollister ( $M_{\text{Hollister}} = 2.19$ ;  $F(1, 49) = 40.70, p < .0001$ ). The means for Hollister and American Eagle were not significantly different on this measure ( $F(1, 49) = 2.73, \text{NS}$ ). Thus, while American Eagle and Armani Exchange both fit with the business school identity, Armani Exchange is better able to achieve superiority within the group, and thus meets the criteria of a vertical brand.

I also pretested the public and private shirts. Respondents ( $n = 29$ ) saw one of the 6 shirt options, read a description of both a private good and a public good, and then rated their agreement with the statements, “This shirt is a public good” and “This shirt is a private good.” Those who saw the shirt versions with the brand name and logo prominently displayed on the chest, rated the shirt to be more public than private ( $M_{\text{public}} = 6.60$  vs.  $M_{\text{private}} = 1.60$ ;  $t(14) = 20.92$ ,  $p < .001$ ). Conversely, those who saw the shirt with the logo on the neck tag rated the shirt to be more private than public ( $M_{\text{public}} = 3.00$  vs.  $M_{\text{private}} = 4.93$ ;  $t(13) = 3.97$ ,  $p < .01$ ).

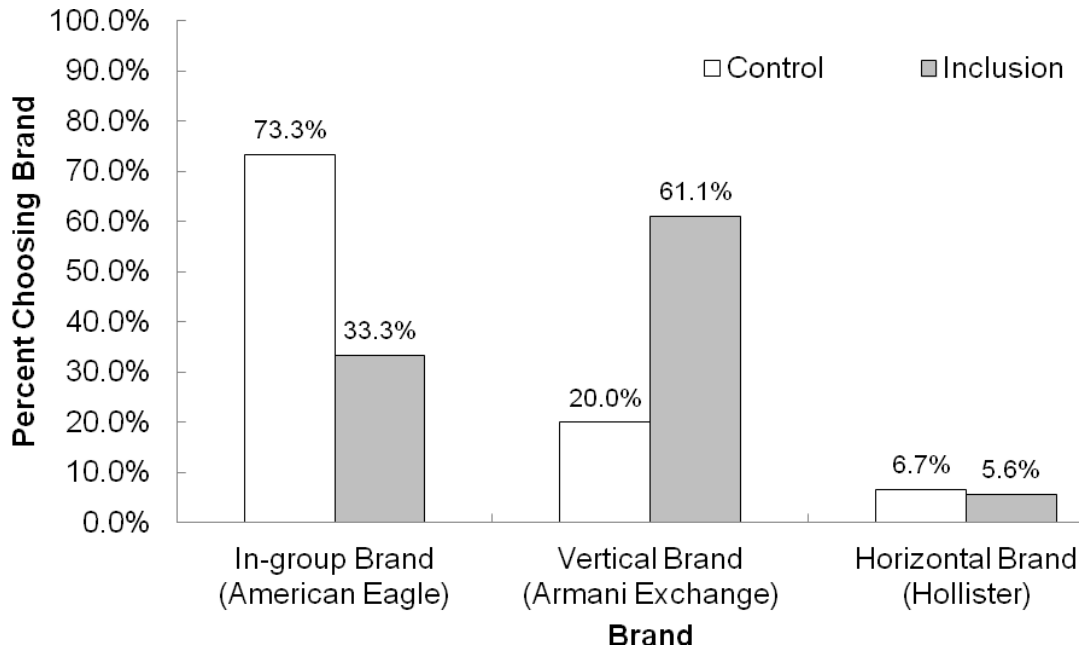
### **3.6.1 Results**

#### **3.6.1.1 Choice of vertical brand**

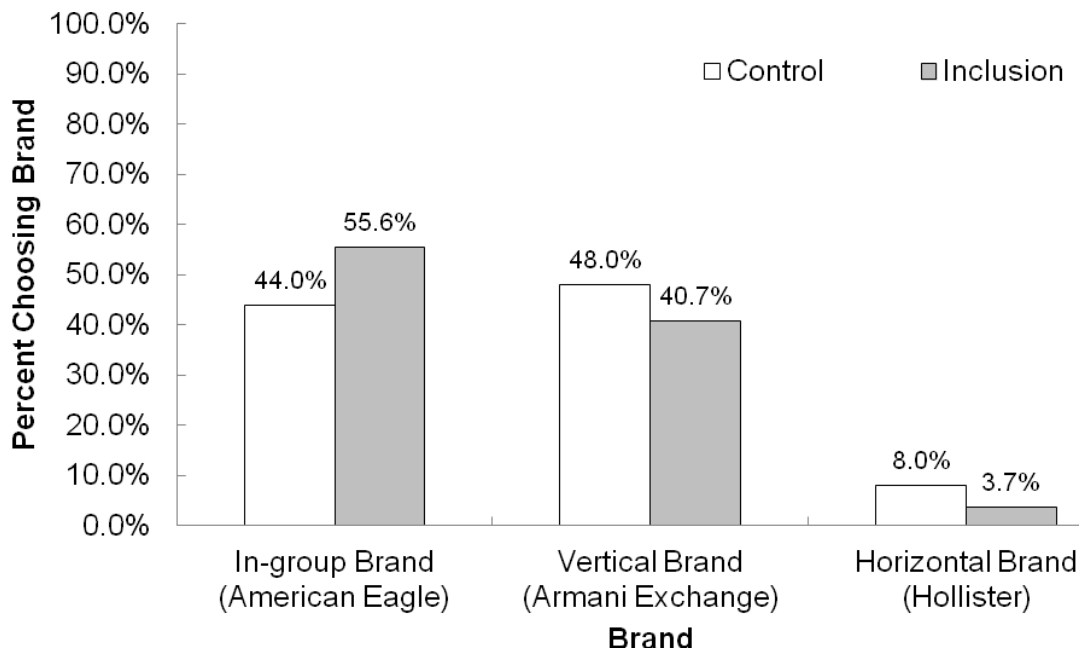
I ran a logistic regression with a dummy variable for condition (inclusion vs. control) predicting choice of Armani Exchange (the vertical brand). Self-esteem and its interaction with inclusion were also included in the model. I also included gender as a covariate.

The main effect of inclusion was marginally significant ( $b = .87$ , Wald  $\chi^2(1) = 3.73$ ,  $p < .06$ ). As expected, and consistent with earlier studies, the interaction of inclusion and self-esteem was significant ( $b = -1.55$ , Wald  $\chi^2(1) = 4.57$ ,  $p < .05$ ). The effect of gender was not significant.

Next, I analyzed the percentage of respondents choosing Armani Exchange (the vertical brand) across the inclusion and control conditions at low and high levels of self-esteem (using a median split of self-esteem scores). Consistent with the hypothesis, LSE participants who felt socially included were more likely to choose the Armani Exchange brand than participants in the control condition (61.1% vs. 20.0%;  $\chi^2(1) = 8.31$ ,  $p < .01$ ). However, for HSE individuals, inclusion had no effect of choice of the Armani Exchange brand (40.7% vs. 48.0%;  $\chi^2(1) = .28$ , NS). The choice shares for each condition can be found in figures 19 and 20.

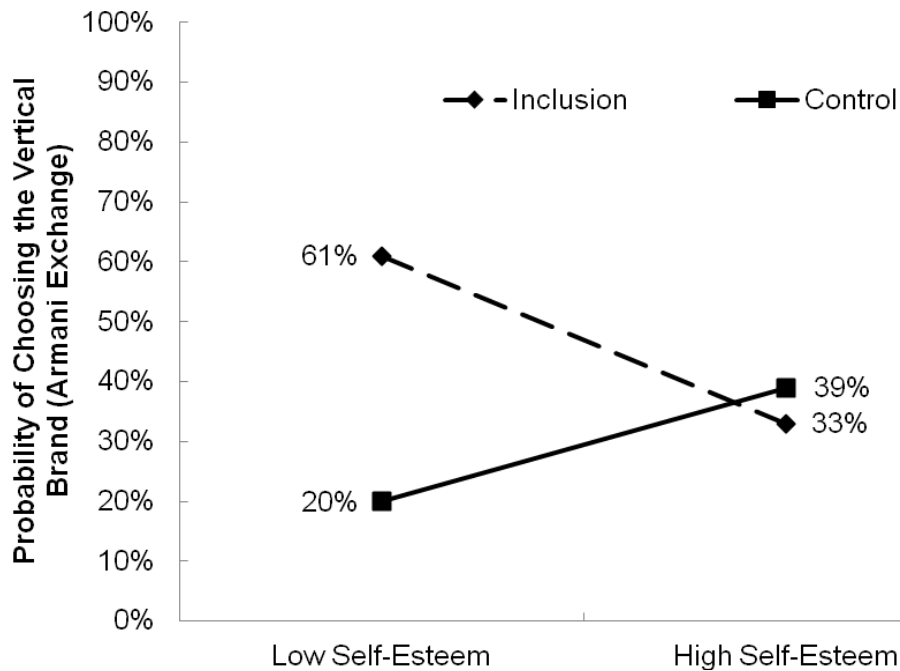


**Figure 19.** Impact of Social Inclusion on Brand Choice among those with Low Self-Esteem



**Figure 20.** Impact of Social Inclusion on Brand Choice among those with High Self-Esteem

I also used Aiken and West's (1991) post-hoc procedure to plot the probabilities for the control and inclusion conditions at plus and minus one standard deviation from the mean of self-esteem. As seen in figure 21, the relationship between inclusion and choice of Armani Exchange brand was significant for LSE individuals ( $b = .20, p < .01$ ); inclusion lead to a greater probability of choosing the vertical brand. Inclusion had no effect on the probability of choosing a vertical brand for HSE individuals ( $b = -.03, NS$ ).



**Figure 21.** Impact of Social Inclusion and Self-Esteem on Choice of Vertical Brand

### 3.6.1.2 Choice of other brands

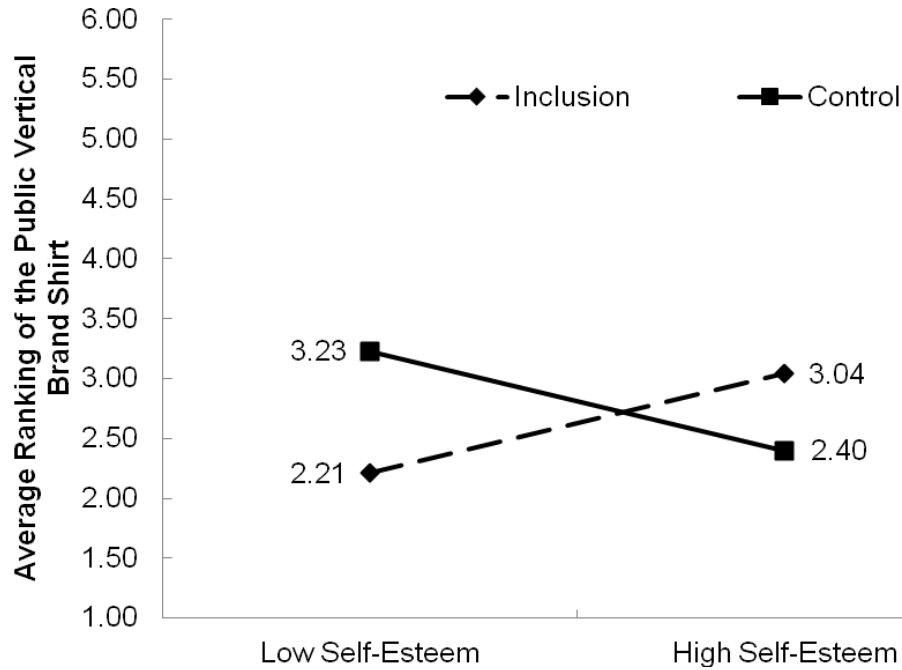
I also ran logistic regressions with inclusion, self-esteem, and their interaction predicting both choice of the in-group brand (American Eagle) and choice of the horizontal brand (Hollister). None of the effects were significant in the model predicting choice of the horizontal brand ( $ps > .45$ ). In terms of choice of the in-group brand, however, the interaction of inclusion and self-esteem was significant ( $b = 1.47, \text{Wald } \chi^2(1) = 4.18, p < .05$ ). LSE participants who felt

socially included were less likely to choose American Eagle than participants in the control condition (33.3% vs. 73.3%;  $\chi^2(1) = 7.41, p < .01$ ). It appears that when LSE individuals increase their preference for vertical brands, it comes at the cost of the in-group brands. In contrast, for HSE participants, inclusion had no effect on the choice of American Eagle (55.6% vs. 44.0%;  $\chi^2(1) = .69, NS$ ).

### **3.6.1.3 Signaling through conspicuous consumption**

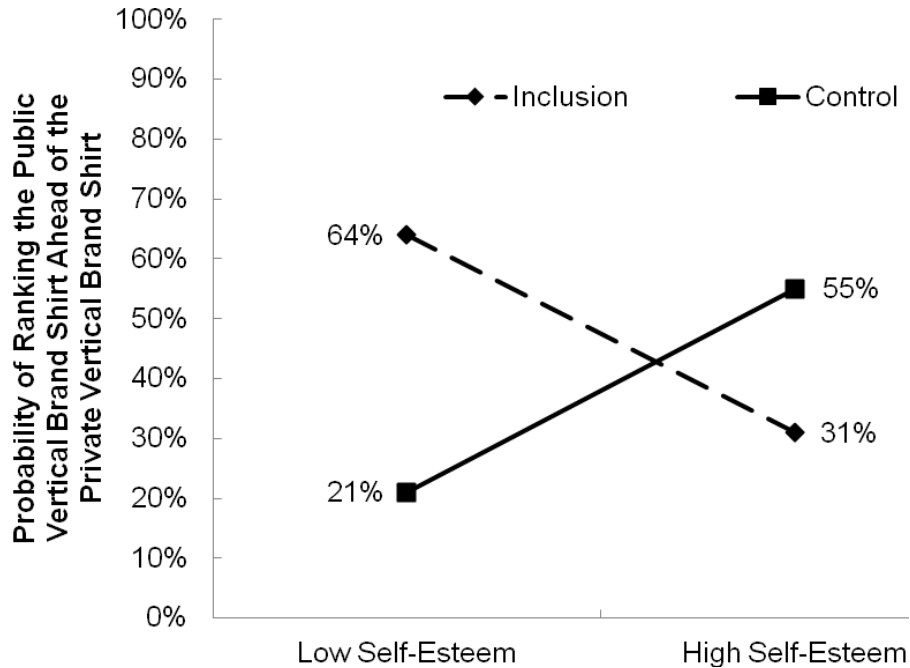
To examine whether inclusion increased LSE individuals' preference for conspicuous consumption of the vertical brand, I first analyzed the rankings for both the private and public shirt versions of the vertical brand (Armani Exchange) using ordered logit models with self-esteem, a dummy variable for condition (inclusion vs. control), and their interaction as independent variables. I also included gender as a covariate. For the public shirt ranking, the effect of self-esteem was significant ( $b = 1.04, \text{Wald } \chi^2(1) = 5.63, p < .05$ ), as was the interaction of self-esteem and inclusion ( $b = -2.07, \text{Wald } \chi^2(1) = 7.29, p < .01$ ). For the private shirt ranking, none of the effects were significant ( $\text{Wald } \chi^2\text{'s} < 1$ ).

