Russell Ackoff Doctoral Student Fellowship Proposal

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Project Title: Feeling Torn – How Conflicting Identities Impact Consumer Decision Making

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Project Description and Contribution

Consider a company executive faced with a high cost and a low cost option for manufacturing a nondurable product that must be purchased repeatedly. If he chooses the low cost option, he can consistently offer consumers a lower price but must give his employees lower wages and poorer working conditions. If he chooses the high cost option, the opposite is true. Thus consumers are materially better off with the low cost option, but workers are materially better off with the high cost option. To maximize the chances that consumers will repeatedly purchase his product, which option should the executive select?

At first, the decision might seem easy: the executive should choose the option that maximizes consumers' material payoffs. However, consumers may sympathize with the workers, particularly if news channels frequently document the workers' low wages and poor working conditions. Buying the low cost product thus pits consumers' concern for their own interests (desire to save money) against their concern for others' interests (desire to improve employees' wages and working conditions). In the extreme, consumers may feel hopelessly torn between buying and not buying the low cost product when they go to the store, making it difficult for executives to predict the success of the low cost product over time. Given this uncertainty, what should the executive do to maximize the success of the low cost option?

Our project sheds light on this research question using a social identity perspective. Past research has shown that temporarily drawing consumers' attention to certain identities (e.g., a business identity) leads to decisions in line with self-interests and that temporarily drawing attention to other identities (e.g., a moral identity) leads to decisions in line with others' interests (Aquino, Freeman, Reed, Lim, and Felps 2009; Aquino and Reed 2002; Reed and Aquino 2003). Some executives might argue that this is all they need to know: if they want consumers to like the low cost option, they just need to make business identity salient and avoid mentioning moral identity. Business identity, which is consistent with buying the low cost option, thus moves into the foreground, making it more likely that this identity and not the inconsistent moral identity will influence judgments and actions. This approach works well if consumers are making a single decision within a short time span. However, if consumers must make a series of choices over time (as in the situation we described above), it may be impossible to keep the conflicting identity out of consumers' minds on every purchase occasion, particularly if the identity is relatively central to the self-concept (Aquino and Reed 2002). Accordingly, this project examines how executives can promote product purchase when both the identity consistent with purchase and the identity inconsistent with purchase are on consumers' minds *at the same time*.

Our approach is to help firms leverage the conflicting identity to their advantage, making it so that the identity becomes consistent rather than inconsistent with purchase. We focus on the two conflicting identities just discussed: business identity and moral identity. We argue that each identity (1) prompts consumers to care about the wellbeing of certain people (a moral concern) and (2) gives consumers a specific way to act on their concern for these people (a behavioral rule). Moral identity and business identity typically elicit opposing moral concerns: while activating moral identity leads consumers to care not only about themselves but also about others, activating business identity prompts them to focus only on themselves. Likewise, the two identities elicit opposing rules for acting on those concerns: while activating moral identity should make consumers avoid buying products that harm anyone (do no harm rule) (Baron 1995), business identity should make