For simplification and presentation purposes, I also ran an ANCOVA predicting the Armani Exchange public shirt ranking with inclusion, self-esteem, and their interaction as predictors, as well as gender as a covariate. The interaction of self-esteem and inclusion was significant ( $F(1, 93) = 8.65, p < .01$ ). Inclusion increased LSE individuals' rankings of the public Armani Exchange shirt ( $b = -.51, p < .05$ ) but had no effect on HSE individuals' rankings of the public Armani Exchange shirt ( $b = .31, NS$ ). The average rankings of the public version of the Armani Exchange shirt can be found in figure 22.



**Figure 22.** Impact of Social Inclusion on Ranking of Public Vertical Brand Shirt

I also created a dummy variable to capture the relative preference for the public Armani Exchange shirt over the private Armani Exchange shirt (i.e., whether participants' ranking of the public shirt version was higher than the private shirt version). In a logistic regression with self-esteem, inclusion, and their interaction predicting the relative preference for the public shirt, the interaction of self-esteem and inclusion was significant ( $b = -2.18$ , Wald  $\chi^2(1) = 7.03$ ,  $p < .01$ ). I again used Aiken and West's (1991) post hoc procedure to plot the probabilities. As seen in figure 23, for LSE participants inclusion led to a greater preference for the public version of the Armani Exchange shirt ( $b = .14$ ,  $p = .05$ ). This was not the case, however, for HSE individuals ( $b = -.10$ , NS).



**Figure 23.** Impact of Social Inclusion and Self-Esteem on the Probability of Ranking of Public Vertical Brand Shirt Ahead of Private Vertical Brand Shirt

I also tested the relative preference for the public shirt for the other brands (American Eagle and Hollister). None of the effects were significant in either model. Taken together, these results provide evidence that LSE individuals prefer to conspicuously consume vertical brands when they are feeling included to signal to others their preeminence in the group.

### 3.6.2 Discussion

Study 4 replicated the previous findings for the inclusion condition in the context of a choice setting. LSE participants were more likely to choose a vertical brand under social inclusion compared to a control condition. In addition, its findings reveal that LSE individuals, even when they feel socially included, seek to protect themselves from future rejection by using vertical brands to signal their superiority to others within the group. This signaling intent resulted in a

greater preference for products with a prominent (publicly visible) logo of a vertical brand. In line with my theorizing, it appears that following inclusion LSE individuals shift their self-categorization to a more elite subgroup and signal this shift to others through conspicuous consumption of a vertical brand.

### **3.7 GENERAL DISCUSSION**

While there is a lot of research suggesting that social exclusion and the need for belongingness can motivate consumers to use brands to blend in to their social surroundings, recent research has shifted the focus away from belongingness to understanding the role of distinctiveness (Chan, et al. 2012). The present research argues for two moderators that have not been examined previously: need for belongingness and self-esteem. Jointly they create a preference for two types of differentiated brands (horizontally and vertically differentiated brands). Taken together, the results from four studies provide strong support for the hypothesized conditions under which consumers prefer differentiated brands. In line with previous work, the results suggest that individuals who feel excluded or have a high need for belongingness have greater attachment to and preference for brands representative of the group. In addition, consumers with LSE have greater attachment to and preference for horizontal brands under social exclusion, and vertical brands under social inclusion. Horizontal differentiation with horizontal brands allows LSE individuals to find belongingness elsewhere following social exclusion, while vertical differentiation with vertical brands allows them to protect their belongingness by shifting their self-categorization to a more elite subgroup following social inclusion.



The results of this research make a few important contributions to the literature. First, while much of the research has shown how brands and products help fulfill belongingness needs (Loveland et al. 2010; Mead et al. 2011; Swaminathan et al. 2009), I examine conditions which result in a preference for brands that are seemingly differentiated from the mainstream or in-group brand. I identify two types of brands based on horizontal differentiation (i.e., horizontal brands) and vertical differentiation (i.e., vertical brands). When belongingness is satiated or threatened, some individuals (i.e., those with LSE) seek differentiating horizontal or vertical brands. Counterintuitively, and somewhat paradoxically, consumers' preference for such differentiating brands appear to be could be driven by belongingness needs. The results of this research show that when LSE consumers' belongingness needs are attained (threatened) via social inclusion (exclusion), they view vertical (horizontal) brands as a way of connecting them to others, and subsequently increase their attachment to and preference for such brands.

Secondly, the results also suggest that social exclusion may not always lead to conformity. Individuals with LSE increased their attachment to and preference for horizontal brands following a social exclusion from their group. This result is noteworthy, because the majority of the literature has show that when belonging needs are high, consumers turn to brands that help connect them with others (Loveland et al. 2010; Mead et al. 2011). For certain consumers, however, a high need to belong may also lead them elsewhere, even to a horizontal brand, in search of belongingness. In fact, I find evidence of this in that excluded individuals with LSE reported having greater social self-concept connection to horizontal brands, which in turn increased their attachment to the brands. That is, they reported that the horizontal brands made them feel a part of a group and connected to others. Furthermore, they also reported less identification and similarity to the original group that had excluded them.

LSE individuals also increased their attachment and preference for in-group brands under social exclusion, however. How can one explain this pattern? It appears that LSE individuals cope with exclusion by increasing their attachment to the horizontal brand. They also appear to be attached to the in-group brand, however, suggesting that they may have multiple brand affiliations and exhibit lower levels of loyalty to a single brand. Maintaining affiliations to both horizontal brands and in-group brands may insure them against the threat of future rejection and allow them to seamlessly shift between the two brands in an effort to secure their belongingness in either group. Further, it suggests that shifting identity is a gradual process and if social exclusion is experienced multiple times, these individuals may switch their affiliation exclusively to the horizontal brand.

The results also provide a deeper understanding of the role of social exclusion in increasing preference for in-group brands by showing that social self-concept connection mediates this effect, thereby adding to the extant literature on the impact of belongingness needs on consumers' brand choices. While the capability of in-group brands to make one feel connected to the group should be recognized by everyone, this function of the brand appeared to be especially salient to those who desired connection to the group (i.e., excluded members).

Finally, the present research demonstrates conditions under which consumers use brands for identity expression, be it group membership or differentiation. Reed (2004) supports the idea that identity expression can vary in importance based on contextual cues that may make identity more salient or important. An individuals' construal of self (Escalas and Bettman 2005; Swaminathan et al. 2007), and type of reference groups (White and Dahl 2007) also play roles in identity expression. I add to this stream by demonstrating that consumers use brands express various identities depending upon whether they feel social excluded or included and their self-

esteem. By highlighting the moderating role of self-esteem in the desire for horizontal and vertical differentiation, I build upon White and Argo (2009)'s findings regarding the role of collective self-esteem in exhibiting identity avoidance effects.

Although the desire for differentiation or the need for uniqueness has been proposed as a contrasting goal to one's need to belong (Snyder and Fromkin 1977), I believe that for LSE individuals, differentiation is actually another tactic to achieve belongingness. Vertical differentiation post social inclusion protects one's inclusion and horizontal differentiation post social exclusion allows them to find belongingness with another group. I would argue, therefore, that goals of belongingness and uniqueness are not necessarily always in opposition and consumers' underlying need for belongingness may actually drive seemingly contradictory behaviors.

The idea that self-differentiation can be achieved both horizontally and vertically has implications for future research not only regarding self-expressive brands, but also consumer behavior in general. Answers to when, why, and which consumers engage in either horizontal or vertical self-differentiation hold important implications for marketers. Marketers often highlight the value of distinction in their advertising and slogans. For instance, Apple's "Think Different," Vans' "Off the Wall," or Mercedes Benz's "Unlike any other." Whether consumers view these as vertical or horizontal self-differentiation could affect who uses the brands and when they use them.

Horizontal and vertical brand differentiation also has implications for potential brand positioning strategies. Although it may not be possible for managers to target individuals with LSE, one can envision certain target segments (e.g., teenagers) that are characterized by LSE. A counter-intuitive finding is that such consumers prefer (vertically) differentiated brands when

their belongingness needs are satiated. Brand names that address consumers' belongingness needs by creating brand communities and by having a presence in social media (e.g., a Facebook page), may be satiating consumers' need for belongingness, but counterintuitively enhancing the desire to self-differentiate among certain consumers (i.e., those low in self-esteem). Therefore, marketers should be aware of how their marketing efforts may affect consumers' belongingness or differentiation needs, and how differentiation brand positioning strategies can appeal to various segments of consumers.

#### **4.0 ESSAY 3: CLOSING THE GAP: HOW SELF-DISCREPANCY AND GENDER DRIVE IDEAL SELF-CONGRUENCY AND SELF-DECEPTION**

The things we own and the brands we purchase have long been argued to be reflections of our selves (Belk 1988). A vast amount of research has confirmed that consumers use products and brands in a symbolic way to narrate and express their identities (Escalas and Bettman 2005; Fournier 1994; Kleine et al. 1995; Levy 1959; McCracken 1989; Reed 2004). From a marketer's perspective, this self-brand congruency (i.e., the fit between the consumer's self and the brand's image) offers major benefits because consumers react positively when there is a perceived congruency between their self and the brand (Dolich 1969; Landon 1974; Fournier 1994; Reed 2004).

An individual's self-concept, however, consists of various domains, including the actual self, which constitutes the attributes an individual believes himself/herself to actually possess, and the ideal self, which constitutes the attributes and individual would like, ideally, to possess (Higgins 1987). A brand, therefore, may embody either an actual identity or an ideal identity (Reed and Bolton 2005). For example, Hyundai's slogan, "Drive your way," emphasizes an individual's actual self, while BMW's slogan, "The ultimate driving machine," attracts one's ideal self.

The extent to which each domain of self (actual versus ideal) drives brand preference has been the subject of considerable research. The earliest work on actual self-congruency by

Birdwell (1968) found a match between how consumers view their cars and their selves. Since Birdwell's work, others have replicated the finding that consumers like brands similar to their actual self-concept (Dolich 1969; Landon 1974; Malär et al. 2011; Ross 1971). Little support, however, has been found for ideal self-congruency as a driver of brand preference. Such a result is surprising given the abundance of research on luxury brands (Lowrey et al. 2001; Mandel et al. 2006; Reed and Bolton 2005; Rucker and Galinsky 2009; Wilcox et al. 2009). Thinking about future successes, feeling powerless, and wanting to gain approval from others all increase consumers' preferences for luxury brands (Mandel et al. 2006; Rucker and Galinsky 2008; Wilcox et al. 2009). This stream of research suggests that consumers' visions of who they want to be (e.g., successful, powerful, accepted) sometimes drive consumption decisions. Therefore, ideal self-congruency, rather than actual self-congruency may better explain preferences for luxury brands.

The limited research on when ideal self-congruency might drive brand preference has been somewhat equivocal. Landon (1974) undertakes one of the more thorough investigations of actual and ideal self-congruency on brand purchase intentions and finds that the two self-concept/purchase intentions correlations vary from individual to individual. He states that neither actual nor ideal self-congruency can explain all the data and that "what is needed is research which will focus on conditions which explain when each hypothesis is likely to be operative," (p. 50). Birdwell (1968) suggests that actual self-congruency may be less prevalent among low socioeconomic groups and Malär et al. (2011) demonstrate that ideal self-congruency has a positive effect on emotional brand attachment among consumers with low self-esteem, but not among consumers with high self-esteem. What emerges across these investigations is an

understanding that ideal self-congruency purchase intentions are subject to individual differences, demographic, and contextual boundary conditions.

The present research tries to answer the call for a greater understanding of ideal self-congruency. I argue that self-discrepancy (the perceived distance between one's actual and ideal selves) and gender interact to influence when and the avenues for which ideal self-congruency matters. Compensatory consumption theory suggests that individuals who feel very far from their ideal selves will be more concerned about ideal self-congruency. Self-discrepancy is an aversive and motivating state that drives consumers towards the pursuit of their ideal self (Boyatzis and Akrivou 2006; Carver and Scheier 1990; Carver and Scheier 1998; Gonnerman 2000; Higgins 1987; Higgins et al. 1994; Kivetz, Urminsky, and Zheng 2006). Thus, individuals high in self-discrepancy are more motivated to close the gap between their actual and ideal selves. In addition to the magnitude of self-discrepancy, that the results show that gender influences the ways in which consumers pursue ideal self-congruency. Men are more likely to use brands to close this gap, while women are more likely to use social relationships to close this gap. The findings also demonstrate, however, that both men and women's interactions with "ideal" brands successfully reduce their self-discrepancy gaps. Finally, the motivation to close the self-discrepancy appears to be so strong that individuals will engage in self-deception to convince themselves that their abilities are aligned with their ideal selves.

The contributions from this research are fourfold. First, the results add to literature on the self-expressive function of brands by highlighting two individual difference variables (self-discrepancy and gender) that drive preference for brands that express one's ideal self. Additionally, this research extends the idea of ideal self-congruency outside of the brand realm and examines other avenues for ideal self-expression (i.e., social groups). Third, it provides

further support that self-discrepancy is an aversive and motivating state (Carver and Scheier 1990; Carver and Scheier 1998; Higgins 1987; Kivetz et al. 2006). Although men and women differ in the avenues they may prefer to take to close their self-discrepancy gaps, I also find that individuals take any opportunity immediately available to them (even self-deception) to close such gaps, suggesting that self-discrepancy is a highly motivating state. Finally, this research contributes to work on the use of products, brands, and social groups as compensatory avenues (Gao et al. 2009; Rucker and Galinsky 2008; Sivanathan and Pettit 2010).

#### 4.1 ACTUAL AND IDEAL SELF-CONGRUENCY

In 1968, Al E. Birdwell set out to demonstrate that one's self-image was directly related to purchase behavior. Specifically, he tested whether an automobile owner's perception of himself was essentially congruent with his perception of his car, a relationship he termed, "image congruence." His results supported this hypothesis and Birdwell concluded that "automobiles are often extensions of the owner's image of self" (p. 88). Since then there has been a host of research demonstrating that brands and possessions not only reflect ourselves, but also narrate and express our identities (Belk 1988; Escalas and Bettman 2005; Fournier 1994; Kleine et al. 1995; McCracken 1989; Reed 2004). Our selves are made up of various dimensions, however, including both actual and ideal selves (Higgins 1987). The *actual self* constitutes the attributes an individual believes himself/herself to actually possess. It is a conception of the self based on the kind of person an individual believes himself to currently be. The *ideal self* constitutes the attributes and individual would like, ideally, to possess. It is a possible self based on self-knowledge pertaining to how individuals think about their potential and about their future



(Markus and Nurius 1986). Brands can express both one's actual self as well as one's ideal self (Reed and Bolton 2005). While many researchers since Birdwell (1968) have found evidence that actual self-congruency drives brand preference (Dolich 1969; Landon 1974; Malär et al. 2011; Ross 1971), support for ideal self-congruency as a driver of brand preference has been somewhat harder to find.

This lack of support for ideal-self congruency is especially surprising given the abundance of research on luxury brands. Luxury brands offer individuals power when they feel they need it (Rucker and Galinsky 2009), are consistent with visions of future successful selves (Mandel et al. 2006), and can help win social approval from others (Wilcox et al. 2009). To the extent that consumers want power, success, and social acceptance, this stream of research suggests that who consumers want to be drives their preference for luxury brands. Consumers sometimes, therefore, consume to express ideal selves, suggesting that actual self-congruency cannot always be the primary driver of consumption preferences.

There has been some limited support for ideal self-congruency in the literature. Landon (1974) correlates both actual and ideal self-concept scores with purchase intentions and finds that the correlations varied from individual to individual. In other words, for at least some of his sample ideal self-congruency appeared to matter. Paulssen and Bagozzi (2005) argue for the ideal self as an antecedent to consideration set formation. They argue that the ideal self is a superordinate goal that leads to subordinate goals (such as benefits desired) which in turn affect consideration set decisions. Perhaps the strongest support for ideal self-congruency as a driver of consumption behavior comes from Malär et al. (2011). Although they argue that the actual self is psychologically closer than the ideal self, so it likely has a stronger effect on brand attachment, they do find that among consumers with low self-esteem, the effect of ideal self-congruency on

emotional brand attachment is significant and positive. This result suggests that ideal self-congruency may be most beneficial to those who feel the farthest from their ideal selves. In other words, ideal self-congruency may help consumers compensate for the distance between their actual and ideal selves.

## **4.2 COMPENSATORY CONSUMPTION AND SELF-DISCREPANCY**

Compensatory consumption occurs when an individual seeks and uses purchasing behavior to fulfill a need, lack, or desire (Woodruffe 1997; Woodruffe-Burton 1998). For example, individuals who feel low in power compensate by increasing their willingness to pay for status goods (Rucker and Galinsky 2008, 2009). When individuals feel deficient in an aspect of their identity, they look for clear public symbols (such as material things) to compensate for such deficiencies (Braun and Wicklund 1989; Rucker and Galinsky 2009). Men who feel they lack in culturally ascribed masculinity will engage in compensatory consumption (Holt and Thompson 2004), as will individuals who have experienced a threat to their ego (Pettit and Sivanathan 2011; Sivanathan and Pettit 2010). Not surprisingly, low self-esteem is related to greater compensatory consumption (Yurchisin et al. 2006). The underlying thesis of compensatory consumption is that things (like brands, possessions, group memberships, etc.) can make up for what consumers may be lacking. Thus, it is often who one is not, rather than who one is, that drives many behaviors of a consumer.

How could a preference for ideal self-congruency be driven by a compensatory consumption motive? As mentioned previously, those who feel furthest from their ideal selves may be more likely to prefer brands that reflect their ideal selves. The distance between one's

actual and ideal self is also known as a self-discrepancy (Higgins 1987; Higgins et al. 1986). Self-discrepancy researchers refer to one's actual self as one's self-concept and one's ideal self as a self-guide that directs behavior and attention (Higgins 1987; Higgins et al. 1986; Markus and Nurius 1986). When an individual's actual self-concept does not match the ideal self-guide that he or she wishes and hopes to attain, then the individual is vulnerable to a host of dejection-related emotions, such as disappointment, dissatisfaction, and sadness (Duval and Wicklund 1972; Higgins 1987; Higgins et al. 1986). The greater the magnitude of discrepancy, the more an individual will suffer discomfort associated with the discrepancy.

Given that being far from one's ideal self is an uncomfortable and aversive state, individuals are motivated to reduce such self-discrepancy (see Higgins 1987 for a review). A considerable amount of research on goal pursuit and self-regulation proposes that the discrepancy between one's current state and end state (i.e., achievement of the goal) drives individuals' motivations in their pursuit of the goal (Carver and Scheier 1990; Carver and Scheier 1998; Higgins 1987; Kivetz et al. 2006). An ideal self is a desired end state and thus individuals' perceptions of the distance between their actual self and ideal self should affect motivation (Boyatzis and Akrivou 2006; Higgins 1987; Higgins et al. 1994; Gonnerman 2000).

There are two alternative ways to reduce the discrepancy between the actual self and ideal self: approach situations and behaviors that match the ideal self or avoid situations and behaviors that mismatch the ideal self. For example, an individual who is struggling to maintain his/her diet (and hence has high self-discrepancy in terms of his/her actual and ideal healthy self) and who wants to lose weight to be more fit (to move closer to his/her ideal healthy self) could either go for a long walk (approaching a match to the ideal self) or turn down an invitation to go get ice cream with friends (avoiding a mismatch to the ideal self). Regulation in relation to an

ideal self-guide involves an orientation toward positive outcomes (Dijkstra et al. 2009; Higgins et al. 1994; Higgins, Vookes, and Tykocinski 1992). Perhaps as a result, when the focus is on an ideal self, individuals are more likely to approach situations and behaviors that match the ideal self (Carver and Scheier 1990; Higgins et al. 1994). Therefore, individuals with high self-discrepancy are likely to be more motivated to engage in behaviors that move them towards their ideal self rather than to avoid behaviors that move them away from their ideal self.

Because self-discrepancy is such a highly motivating state (Carver and Scheier 1990; Carver and Scheier 1998), it is possible that individuals may even engage in unhealthy behaviors to reduce their self-discrepancy. One such possibility is deception. Argo et al. (2006) find that self-threat arising from social comparisons can motivate consumers to lie. Social comparison often leads to greater self-discrepancy (McIntyre and Eisentadt 2010), so perhaps consumers are motivated to lie to reduce their self-discrepancy. Dishonesty, after all, is one route to self-concept maintenance (Mazar, Amir, and Ariely 2008). Thus, greater self-discrepancy could motivate consumers to engage in deceptive behaviors.

Self-discrepancy could also lead to a greater desire for ideal self-congruency with brands. Forming brand relationships is a clear approach behavior that consumers could engage in to move them closer to their ideal selves and reduce self-discrepancy. Brands can help bolster self-views (Gao et al. 2009) and often correspond to our ideal selves (Reed and Bolton 2005). When consumers feel far from their ideal selves, they are also more likely to view products as instrumental in helping them achieve their ideal self goals (Samper 2012). Thus, consuming ideal brands is one potential method of reducing self-discrepancy. Therefore, individuals with high self-discrepancy should be more likely to prefer ideal self-congruency and interacting with such brands should reduce their self-discrepancy.

Aside from brand relationships or self-deception, are there other potential avenues for ideal self-congruency? Individuals with high self-discrepancy could prefer ideal self-congruency in their social relationships. After all, individuals often look to others to gain a clearer perception of where they stand in relation to their ideal selves (McIntyre and Eisenstadt 2010). Furthermore, individuals are more attracted to others who are similar to their ideal selves (Herbst, Gaertner, and Insko 2003) and relationships can shape ideal selves (Drigotas et al. 1999; Rusbult et al. 2005). Social relationships should also help reduce self-discrepancy and thus individuals who feel far from their ideal selves should be more likely to prefer ideal self-congruency when it comes to their group memberships.

There is reason to believe that the use of brands versus social relationships as avenues to reduce self-discrepancy may vary by gender. Men and women differ in the conceptions of the self. Men see themselves as distinct and separate from others, while women see themselves as connected and interrelated to others (Bakan 1966; Carlson 1971; Markus and Kitayama 1991; Wiggins 1991). As a result, men and women derive their sense of self and self-esteem from very different sources. Men's self-esteem is derived from independence, power, and uniqueness while women derive their self-esteem from connection and relationships (Josephs et al. 1992). Perhaps not surprisingly then, men and women also differ in what drives their self-discrepancies. Men tend to wish they were more of a leader (Oumlil and Erdem 1997) and report greater ideal strivings for success (Boggiano and Barrett 1991). Thus, men's ideal selves are powerful, strong, independent, and successful, very much in line with what drives their self-esteem. Women's ideal strivings also echo the communal components of their self-esteem. Their ideals center on striving for attributes relevant to relationships such as gracefulness and being seen as interesting (Boggiano and Barrett 1991; Oumlil and Erdem 1997).

Given the gender differences in ideal self-conceptions, it follows that there may be gender differences in the approach behaviors consumers use to move themselves closer to their ideal selves. Women, whose ideal selves revolve around relationships, should be more likely than men to seek ideal self-congruency in their social relationships. Therefore, I believe that women high in self-discrepancy will report more social relationships that match their ideal visions of themselves compared to women low in self-discrepancy and men in general. Men, on the other hand, should look towards more individual and independent avenues, such as brands, to reduce their self-discrepancies. Ideal self-congruency with brands should matter more to men than women, especially when self-discrepancy is high. I predict, therefore, that men high in self-discrepancy will report more brand relationships that match their ideal visions of themselves compared to men low in self-discrepancy and women in general.

I both measured and manipulated self-discrepancy across four studies to test my predictions. In study 1a (1b), self-discrepancy was measured (manipulated) to examine whether men with high self-discrepancy report having more brand relationships with brands that they consider to be consistent with their ideal selves. In study 2, I measured self-discrepancy to see if women with high self-discrepancy belong to more social groups that are representative of their ideal selves. Study 3 focused on a particular self (one's American self) and manipulated self-discrepancy through the difficulty of a quiz about American history and government. Participants then interacted with an American brand to see whether such interaction reduced their American self-discrepancy. In study 4, undergraduate students' business school self-discrepancies were measured to test its effect on the students' likelihoods of exploiting opportunities to cheat on a quiz. I also examined whether this self-deception successfully reduced their self-discrepancy.

### 4.3 STUDY 1A

The purpose of study 1a was to examine the effects of self-discrepancy and gender on ideal self-congruency with brand relationships. Participants named their favorite brands and then classified those brands based on the extent to which they fit with their various dimensions of the self (actual, ideal). My prediction was that men with high self-discrepancy would classify a greater percentage of their favorite brands as fitting with their ideal selves compared to men low in self-discrepancy and women in general.

#### 4.3.1 Design and procedure

Two hundred and twenty-eight participants from a national panel completed the study online in exchange for a small monetary incentive. I removed eight respondents who had missing data on the self-discrepancy scale, leaving 220 respondents for analysis (60% female, 40% male,  $M_{\text{age}} = 44.6$ , modal income = \$50,000-74,999).

Participants began by listing up to 20 of their favorite brands ( $M = 7.70$ ). There were no gender differences in the average number of favorite brands named ( $M_{\text{women}} = 7.79$  vs.  $M_{\text{men}} = 7.56$ ,  $F(1, 218) = .08$ , NS). Next, respondents saw the list of the brands they had just named and were asked to classify the brands into various categories based on the degree to which each brand fit with their actual and ideal selves. There were four category options: “Brands that fit with who I am,” which I call “actual brands”; “Brands that fit with who I want to be,” which I call “ideal brands”; “Brands that do not fit with who I am,” which I call “anti-actual brands”; and “Brands that do not fit with who I want to be,” which I call “anti-ideal brands.”

Following the brand categorization task, participants completed measures of the discrepancy between their actual and ideal selves by rating themselves on each dimension of the Self-Attributes Questionnaire relative to their ideal selves (see Pelham and Swann 1989). That is, they were asked to “rate yourself relative to your ‘ideal’ self -- the person you would be if you were exactly the way you would like to be” on ten traits ranging from intellectual/academic ability to sense of humor (1 = “very much like my ideal self” to 9 = “very short of my ideal self”). Higher scores, therefore, indicated greater self-discrepancy ( $\alpha = .85$ ;  $M = 3.35$ , s.d. = 1.19). The study ended with a brief demographics section.

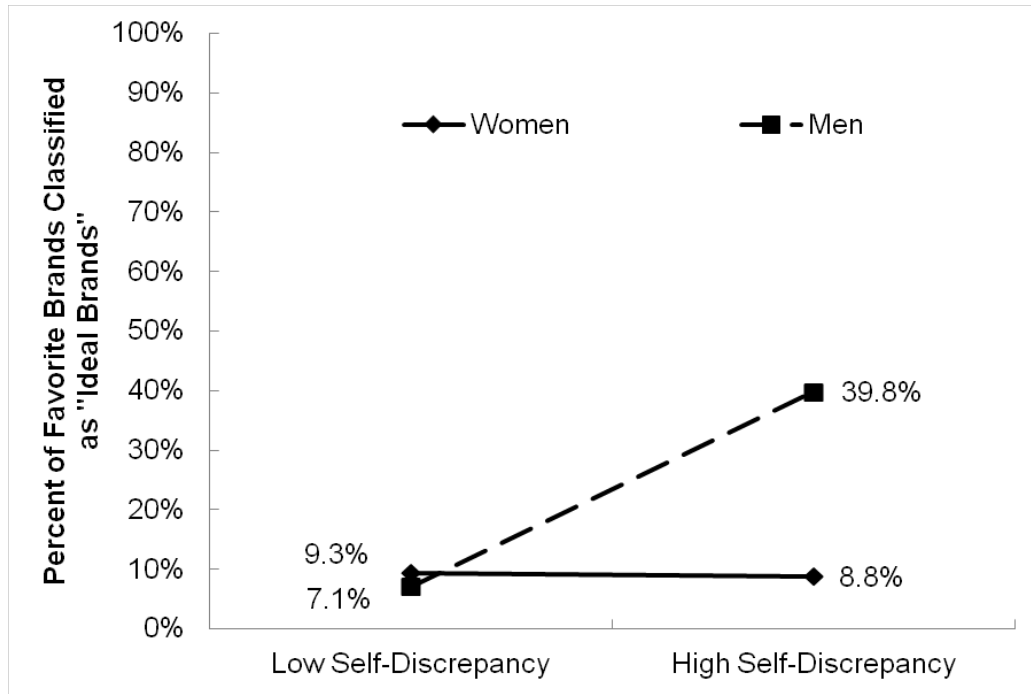
#### **4.3.2 Results and discussion**

Because there was a range in the number of brands participants listed (minimum = 1, maximum = 20), rather than look at the number of brands classified into each category, I created a percentage variable by dividing the number of brands listed in a category by the total number of brands listed. I used the Tobit model, which is a special case of a censored regression model, to analyze the data. This model provides a valid treatment for a dependent measure that is continuous but constrained between the values of zero and one.

Although the main effect of self-discrepancy was not significant ( $b = -.002$ ,  $t = -.08$ , NS), the main effect of gender was significant ( $b = .14$ ,  $t = 2.63$ ,  $p < .01$ ). Importantly, and as expected, there was a significant interaction of self-discrepancy and gender ( $b = .14$ ,  $t = 2.99$ ,  $p < .01$ ). The slope of self-discrepancy was significant and positive for men ( $b = .14$ ,  $t = 3.63$ ,  $p < .001$ ), but not significant for women ( $b = -.002$ ,  $t = -.08$ , NS). In addition, a spotlight analysis at one standard deviation above the mean of self-discrepancy revealed a significant difference such that men with high self-discrepancy reported a significantly larger percentage of ideal brands



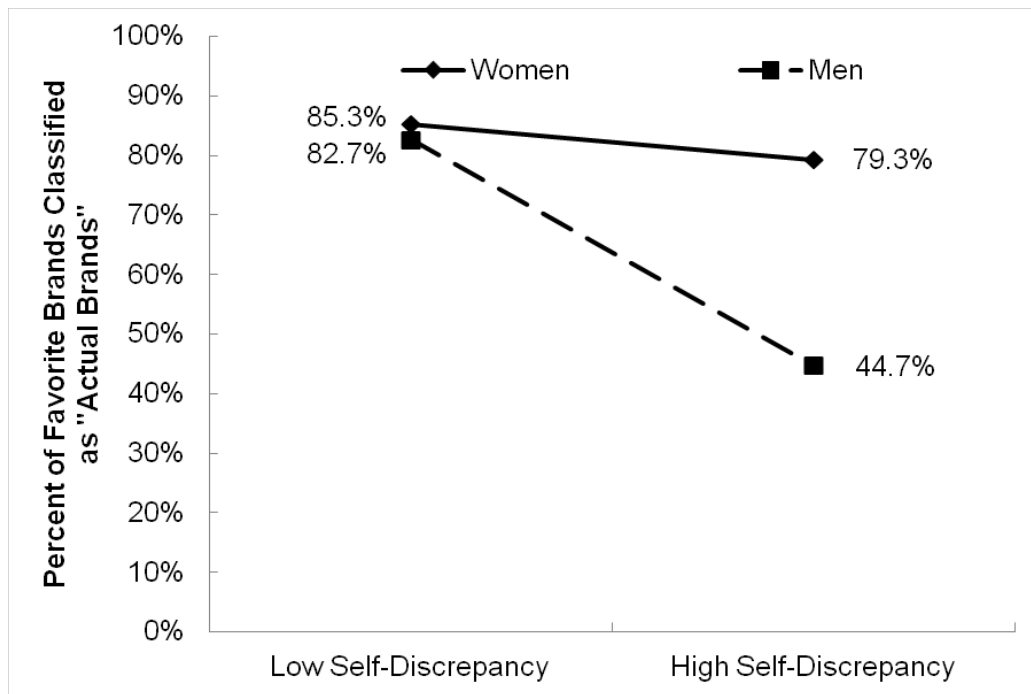
compared to women with high self-discrepancy ( $b = .49, t = 2.24, p < .05$ ). A similar spotlight analysis at one standard deviation below the mean of self-discrepancy revealed that this difference among men and women was not significant when self-discrepancy was low ( $b = .16, t = 1.38, NS$ ). The mean percentages for men and women at plus or minus one standard deviation from the mean of self-discrepancy are plotted in figure 24.



**Figure 24.** Impact of Self-Discrepancy and Gender on Categorization of Favorite Brands as “Ideal Brands”

Next, I ran a Tobit model with self-discrepancy, gender, and their interaction predicting the percentage of favorite brands categorized as “actual brands.” Again, the main effect of self-discrepancy was not significant ( $b = -.02, t = -.71, NS$ ), but the main effect of gender was significant ( $b = -.18, t = -2.71, p < .01$ ), as was the interaction of self-discrepancy and gender ( $b = -.13, t = -2.29, p < .03$ ). The slope of self-discrepancy was significant and negative for men ( $b = -.16, t = -3.36, p < .001$ ), while the slope of self-discrepancy was not significant for women ( $b = -.02, t = -.71, NS$ ). In addition, a spotlight analysis at one standard deviation above the mean of self-discrepancy showed that, although not quite significant, directionally men with high self-

discrepancy reported a smaller percentage of actual brands compared to women with high self-discrepancy ( $b = -.42, t = -1.55, p < .13$ ). A similar spotlight analysis at one standard deviation below the mean of self-discrepancy revealed that there was no difference in the percentage of actual brands among men and women with low self-discrepancy ( $b = -.10, t = -.73, NS$ ). The mean percentages for men and women at plus or minus one standard deviation from the mean of self-discrepancy are plotted in figure 25.



**Figure 25.** Impact of Self-Discrepancy and Gender on Categorization of Favorite Brands as “Actual Brands”

Finally, I also ran Tobit models predicting percentage of brands classified as both “anti-actual” and “anti-ideal,” but neither the main effects of gender and self-discrepancy nor their interaction were significant in either model ( $ps > .05$ ).

In study 1a, men with high self-discrepancy reported a larger (smaller) percentage of brand relationships with brands they considered to be consistent with their ideal (actual) selves compared to men with low self-discrepancy. Women, however, exhibited no such pattern. These

results suggest ideal self-congruency with brands is important to men with high self-discrepancy, perhaps as an avenue to lower their self-discrepancy.

Although study 1a employed a national panel, and thus provides a high degree of external validity, one limitation of the study is that self-discrepancy was measured and therefore the results are correlational. Greater internal validity could be achieved and causality examined by manipulating self-discrepancy. Study 1b, therefore, attempts to replicate the results of study 1a while manipulating self-discrepancy.

## 4.4 STUDY 1B

### 4.4.1 Design and procedure

Eighty-four participants completed the study online in exchange for a small monetary incentive. I removed three respondents who had missing data, leaving 81 respondents for analysis (51% female, 49% male,  $M_{\text{age}} = 33.7$ ). The study was a single factor between subjects design. Participants were randomly assigned to either the high or low self-discrepancy condition.

The study was presented as two separate, unrelated surveys. The first part of the study, consisting of the self-discrepancy manipulations, was presented as a “Personality Questionnaire.”

Respondents in the low (high) self-discrepancy condition read the following:

Your "ideal self" refers to the person you would be if you were exactly the way you would like to be. It is the person you would like to be, not necessarily the person you are. Think about a time when you felt very much like (far from) your ideal self. That is, think about a time when you felt like who you were was exactly (not even close to) who you wanted to be or who you aspired to be. Now, write a few sentences in the box below about that experience. What happened? What did it feel like? What were you thinking?

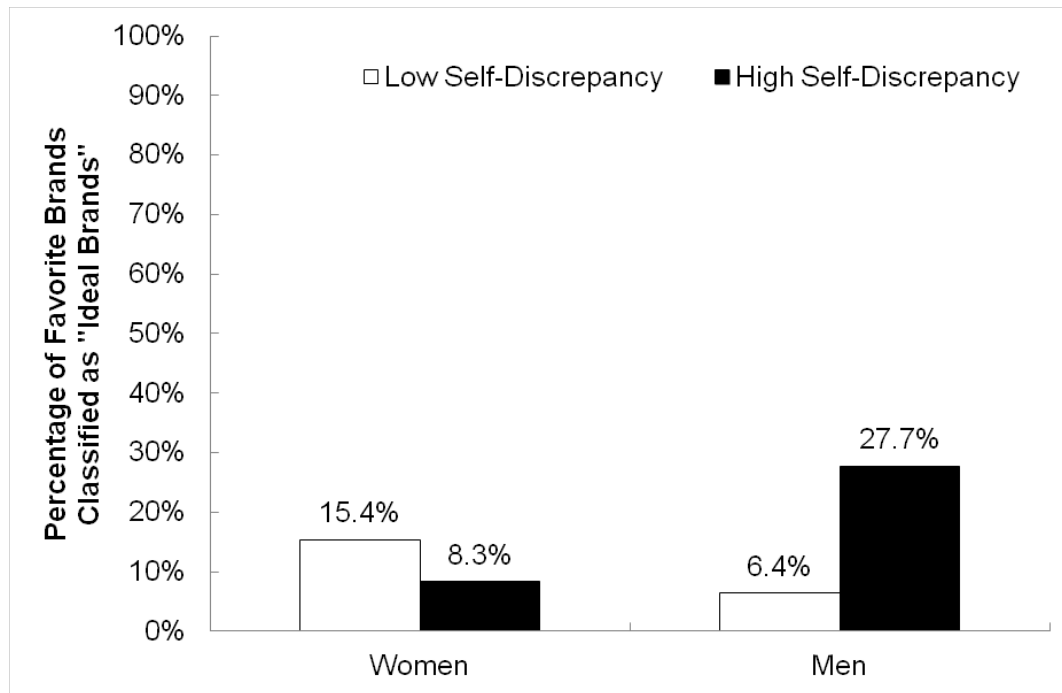
I removed the respondents who reported they could not think of a time when they felt very much like (or very far from) their ideal selves, leaving 74 responses.

As a manipulation check, following the manipulation respondents completed the self-discrepancy scale used in study 1. Participants in the high self-discrepancy condition reported greater self-discrepancy than those in the low self-discrepancy condition ( $M_{\text{HSD}} = 3.98$  vs.  $M_{\text{LSD}} = 3.13$ ;  $F(1, 72) = 5.28, p < .03$ ).

Next, respondents listed up to 20 of their favorite brands ( $M = 8.96$ ), and then proceed to categorize those brands as in study 1. There were no gender differences in the average number of brands named ( $M_{\text{women}} = 9.50$  vs.  $M_{\text{men}} = 8.39$ ;  $F(1, 72) = .80, \text{NS}$ ). I again created a percentage variable by dividing the number of brands listed in a category by the total number of brands listed. The study ended with a brief demographics section.

#### **4.4.2 Results and discussion**

Once again, because the dependent variable was a ratio, I ran a Tobit model with a lower bound of zero and an upper bound of one. Neither the main effect of the self-discrepancy manipulation nor the main effect of gender were significant (self-discrepancy:  $b = -.07, t = -.98, \text{NS}$ ; gender:  $b = -.09, t = -1.15, \text{NS}$ ). Importantly, the interaction of self-discrepancy manipulation and gender was significant ( $b = -.28, t = -2.72, p < .01$ ). The means for each condition can be found in figure 26.

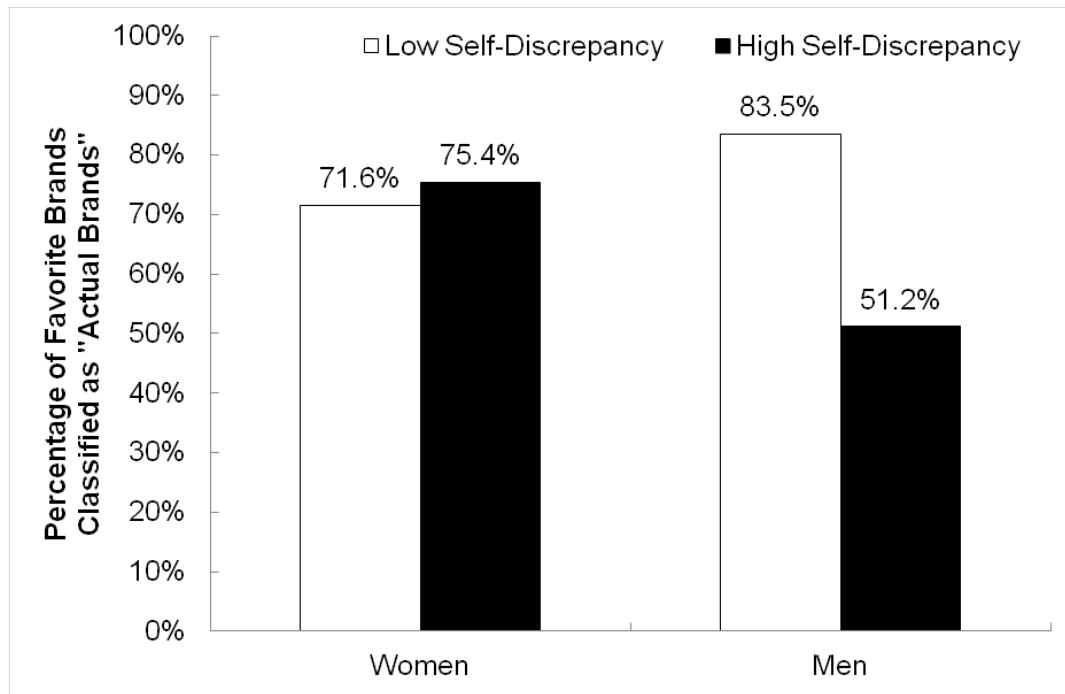


**Figure 26.** Impact of Self-Discrepancy Manipulation and Gender on Categorization of Favorite Brands as “Ideal Brands”

Men in the high self-discrepancy condition categorized the greatest percentage of favorite brands as ideal brands at 27.7%. This was significantly greater than men in the low self-discrepancy condition (vs.  $M_{\text{men, LSD}} = 6.4\%$ ;  $t = 2.84$ ,  $p < .01$ ) and women in the high self-discrepancy condition (vs.  $M_{\text{women, HSD}} = 8.3\%$ ;  $t = 2.80$ ,  $p < .01$ ), and marginally greater than women in the low self-discrepancy condition (vs.  $M_{\text{women, LSD}} = 15.4\%$ ;  $t = 1.77$ ,  $p < .08$ ). The contrasts among the other three conditions were not significant ( $ps > .24$ ).

In study 1a men with high self-discrepancy categorized a smaller percentage of their favorite brands as actual brands. In a Tobit model with self-discrepancy manipulation, gender, and their interaction predicting the percentage of favorite brands categorized as actual brands, neither the main effect of self-discrepancy manipulation nor the main effect of gender were significant (self-discrepancy:  $b = .04$ ,  $t = .36$ , NS; gender:  $b = .12$ ,  $t = 1.02$ , NS). The interaction

of self-discrepancy manipulation and gender, however, was significant ( $b = .36, t = 2.32, p < .03$ ). Figure 27 contains the means for each condition.



**Figure 27.** Impact of Self-Discrepancy Manipulation and Gender on Categorization of Favorite Brands as “Actual Brands”

Men in the high self-discrepancy condition reported the lowest percentage of favorite brands classified as actual brands, replicating study 1a. Their average percentage was significantly lower than women in the high self-discrepancy condition ( $M_{\text{men, HSD}} = 51.2\%$  vs.  $M_{\text{women, HSD}} = 75.4\%$ ;  $t = 2.36, p < .02$ ), men in the low self-discrepancy condition (vs.  $M_{\text{men, LSD}} = 83.5\%$ ;  $t = 2.87, p < .01$ ), and marginally lower than women in the low self-discrepancy condition (vs.  $M_{\text{women, LSD}} = 71.6\%$ ;  $t = 1.95, p < .06$ ). Again, the contrasts among the other three conditions were not significant ( $ps > .30$ ).

Lastly, I ran Tobit models predicting the percentage of brands classified as both anti-actual and anti-ideal. Once again, none of the effects were significant ( $ps > .10$ ).

The results of study 1b replicated the results from study 1a. Manipulating self-discrepancy in study 1b increased internal validity and provided evidence that high self-discrepancy in men results in more ideal self-congruency in their brand relationships. Compared to men with low self-discrepancy, men with high self-discrepancy named a greater percentage of their favorite brands as being consistent with their ideal self, and a smaller percentage of their favorite brands as being consistent with their actual self. This pattern does not occur, however, for women.

While I have found consistent support for the proposition that men will be more likely to seek out ideal self-congruency in their brand relationships, I have yet to explore whether women seek out ideal self-congruency in their social relationships. Women's self-view is contingent upon their connections with others (Josephs et al. 1992). Therefore, women with high self-discrepancy should report a greater number of their social relationships as reflecting their ideal selves. I test this proposition in study 2.

## **4.5 STUDY 2**

The purpose of study 2 was to examine whether women with high self-discrepancy would have greater ideal self-congruency with their social relationships. The study was similar to study 1a, but rather than name favorite brands participants named social groups to which they belonged.

### 4.5.1 Design and procedure

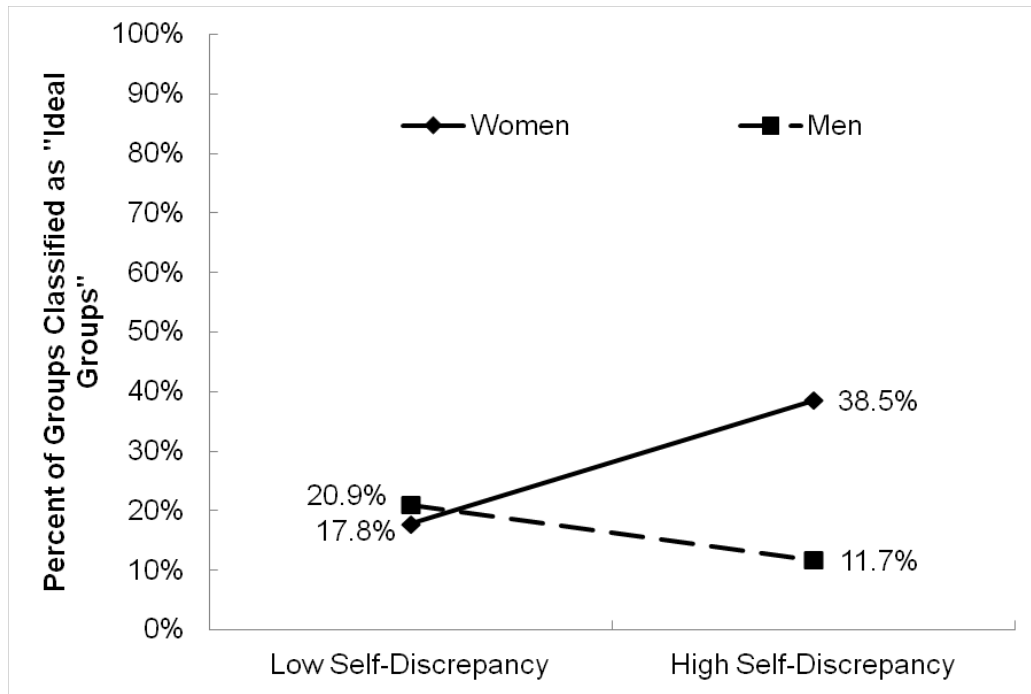
Eighty-two participants completed the study online in exchange for a small monetary incentive (60% female, 40% male,  $M_{\text{age}} = 32.6$ ). They began by listing up to 20 groups that they belonged to ( $M = 5.91$ ). There were no gender differences in the average number of groups named ( $M_{\text{women}} = 6.04$  vs.  $M_{\text{men}} = 5.73$ ;  $F(1, 80) = .10$ , NS). Like the previous studies, participants then saw the list of the groups they had just named and were asked to classify the groups into various categories based on the degree to which each group fit with their actual and ideal selves. Following the group categorization task, participants completed measures of self-discrepancy identical to those used in study 1a ( $\alpha = .88$ ;  $M = 2.86$ , s.d. = 1.30).

### 4.5.2 Results and discussion

As in studies 1a and 1b, I created a percentage variable by dividing the number of groups put into a category by the total number of groups listed and then ran a Tobit model. The main effect of self-discrepancy was significant ( $b = .08$ ,  $t = 2.66$ ,  $p < .01$ ), although the main effect of gender was not ( $b = .21$ ,  $t = 1.37$ , NS). There was, however, a significant interaction of self-discrepancy and gender ( $b = -.12$ ,  $t = -2.27$ ,  $p < .03$ ). The slope of self-discrepancy was significant and positive for women ( $b = .08$ ,  $t = 2.66$ ,  $p < .01$ ) and not significant for men ( $b = -.04$ ,  $t = -.87$ , NS). In addition, a spotlight analysis at one standard deviation above the mean of self-discrepancy showed a marginally significant difference such that women with high self-discrepancy reported a larger percentage of ideal groups compared to men with high self-discrepancy ( $b = -.36$ ,  $t = 1.68$ ,  $p < .10$ ). A similar spotlight analysis at one standard deviation below the mean of self-discrepancy revealed that this difference among men and women was not

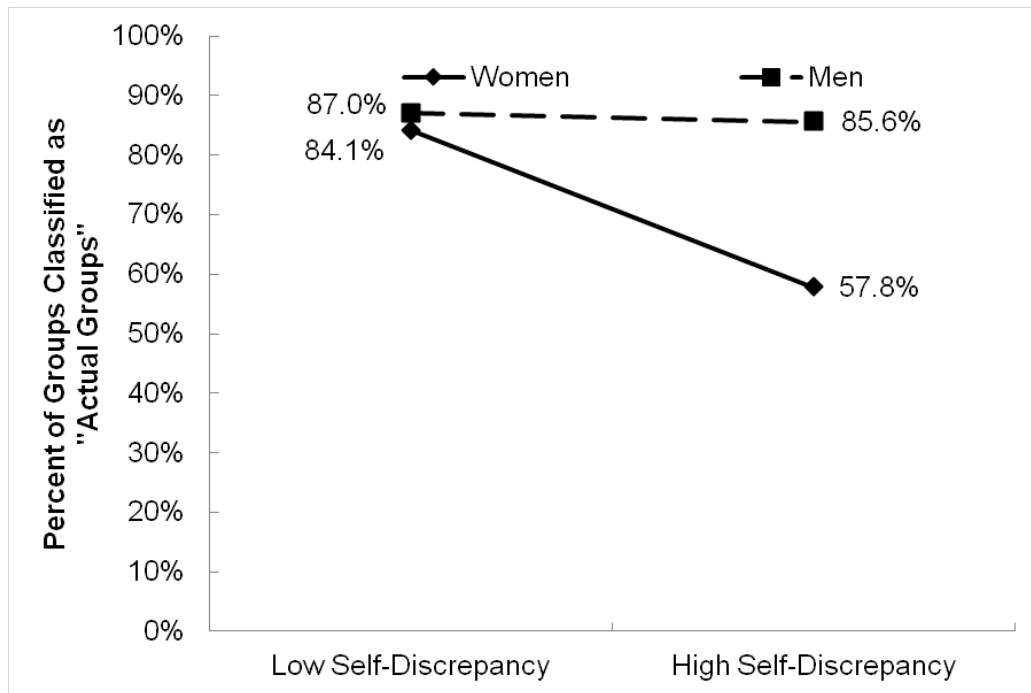


significant when self-discrepancy was low ( $b = -.06, t = -.62, NS$ ). The mean percentages for men and women at plus or minus one standard deviation from the mean of self-discrepancy are plotted in figure 28.



**Figure 28.** Impact of Self-Discrepancy and Gender on Categorization of Group Memberships as “Ideal Groups”

Next, I ran a Tobit model with self-discrepancy, gender, and their interaction predicting the percentage of groups categorized as “actual groups.” This time, the interaction of self-discrepancy and gender was not significant ( $b = .10, t = 1.32, p > .18$ ). The slope of self-discrepancy, however, was negative and significant for women ( $b = -.10, t = -2.26, p < .03$ ), but not significant for men ( $b = -.01, t = -.09, NS$ ). Spotlight analyses revealed no significant gender differences among those with either high self-discrepancy or low self-discrepancy ( $ps > .43$ ). Figure 29 is a plot of the mean percentages for men and women at plus or minus one standard deviation from the mean of self-discrepancy.



**Figure 29.** Impact of Self-Discrepancy and Gender on Categorization of Group Memberships as “Actual Groups”

Finally, I also used Tobit models to predict the percentage of brands classified as both “anti-actual” and “anti-ideal,” but neither the main effects of gender and self-discrepancy nor their interaction were significant in either model ( $ps > .12$ ).

The results of study 2 support the proposition that women look for ideal self-congruency in their social relationships, particularly when they feel far from their ideal selves. Women with high self-discrepancy named a greater percentage of social groups that were consistent with their ideal self, compared to women with low self-discrepancy. Men, however, did not demonstrate this pattern.

The results so far have shown that the degree of self-discrepancy matters when it comes to ideal self-congruency, and that men and women differ in where they look for self-congruency when they are far from their ideal selves. It appears that men seek out relationships with brands while women seek out relationships with people. What I have not examined yet, however, is

whether such efforts are successful in reducing their self-discrepancies. For instance, does interacting with a brand make one feel closer to one's ideal self? Furthermore, are brand interactions ineffective ways for women to reduce their self-discrepancies? The literature on self-discrepancy depicts it as a negative and hence extremely motivating state (Boyatzis and Akrivou 2006; Carver and Scheier 1990; Carver and Scheier 1998; Higgins 1987; Higgins et al. 1994; Gonnerman 2000). Individuals experiencing self-discrepancy, should therefore, be motivated to move their actual self-concepts in line with their ideal self-guides. Perhaps then, individuals will take whatever opportunity is immediately available to them in order to achieve this alignment. So while women may prefer ideal self-congruency with social relationships, this may not mean they will never use ideal brands as a means to reduce their self-discrepancy. Study 3 aims to find evidence that individuals, regardless of gender, can lower their self-discrepancy by interacting with ideal brands.

#### **4.6 STUDY 3**

The purpose of study 3 was to see if an interaction with an ideal brand would make consumers feel closer to their ideal selves and thus reduce their self-discrepancies. I focused on a particular "self" in this study, an individual's American self, and manipulated self-discrepancy through the difficulty of a quiz on American history and government. Participants then viewed one of three advertisements for a laptop. The advertisement was either for an American brand (ideal), foreign brand (unideal), or was unbranded.

#### 4.6.1 Design and procedure

Two hundred and eleven U.S. citizens completed the study online in exchange for a small cash incentive. I removed 38 participants with missing data, leaving 173 respondents for the final analysis (58% female, 42% male,  $M_{\text{age}} = 28.2$ ).

The study consisted of two parts. In the first part, participants completed a ten-question quiz to assess their knowledge of American history and government. In actuality, two quizzes were designed to manipulate their American self-discrepancy. In the easy quiz condition, participants answered multiple choice questions like, “Who is the current President of the United States?” and “What are the three branches of our government?” In the hard quiz condition, questions were more difficult, such as “When was the Constitution written?” and “Which of the following is NOT a cabinet position?” Participants in both conditions were told that the average score on the quiz was 60%. In reality, pretests revealed that the average score on the easy quiz was 80%, and the average score on the hard quiz was 30%. By telling them that the average score was 60%, the quiz would cause those in easy (hard) condition feel good (bad) about their knowledge of American history and government, thus decreasing (increasing) their self-discrepancy with regards to their ideal American self.

In the second, “unrelated” study, participants interacted with a brand by completing a study related to evaluating advertisements and purchase decisions. Participants imagined that they were getting ready to purchase a new laptop and that they were doing research on various brands, considering important attributes, and comparing various models. They then saw one of three advertisements for a laptop. The advertisements were identical, except for the brand name. In the American brand condition, the brand name was HP. In the foreign brand condition, the brand name was Toshiba. Finally, I also included an unbranded condition as a control condition.

Participants in this condition were told that the brand name was left off of the ad so that their evaluations would not be influenced by the brand name. The control condition was included to assess the validity of the manipulation by allowing a comparison of self-discrepancy scores across the easy and hard quiz conditions within the unbranded condition.

Participants completed various measures related to evaluating the advertisement. They clicked on parts of the ad they liked/disliked, chose the part of the ad that resonated the most with them, and rated the ad on various attitude dimensions. Importantly, they then completed measures related to brand attitude and brand engagement. For those in the unbranded condition, participants were asked to imagine that the brand pictured in the advertisement was “Brand X” and to rate the brand based on the information in the advertisement. Finally, they completed the ten-item Rosenberg self-esteem scale and a nine-item American self-discrepancy scale. The study ended with a brief demographic section.

#### **4.6.1.1 Measures**

The dependent variables of interest included brand attitude, brand engagement, and American self-discrepancy. Measures of brand attitudes included four seven-point semantic differential scales (low quality/high quality; bad/good; unfavorable/favorable; negative/positive). I averaged the four items to form an overall brand attitude measure ( $\alpha = .94$ ).

I was also interested in how likely respondents were to engage in future interactions with the brand, which I call “brand engagement.” On a seven-point Likert scale, respondents indicated how likely they would be to consider the brand, do more research on the brand, ask friends and salespeople about the brand, visit the brand’s website, and purchase the brand. I averaged these five measures into a brand engagement score ( $\alpha = .90$ ).

To measure American self-discrepancy, I created a nine-item scaled based on the method of Pelham and Swann (1989). Participants rated themselves relative to their “ideal” American self on nine traits: knowledgeable, conscientious, responsible, dedicated, faithful, loyal, proud, law-abiding, and devoted. The scale used ranged from 1 (*very much like my ideal American self*) to 9 (*very short of my ideal American self*), thus higher scores indicated greater American self-discrepancy. I averaged the nine items to form one overall self-discrepancy score ( $\alpha = .91$ ).

#### **4.6.1.2 Brands**

An American (HP) and foreign brand (Toshiba) served as the ideal and unideal brands, respectively. In a pretest participants ( $n = 26$ ) rated HP and Toshiba on the four brand attitude items noted above, as well as a one-item measure of perceptions of price (1 = “inexpensive” and 7 = “expensive”). There was no difference in either brand attitudes ( $M_{HP} = 4.74$  vs.  $M_{Toshiba} = 5.00$ ;  $t(25) = .95$ , NS) or perceptions of price ( $M_{HP} = 4.27$  vs.  $M_{Toshiba} = 4.42$ ;  $t(25) = .44$ , NS).

Furthermore, within study 3, participants rated the brand shown in the advertisement on a seven-point scale to measure the extent to which the brand was viewed as foreign or American (1 = “foreign” and 7 = “American”). Those in the HP condition had a significantly higher average than those in the Toshiba condition ( $M_{HP} = 5.62$  vs.  $M_{Toshiba} = 2.20$ ;  $F(1, 108) = 192.06$ ,  $p < .0001$ ).

#### **4.6.2 Results**

I began by examining the mean scores across the two quiz versions. As expected, those in the easy quiz condition had significantly higher scores than those in the hard quiz condition ( $M_{easy} = 8.19$  vs.  $M_{hard} = 3.18$ ;  $F(1, 172) = 363.70$ ,  $p < .0001$ ).

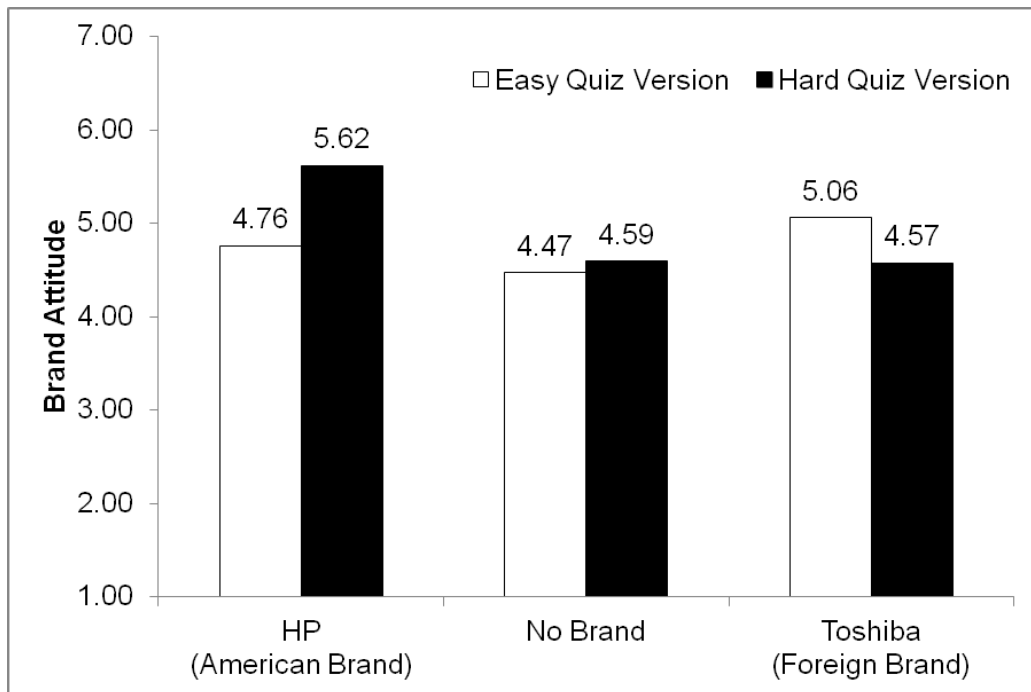
If consumers use ideal brands to close their self-discrepancy gap, then those with high self-discrepancy (i.e., those in the hard quiz condition) should have greater brand attitudes and brand engagement with an American brand (HP) compared to consumers with low self-discrepancy (i.e., those in the easy quiz condition). Such differences should not appear in either the foreign brand or the control (no brand) condition.

#### 4.6.2.1 Brand attitude

I ran an ANOVA with quiz version (hard, easy), brand (American, foreign, unbranded), gender, and the interaction of the three variables predicting brand attitude. I also included self-esteem as a covariate. Interestingly, gender had no effect in the model, so I removed it as a factor but retained it as a covariate. The new model was significant ( $F(7, 165) = 3.38, p < .01$ ). The main effect of brand was significant ( $F(2, 165) = 4.17, p < .02$ ) as was the interaction of quiz version and brand ( $F(2, 165) = 4.30, p < .02$ ). Self-esteem was a significant covariate ( $F(1, 165) = 5.35, p < .02$ ). No other effects were significant. The means for each condition can be found in figure 30.

A series of planned contrasts revealed that there were no effects of quiz version on brand attitude in both the unbranded and foreign brand conditions (unbranded:  $M_{\text{easy}} = 4.47$  vs.  $M_{\text{hard}} = 4.59$ ;  $F(1, 165) = .13, \text{NS}$ ; foreign:  $M_{\text{easy}} = 5.06$  vs.  $M_{\text{hard}} = 4.57$ ;  $F(1, 165) = 2.46, \text{NS}$ ). In the American brand condition, however, those in the hard quiz condition reported greater brand attitudes for HP compared to those in the easy quiz condition ( $M_{\text{easy}} = 4.76$  vs.  $M_{\text{hard}} = 5.62$ ;  $F(1, 165) = 6.35, p < .02$ ). In fact, among those in the hard quiz condition, those in the American brand condition reported greater brand attitudes compared to both those in the unbranded and foreign brand conditions (vs. unbranded:  $F(1, 165) = 10.40, p < .01$ ; vs. foreign:  $F(1, 165) = 9.70, p < .01$ ). It appears, therefore, that when individuals were feeling like poor Americans (i.e.,

had high American self-discrepancy) they increased their brand attitudes toward a brand that would help them close that self-discrepancy gap (i.e., an American brand).



**Figure 30.** Impact of Quiz Manipulation on Brand Attitude Across Brand Conditions

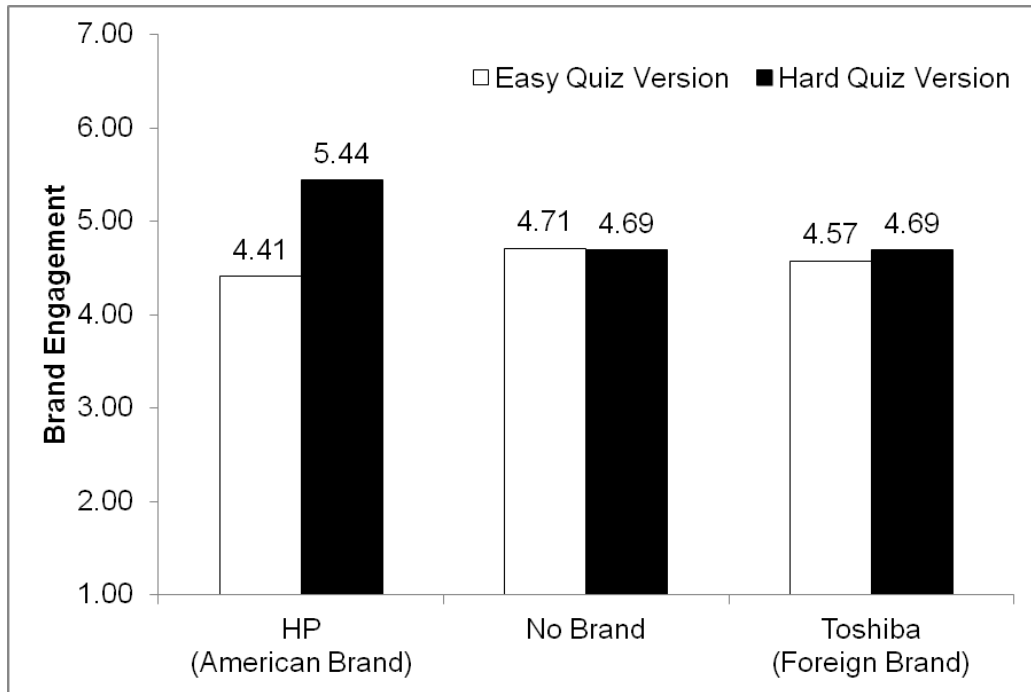
Because it has been shown that among consumers with low self-esteem ideal self-congruency is significantly related to emotional brand attachment (Malär et al. 2011), I also ran a full factorial model with self-esteem, quiz version, and brand condition predicting brand attitude. Only the main effect of self-esteem was significant. Therefore, it appears that our results cannot be explained by self-esteem.

#### 4.6.2.2 Brand engagement

For brand engagement, I again ran an ANOVA with quiz version (hard, easy), brand (American, foreign, unbranded), gender, and the interaction of the three variables as independent variables and self-esteem as a covariate. Once again, gender had no significant effect in the model, so I removed it as a factor but retained it as a covariate. The overall model was



marginally significant ( $F(7, 165) = 1.80, p < .09$ ). The main effect of quiz version was marginally significant ( $F(1, 165) = 3.25, p < .08$ ) as was the interaction of quiz version and brand ( $F(2, 165) = 2.41, p < .10$ ). Gender was a marginally significant covariate ( $F(1, 165) = 3.65, p < .06$ ). None of the other effects were significant. The means for each condition can be found in figure 31.



**Figure 31.** Impact of Quiz Manipulation on Brand Engagement Across Brand Conditions

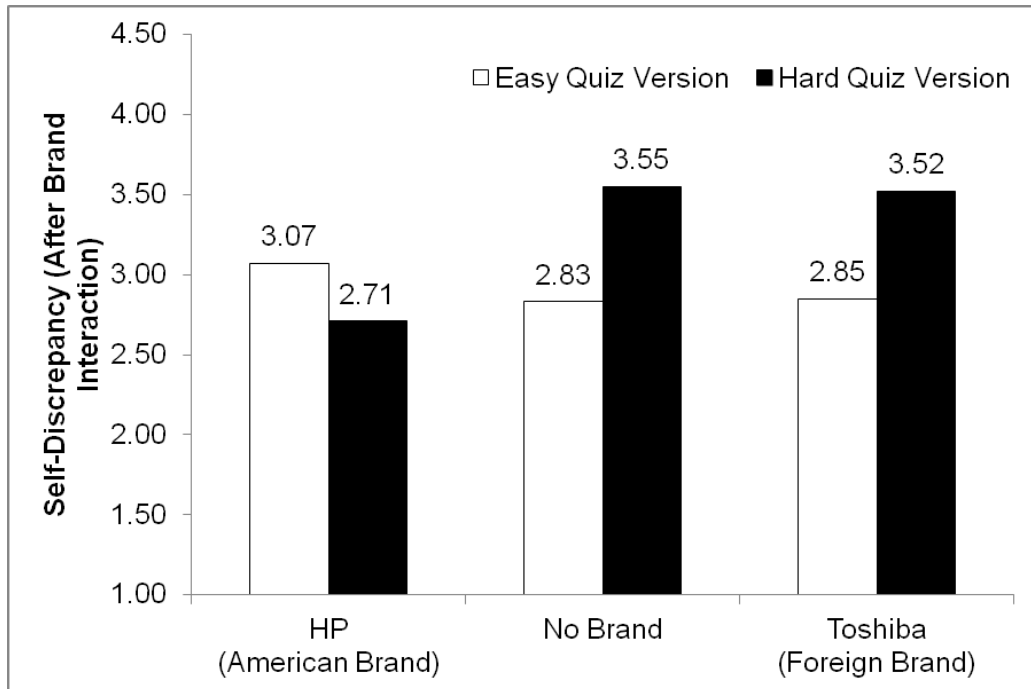
A series of planned contrasts revealed that the pattern of results was similar to that of brand attitude. In both the unbranded and foreign brand conditions, there were no effects of quiz version on brand engagement (unbranded:  $M_{\text{easy}} = 4.71$  vs.  $M_{\text{hard}} = 4.69$ ;  $F(1, 165) < .01$ , NS; foreign:  $M_{\text{easy}} = 4.57$  vs.  $M_{\text{hard}} = 4.69$ ;  $F(1, 165) = .12$ , NS). In the American brand condition, however, those in the hard quiz condition reported greater likelihood of brand engagement for HP compared to those in the easy quiz condition ( $M_{\text{easy}} = 4.41$  vs.  $M_{\text{hard}} = 5.44$ ;  $F(1, 165) = 7.25, p < .01$ ). Among those in the hard quiz condition, those in the American brand condition reported greater brand engagement compared to both those in the unbranded and foreign brand conditions

as well (vs. unbranded:  $F(1, 165) = 4.43, p < .04$ ; vs. foreign:  $F(1, 165) = 3.93, p < .05$ ). So, when individuals had high self-discrepancy due to their low scores on the hard quiz version, they reported being more likely to engage in future brand interactions with the American brand, but not the other two brands. This is more evidence that consumers use brands to help them close their self-discrepancy gap.

#### **4.6.2.3 Self-discrepancy**

The results have shown that those in the difficult quiz condition increased their attitudes towards and engagement with American brands, but does such brand interaction lower one's self-discrepancy? If this were the case, then there would be a difference in self-discrepancy between the easy and hard quiz conditions among those in the unbranded and foreign brand conditions, but not among those in the American brand condition.

To test this proposition, I ran an ANOVA with quiz version (hard, easy), brand (American, foreign, unbranded), and their interaction predicting self-discrepancy. I again included gender and self-esteem as covariates. The overall model was significant ( $F(7, 165) = 5.41, p < .0001$ ). The main effect of quiz version was marginally significant ( $F(1, 165) = 3.55, p < .07$ ) and the interaction of quiz version and brand was significant ( $F(2, 165) = 3.64, p < .03$ ). Gender was a significant covariate ( $F(1, 165) = 4.37, p < .04$ ), as was self-esteem ( $F(1, 165) = 17.30, p < .0001$ ). The means for each condition can be found in figure 32.



**Figure 32.** Impact of Quiz Manipulation on Self-Discrepancy Across Brand Conditions

In the unbranded condition, those in the hard quiz condition reported greater self-discrepancy than those in the easy quiz condition ( $M_{\text{easy}} = 2.83$  vs.  $M_{\text{hard}} = 3.55$ ;  $F(1, 165) = 5.81$ ,  $p < .02$ ). This result also serves as a manipulation check for the self-discrepancy manipulation. In the foreign brand condition, the same pattern of results emerged ( $M_{\text{easy}} = 2.85$  vs.  $M_{\text{hard}} = 3.52$ ;  $F(1, 165) = 4.88$ ,  $p < .03$ ). In fact, there were no differences across the unbranded and foreign brand conditions in either the hard or easy quiz condition ( $ps > .93$ ).

In the American brand condition, however, there was no difference in self-discrepancy across the hard and easy quiz conditions ( $M_{\text{easy}} = 3.07$  vs.  $M_{\text{hard}} = 2.71$ ;  $F(1, 165) = 1.19$ , NS). Furthermore, while there was no difference in self-discrepancy across the brand conditions among those who took the easy quiz ( $F(2, 165) = .36$ , NS), in the hard quiz condition, those who interacted with the American brand reported lower self-discrepancy compared to both the unbranded and foreign brand conditions (unbranded:  $F(1, 165) = 7.27$ ,  $p < .01$ ; foreign:  $F(1, 165) = 6.09$ ,  $p < .02$ ).

### 4.6.3 Discussion

In study 3, American self-discrepancy was manipulated via the difficulty of a quiz about American history and government, demonstrating that those with high self-discrepancy (in the hard quiz condition) had greater brand attitudes and brand engagement with an American brand compared to consumers with low self-discrepancy (in the easy quiz condition). Furthermore, American brand consumers with high self-discrepancy lowered their self-discrepancy simply by interacting with an advertisement for the brand. These results only occurred with an American (ideal) brand and did not occur with a foreign (unideal) brand.

At first glance, the fact that self-discrepancy had no effect on brand attitudes or brand engagement with a foreign brand might be surprising. After all, avoiding situations and behaviors that mismatch the ideal self is one way to reduce self-discrepancy. Therefore, consumers with high self-discrepancy could have potentially lowered their brand attitudes and brand engagement for unideal foreign brands. When the focus is on an ideal self, however, individuals are more likely to approach situations and behaviors that match the ideal self (Carver and Scheier 1990; Dijkstra et al. 2009; Higgins et al. 1994; Higgins, Vookes, and Tykocinski 1992). Therefore, the results suggest that the quiz manipulation made individuals feel that being a “better American” was something they would ideally like to do, and not something they ought to do.

Interestingly, there was no effect of gender in study 3. Both men and women lowered their self-discrepancy through interaction with an ideal brand. This result is interesting in light of the results from previous studies, which showed that only men were more likely to report brand relationships with ideal brands under high self-discrepancy. What this may mean, therefore, is that when women are in a situation in which a brand offers them the opportunity to lower self-

discrepancy, they are in fact likely to take it. Moving the actual self closer to the ideal self is a goal for individuals, regardless of gender, and consumers in general are likely to use brands to accomplish this goal.

So far I have examined two ways consumers can potentially reduce their self-discrepancy: ideal self-congruency with brands and ideal self-congruency with social relationships. Self-discrepancy, because it is a highly motivating state (Carver and Scheier 1990; Carver and Scheier 1998), may also increase consumers' deceptive behaviors (Argo et al. 2006; Mazar et al. 2008). In particular, consumers may be likely to engage in self-deception as a way of closing their self-discrepancy gaps. Self-deception is unconsciously or unintentionally lying to oneself so as to view oneself in an unrealistically favorable light (Trivers 2000). The greater the motivation to perceive oneself positively, the more likely a person is to engage in self-deception (Robinson and Ryff 1999; Steele 1988; Tesser 1988). Furthermore, self-deception is more likely when individuals consider their future selves compared to present or past selves (Robinson and Ryff 1999; Trivers 2000). An ideal self is a possible future self (Markus and Nurius 1986) and is highly motivating, so perhaps self-discrepancy could also lead to self-deception. If so, self-deception should be successful in reducing self-discrepancy because individuals do not engage in self-deception needlessly or out of ignorance, but rather out of a lack of awareness (Gur and Sackeim 1979). Therefore, consumers who engage in self-deception to feel closer to their ideal selves should actually feel as if their behavior is closing their self-discrepancy gap. I test these propositions in study 4.

## 4.7 STUDY 4

In study 4, I examined whether consumers would engage in self-deception to close their self-discrepancy gaps, and if such behaviors would be successful. Chance et al. (2011) have shown that individuals will exploit opportunities to cheat on tests and infer that their elevated performance is a sign of intelligence. I adopted a similar paradigm and had undergraduate business school students take a business knowledge quiz which was either standard (no answers given), allowed for effortless cheating (correct answers were prefilled in), or allowed for effortful cheating (correct answers were on the back). I included both effortless and effortful cheating conditions because I wanted to see if increasing the awareness of cheating (by making it effortful) would decrease self-deception and thus mitigate the results. If self-deception is taking place, then cheating should occur in the effortless cheating condition, but not the effortful cheating condition.

### 4.7.1 Design and procedure

One hundred ninety-one undergraduate business school students completed the study for course credit (42% female, 58% male). The study was one in a set of experiments run in a controlled laboratory setting.

Participants began by completing a “personality survey” which measured a variety of individual differences, including 10 items intended to measure their self-discrepancy with regards to their business school student identity. Modeled after the Pelham and Swann’s (1989) self-discrepancy scale, participants rated how close their actual business school student self was to their ideal business school student self on ten traits: intellectual/academic ability, social

skills/social competence, motivation/determination, leadership ability, competitiveness, reliability/dependability, integrity, entrepreneurial spirit, communication skills, innovativeness/ability to take initiative. I averaged the ten items to form an overall self-discrepancy score with higher scores indicating greater self-discrepancy ( $\alpha = .85$ ;  $M = 2.88$ ,  $s.d. = 1.08$ ).

Next, respondents participated in an adapted cheating paradigm from Mazar et al. (2008). They took a “business knowledge quiz” which consisted of ten multiple choice questions. The directions stated that, “This quiz is meant to assess your knowledge of core business concepts, and is similar to the screening tests that some employers give during recruiting.” Participants received a “bubble sheet” onto which they recorded their answers. The bubble sheet provided the question number with four circles labeled a, b, c, and d and participants filled in the corresponding circle.

In the control condition, the bubble sheet was standard. Participants filled in their answers and turned in their bubble sheet when they were finished. In the effortless cheating condition, the bubble sheets had the correct answers premarked. The correct bubble was shaded in gray. In the effortful cheating condition the correct answers were printed on the back of the bubble sheet. In both cheating conditions, the instructions stated that the correct answers were provided so that they could self-grade their quiz when they were finished. After participants finished the quiz, they summed up the number of their correct answers, wrote that number at the top of the bubble sheet, and gave the bubble sheet to the experimenter.

Following the quiz, students completed tasks unrelated to the present research. Finally, at the end of the experimental session, the students completed the business school student self-

discrepancy scale a second time ( $\alpha = .83$ ). Due to time constraints in the lab session, only a portion of the participants completed this second round of measures ( $n = 111$ ).

#### 4.7.2 Results and discussion

The dependent variable of interest was the number of questions answered correctly. If students in the cheating conditions took the opportunity to cheat, then the number of questions answered correctly will be greater in the cheating condition compared to the control condition.

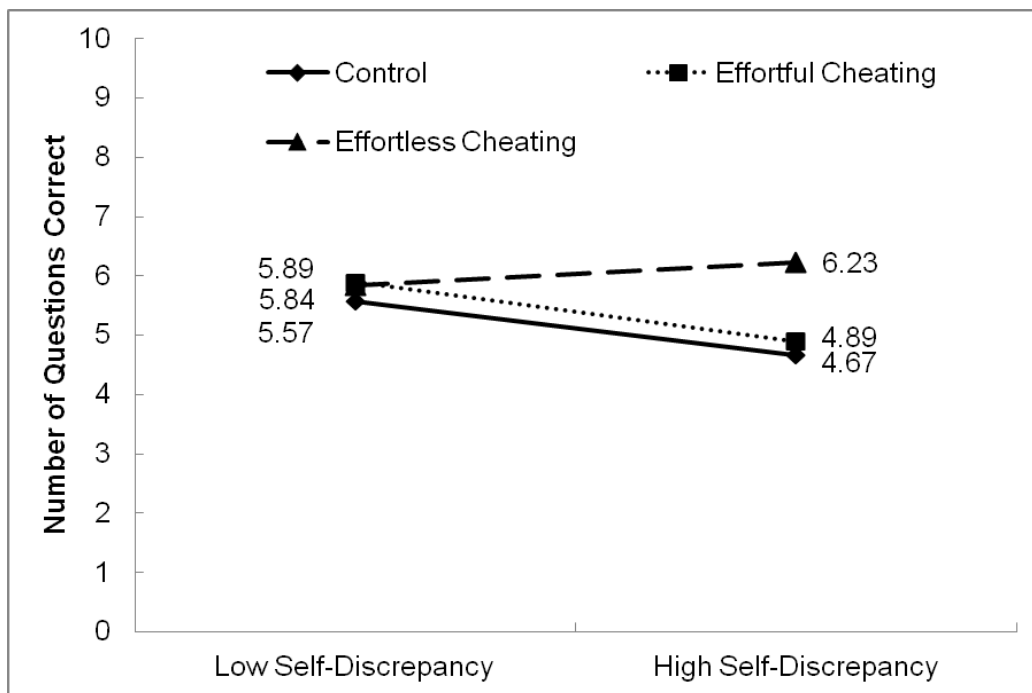
I ran an ANCOVA with cheating condition, self-discrepancy, and their interaction predicting quiz score. I also included gender in the model, but neither its main effect nor any of its interaction effects were significant, so I removed it for parsimony. The overall model was significant ( $F(5, 185) = 3.95, p < .01$ ). The main effects of both cheating condition and self-discrepancy were significant (cheating condition:  $F(2, 185) = 4.87, p < .01$ ; self-discrepancy:  $F(1, 185) = 3.98, p < .05$ ), as was the interaction of the two variables ( $F(2, 185) = 3.55, p < .04$ ).

The slope of self-discrepancy was significant and negative in both the control condition ( $b = -.41, t = 2.06, p < .05$ ) and the effortful cheating condition ( $b = -.43, t = 2.15, p < .04$ ), while the slope of self-discrepancy was not significant when effortless cheating was possible ( $b = .18, t = 1.02, NS$ ). This pattern of results suggests that although students with high business school self-discrepancy scored significantly lower than students with low business school self-discrepancy in the control and effortful cheating conditions, this difference was not present in the effortless cheating (self-deception) condition.

In addition, a spotlight analysis at one standard deviation above the mean of self-discrepancy showed a significant difference such students with high self-discrepancy scored higher when effortless cheating was possible compared to when cheating was not possible ( $b =$



1.56,  $t = 3.76$ ,  $p < .001$ ), as well when cheating was effortful ( $b = 1.27$ ,  $t = 1.27$ ,  $p < .01$ ). There was no difference, however, in scores among high self-discrepant students across the control and effortful cheating conditions ( $b = .28$ ,  $t = .67$ , NS). A similar spotlight analysis at one standard deviation below the mean of self-discrepancy revealed that there was no difference in scores across any of the cheating conditions ( $ps > .44$ ). The mean quiz score for those in the control, effortful cheating, and effortless cheating conditions at plus or minus one standard deviation from the mean of self-discrepancy can be found in figure 33.



**Figure 33.** Impact of Self-Discrepancy on Quiz Score Across Cheating Conditions

The fact that individuals with high self-discrepancy scored lower than individuals with low self-discrepancy in the control condition is evidence of the validity of the self-discrepancy measures. A student's self-discrepancy with regards to his/her business school student self should be tied to his/her knowledge and ability. Thus, high self-discrepant students should perform worse on a business knowledge quiz compared to students with low self-discrepancy. What is interesting, however, is that this difference disappeared when effortless cheating was possible. In

this case, high self-discrepant students performed just as well as low self-discrepant students. Furthermore, high self-discrepant students in the effortless condition performed better than high self-discrepant students in the control condition. These results indicate that students with high self-discrepancy cheated when given an effortless opportunity to do so. When cheating became effortful (i.e., they had to turn the paper over to see the answers), however, it appears students with high self-discrepancy were no longer inclined to cheat. Thus, it appears that students were more likely engaging in self-deception rather than purposefully and knowingly cheating.

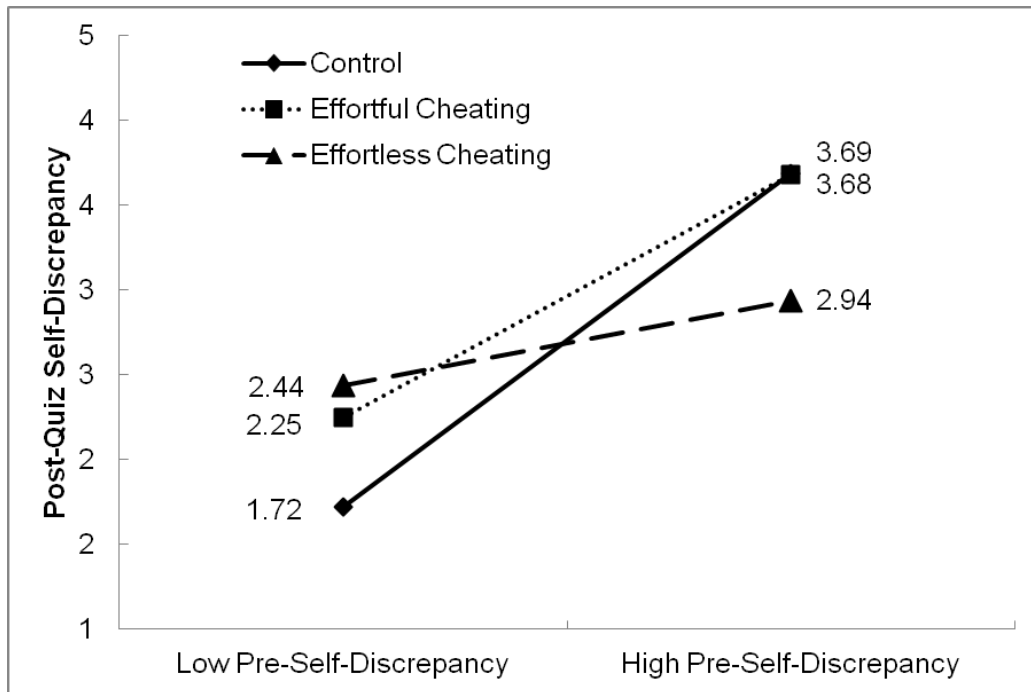
Next, I examined whether by cheating high self-discrepant individuals lowered their self-discrepancy. I ran an ANCOVA with pre-self-discrepancy, cheating condition, and their interaction predicting post-self-discrepancy. The overall model was significant ( $F(5, 105) = 15.60, p < .0001$ ). Not surprisingly, the effect of pre-self-discrepancy was significant ( $F(1, 105) = 61.61, p < .0001$ ). While the main effect of cheating condition was not significant ( $F(2, 105) = 1.52, NS$ ), the interaction of cheating condition and pre-self-discrepancy was significant ( $F(2, 105) = 6.31, p < .01$ ).

The slope of pre-self-discrepancy was significant and positive in both the control condition ( $b = .91, t = 5.80, p < .0001$ ) and the effortful cheating condition ( $b = .66, t = 6.15, p < .0001$ ). In the effortless cheating condition, however, the effect of pre-self-discrepancy was only marginal ( $b = .23, t = 1.78, p > .07$ ).

A spotlight analysis at one standard deviation above the mean of pre-self-discrepancy showed a significant difference such that students with high self-discrepancy had lower post-quiz self-discrepancy when effortless cheating was possible compared to when it was not ( $b = -.76, t = 2.35, p < .03$ ) and when it was effortful ( $b = .75, t = 2.70, p < .01$ ). There was no difference in

post-quiz self-discrepancy across the control and effortful cheating conditions ( $b = .01, t = .04, NS$ ).

A similar spotlight analysis at one standard deviation below the mean of pre-self-discrepancy revealed low self-discrepant students had higher post-quiz self-discrepancy when cheating was effortless compared to when it was not possible ( $b = .72, t = 2.32, p < .03$ ). Those in the effortful cheating condition also had marginally greater post-quiz self-discrepancies compared to the control group ( $b = .52, t = 1.87, p < .07$ ). There was no difference across the two cheating conditions ( $b = .19, t = .74, NS$ ). Figure 34 is a plot of the mean post-self-discrepancy scores for those in the control, effortful cheating, and effortless cheating conditions at plus or minus one standard deviation from the mean of pre-self-discrepancy.



**Figure 34.** Impact of Pre-Quiz Self-Discrepancy on Post-Quiz Self-Discrepancy Across Cheating Conditions

It appears that individuals with high self-discrepancy are able to lower their self-discrepancy by effortless cheating. An unexpected result was that low self-discrepant individuals

had greater post-quiz self-discrepancy when cheating was possible compared to when it was not. This is puzzling because there was no evidence of low self-discrepant students cheating. Even if students with low self-discrepancy did not cheat, they were able to see the answers and were required to self-grade their quizzes. The quiz was difficult and therefore poor quiz scores were likely made salient to these students. A probable explanation for this finding is that the salience of the poor quiz scores made them feel further from their ideal business school student self and thus increased their self-discrepancies.

Interestingly, participants only appeared to cheat when cheating was effortless (i.e., the answers were premarked) and not when cheating was effortful (i.e., the answers were on the back of the page). This result suggests that individuals were engaging in self-deception and not purposeful cheating. In seeing the premarked answers they may have experienced a sort of hindsight bias (Fischhoff 1975) and convinced themselves that they knew the answer all along. Even by engaging in self-deception, however, it appears they are able to feel closer to their ideal selves and thus reduce their self-discrepancy.

## **4.8 GENERAL DISCUSSION**

The purpose of this paper was to examine when ideal self-congruency matters to consumers, and the avenues through which they seek it (brands, social relationships). I find that consumers are more likely to look for ideal self-congruency when they feel far from their ideal selves (i.e., have a high self-discrepancy). The avenues through which they typically seek out ideal self-congruency, however, appear to vary by gender. Men with high self-discrepancy reported a greater number of their brand relationships as being consistent with their ideal selves, while

women high in self-discrepancy reported a greater number of social group memberships as being consistent with their ideal selves. When given an opportunity to interact with an ideal brand, however, both men and women used such interaction to reduce their self-discrepancy. Finally, the results also suggest that high self-discrepant individuals are more likely to self-deceptively cheat on a quiz as a means of convincing themselves that their enhanced performance was indicative of their intelligence.

These results add to a stream of research regarding luxury brands. Previous research has shown that thinking about future successes, feeling powerless, and wanting to gain approval from others all increase consumers' preferences for luxury brands (Mandel et al. 2006; Rucker and Galinsky 2008; Wilcox et al. 2009). To the extent that success, power, and social acceptance are all ideal qualities consumers wish to have, the findings from this research suggest that a preference for a luxury brand may be a result of consumers seeking ideal self-congruency. In studies 1a and 1b many of the brands participants classified as matching their ideal selves were luxury brands (Gucci, Versace, BMW, Mercedes, etc.) A brand does not have to be a luxury brand to be ideal, however. In study 3, interacting with HP helped individuals reduce their self-discrepancy. In addition, many of the ideal brands participants named in studies 1a and 1b were not considered luxury brands (e.g., Sketchers, Lysol, Sony, Xbox). So while the present research contributes to research on luxury brands, it also extends the concept of ideal brands beyond the definition of luxury and shows that self-discrepancy itself may affect the extent to which a brand is seen as "ideal."

From a marketer's standpoint, these results have implications for targeting customers, advertising, and overall brand management. Marketers of "ideal" brands should be aware that many of their customers (especially men) may be purchasing the brand as a way of expressing

their ideal selves. One limitation of the current research is that I did not examine whether brand interactions temporarily decreased self-discrepancy, or whether its effect was more permanent. If a brand only temporarily makes a customer feel closer to his ideal self, he will likely eventually suffer from post-purchase regret. Companies should make efforts to reduce such regret, perhaps through follow-up marketing messages emphasizing the ideal self-congruency. In general, companies that sell ideal brands may want to stress ideal self-congruency in their marketing messages. Furthermore, women high in self-discrepancy appear to be more responsive to ideal self-congruency with social groups. Creating brand communities might be a way of reaching female consumers who feel far from their ideal selves. Brand interaction lowered self-discrepancy for women as well as men, so creating that brand interactions around a social group could have a major impact on female consumers.

There are various limitations to this work. First, the brand interaction task in study 3 was rather incidental. Consumers did not actually purchase or consume the brand, but merely interacted with an advertisement for the brand. The fact that such mundane interactions successfully reduced self-discrepancy, however, is encouraging. More direct or prolonged consumption is likely to have an even stronger impact on consumers' self-discrepancies. Secondly, this research focused on the ideal dimension of the self. Higgins' (1987) original conceptualization also included an "ought self," which constitutes the attributes an individual believes he/she should possess. Conceptualizing "ought" brands, however, was difficult for me to imagine. Additionally, many have questioned the extent to which the ideal and ought selves are distinct and argue that ideal and ought discrepancies essentially measure one big self-discrepancy (Phillips and Silvia 2005). Therefore, I chose to focus on the ideal dimension of the self.

The results of this work suggest multiple future research topics regarding ideal self-congruency and self-discrepancy. Attainability has been shown to moderate the effect of self-discrepancy (Higgins et al. 1982; Samper 2012). How might attainability moderate the effect of self-discrepancy on ideal self-congruency? If the ideal self is believed to be unattainable, perhaps consumers are less likely to utilize ideal brands, groups, and self-deception. Similarly, attainability is likely a function of the distance from one's ideal self. The further one is from her ideal self, the less attainable the ideal self is likely to appear. Gradation of self-discrepancy, therefore, may also affect the extent to which consumers engage in behaviors to move them closer to their ideal selves. Other factors, such as insight, ability, self-efficacy and motivation have all be argued to affect movement toward the ideal self (Boyatzis and Akrivou 2006; Rustbelt et al. 2005). Consumers who have greater insight, abilities, self-efficacy, and motivation may therefore be more likely to use brands, social groups, and self-deception to close their self-discrepancy gaps.

Using social groups to moves oneself closer to one's ideal is also worthy of future research. Presumably, members in such groups serve as social comparisons. Research has shown the upward social comparison can lead to larger self-discrepancies (McIntyre and Eisenstadt 2010). One could imagine a situation where group membership in an "ideal" group could backfire in that social comparison with other members leads one to feel even farther from her ideal self. Similarly, people tend to increase attraction to partners as the partner becomes more similar to the individual's ideal self, but decrease attraction as the partner surpasses the individual's ideal self (Herbst, Gaertner, and Insko 2003). Could a brand or a social group be too ideal? If a social group exceeds a member's ideal self, it may be likely that member no longer finds the group attractive.

Self-discrepancy has largely been ignored in the consumer behavior literature. Theories, such as compensatory consumption and symbolic self-completion, suggest that consumers who feel far from the person they would like to be are likely to seek out avenues in which they can express this ideal self. While this research begins to scratch the surface of how self-discrepancy affects self-expression, future research regarding the effects of self-discrepancy on consumers' desire for ideal self-congruency will lead to greater insights on the role self-expression plays in consumer behavior.



## 5.0 CONCLUSION AND FUTURE RESEARCH

Overall, the three essays in this dissertation build on the literature regarding brands as vehicles of identity expression by examining additional motivations for the use of brands to express identity, individual differences and circumstantial factors that moderate the use of brands as vehicles of identity expression, and the broader implications of using products and brands to make a statement about one's identity. In essays 2 and 3 I identify differentiation and self-discrepancy as motivating factors underlying the symbolic use of brands to express one's self or identity. The focus of much research has been on the belongingness function identity-linked brands serve, and alternative motivations, such as differentiation and self-discrepancy, have largely been ignored. These essays also probe further to answer the questions of who and when in regards to the use of brands to express identity. Essay 2 shows that low self-esteem consumers are likely to prefer brands that differentiate themselves when they are experiencing either social inclusion or exclusion. Essay 1 shows that under a self-threat gender and identity moderate the endowment effect. Linking identity self-expression and the endowment effect, as I have done in essay 1, also demonstrates the far reaching effects that identity-expressive brands and products can have on consumer behavior. The results of essay 3 also examine the role of gender in using brands and social groups that express one's ideal self to cope with self-discrepancy.

It is likely that these three essays have only scratched the surface in terms of answering the questions of who, when, and why regarding the use of identity expressive brands. While I

have outlined future research topics in the discussion of each essay, I now highlight some additional future research topics which have the potential to offer novel insights regarding identity expression and consumption decisions.

In general the essays of this dissertation focused on particular identities (in-group, ideal, etc.). An individual's self-concept, however, is made up of a host of identities. An individual, therefore, can likely use their consumption decisions to shift among the various identities that comprise their self. Future research may attempt to define what activates such identity shifting through consumption. A likely possibility is identity salience (Reed 2004). While all of one's identities should be available to a consumer, those which are more accessible are more salient and therefore more likely to influence behaviors. Identity cues, such as environmental factors, likely activate identity salience. Anyone who has enjoyed a beer at a sports bar and wine at a fancy restaurant is likely using identity cues from the environment to shift identities and subsequent consumption behaviors. Understanding how marketing decisions, such as package designs and pricing, can influence consumption by shifting identities with identity cues may hold important implications for marketing managers.

Self-concepts, in addition to being comprised of various identities, are also highly influenced by those around us. Higgins' (1987) conception of the self proposes that the self is not only made up of various domains (actual, ideal, ought) but also two standpoints of the self: self and significant other. An individual's own perspective on who he is, wants or oughts to be contributes to his sense of self, but so does the perspective of those around him – his parents, friends, spouse, etc. How might other's perceptions of our identities influence our brand and product choices? Furthermore, Higgins (1987) argues that when an individual thinks about whom he wants to be, his motivation stems from a frustration of unfulfilled desires, yet when he

thinks about whom others want him to be, his motivation stems from a fear of losing affection or esteem from others. Combine this argument with theory on men and women's conceptions of the self (Josephs et al. 1992) and it may be that others' standpoints on the self are more likely to affect women's than men's consumption decisions. Further research on how others' perceptions of our identities affect our purchase behavior will further our understanding of the role social influence plays in our judgment and decision making.

An interesting implication of the use of brands to express identities is that many companies are now trying to link their brands with various identities. The marketplace likely has niche spots for multiple identity-linked brands, but is there also opportunity for some sort middle of the road brand? For example, in the cell phone industry, the iPhone has clearly positioned itself as the phone for creatives and techies. Blackberry, on the other, has focused on attracting the busy business men and women. Motorola Droid then entered and positioned itself as a happy medium. Clearly the Droid is the best option for those who consider themselves to identify with both identities, but what about consumers who do not identify with either techies or CEOs (e.g., a kindergarten teacher)? How attractive is the middle of the road brand for consumers who do not identify with either niche brand? Is it more attractive than either niche brand? When might it be better to offer a middle of the road brand as opposed to a niche brand? Answers to all of these questions will have significant influence on the decisions of brand managers.

Future research could also look at when consumers do and do not want to conspicuously consume identity expressive brands. In the third essay, I show that low self-esteem consumers prefer to wear public displays of vertical brands to signal their power and prestige to others. Thus, they are trying to manage their impression among others. Impression management is likely a large reason consumers would want to conspicuously consume identity expressive brands.

Perhaps when a consumer wants to prove an identity, or wants to convince others of her identity, she will be more likely to prefer public brand signals. Conspicuously consuming brands under such conditions may lead to reinforcement from others, which may change an individual's perception of his identity strength. Therefore, conspicuous consumption may not only manage one's impression among others, but also verify the identity for one's self.

There may also be times, however, when consumers prefer to inconspicuously consume identity expressive brands. They may want to hide negative identities, or feared selves (Markus and Nurius 1986). This could explain why promotional items featuring cigarette brands are rare. Smokers may not want to wear a t-shirt emblazoned with their favorite cigarette brand. Feared selves might also contribute to inconspicuous consumption. If new parents are afraid of appearing old and boring, they will likely worry about driving minivans and wearing "mom jeans" in public. Knowing that a brand is linked to a feared self, brand managers could make efforts to hide the brand name on their products or make the logo less distinguishable. In sum, understanding what identity attributes contribute to inconspicuous consumption could help marketers better serve their customers.

Finally, an emerging topic in the product and brand literature is co-creation, or allowing consumers to co-construct their consumption experiences through personal interaction (Prahalad and Ramaswamy 2003). One example of co-creation is self-design, whereby customers essentially design their own products (Moreau and Herd 2010). Self-design gives the responsibility of the design to the consumer, allowing them to express themselves in whatever way they please. NikeiD, Nike's version of self-design, gives the consumer options of shoe style, colors, and personalization. Self-designs may help consumers express both their belongingness and distinctiveness needs. Recent research suggests that consumers look for belongingness at the

brand level, and uniqueness and the product level (Chan et al. 2012). Thus, a basketball player can feel connected to his teammates by wearing Nike, but also unique by constructing his own NikeiD pair of shoes. Future research could also address whether designing the product to fit their identity makes them feel more connected to the identity. Work by Mälar et al. (2011) suggests that one's ideal self is more abstract in nature than one's actual self. Creating a product, however, is a very concrete process and likely makes the product closer to one's self. So, does creating a product that reflects an individual's ideal self subsequently make that ideal self feel less abstract? If so, it may also make the ideal self feel more attainable, lower self-discrepancy, etc. Self-design is the ultimate identity self-expression with products and brands and therefore offers not only a multitude of future research questions, but also an interesting avenue in which to test theory relating to identity self-expression and consumption behaviors.

Regarding the use of identity expressive brands, answering questions like who does it, why do they do it, and when do they do it not only furthers our understanding as researchers, but also helps marketers better understand the advantages and pitfalls of linking their brands with various identities. In addition, the use of brands as vehicles of identity expression has implications on consumer behavior beyond making consumers feel like they belong. It affects how consumers value objects and their perceptions of their self. The identity expressive function of brands goes well beyond belongingness and these three essays, as well as future research, can help to construct a better picture of consumers' use of brands as vehicles of identity expression.

## **APPENDIX A**

### **SOCIAL SELF-THREAT MANIPULATION**

Please think about a relationship that you have had that fits the description given below and picture in your mind the person with whom you have had that relationship. Please make sure that the person and the relationship you have chosen to focus on are meaningful and important to your life. After reading the relationship description, turn to the next page.

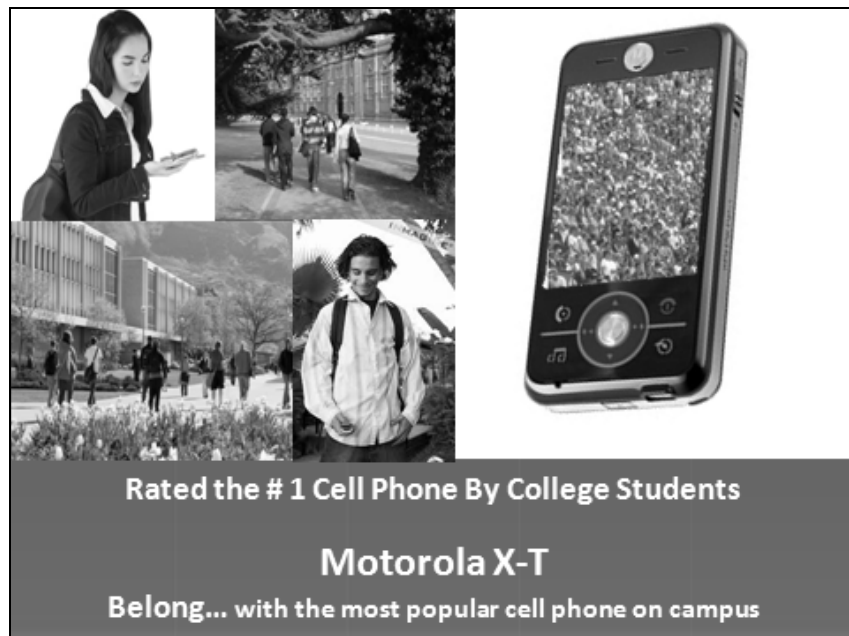
Please think about a relationship you have had in which you have felt uncomfortable being alone and worried that the other person didn't value you as much as you valued them.

Now, take a moment and try to get a visual image in your mind of this person. What does this person look like? What is it like being with this person? You may want to remember a time you were actually with this person. What would he or she say to you? What would you say in return? How do you feel when you are with this person? How would you feel if they were here with you now? After the visualization, write a sentence or two about your thoughts and feelings regarding yourself in relation to this person.

## APPENDIX B

### AD STIMULI (SECOND ESSAY, STUDY 1)

#### B.1 IN-GROUP POSITIONING



The advertisement is a composite image. On the left, there are four smaller images: a young woman looking at her phone, a group of students walking on a campus path, a wide shot of a modern university building, and a young man with a backpack. On the right is a large image of the Motorola X-T cell phone, which has a screen displaying a dense crowd of people. Below these images is a dark grey banner with white text.

Rated the # 1 Cell Phone By College Students

**Motorola X-T**

Belong... with the most popular cell phone on campus

## B.2 VERTICAL POSITIONING



**D&G**  
DOLCE & GABBANA®  
*For Motorola*



An Exclusive Phone Made Specially For You.  
Cell phones that make you look great and feel great.

An exclusive line of Motorola phones from famed designers, Dolce & Gabbana.

## B.3 HORIZONTAL POSITIONING



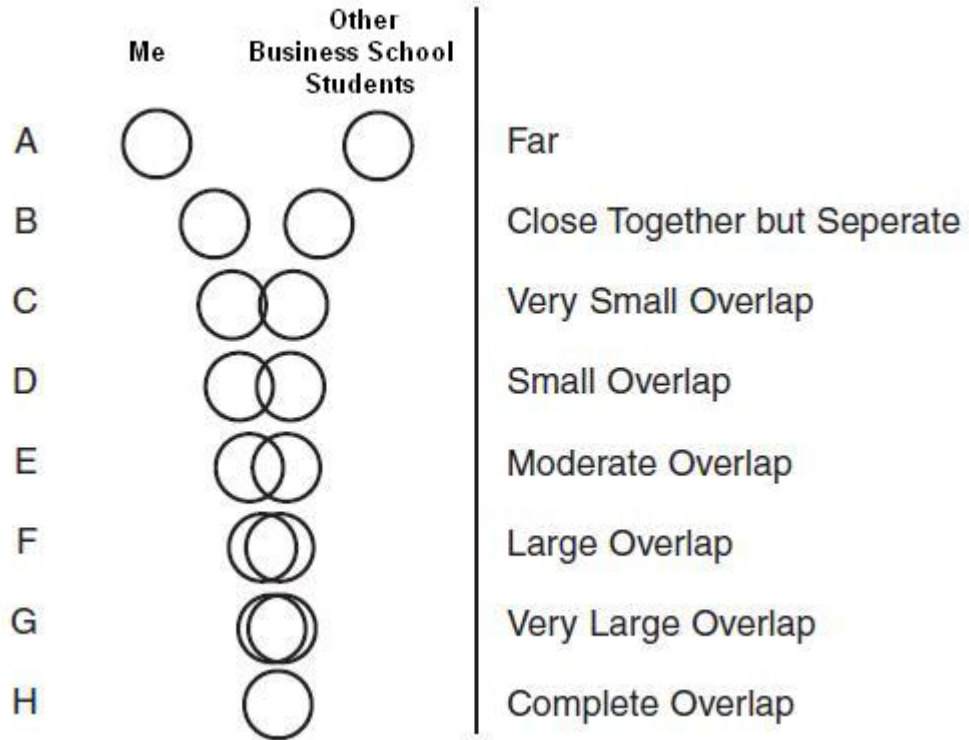
Life is too short to follow other people's rules.

**Motorola L7e**  
The phone for the unconventional you.



## APPENDIX C

### IDENTIFICATION MEASURE (SECOND ESSAY, STUDY 3)



## APPENDIX D

### PUBLIC AND PRIVATE SHIRT OPTIONS (SECOND ESSAY, STUDY 4)

#### D.1 PUBLIC SHIRT OPTION



## D.2 PRIVATE SHIRT OPTION



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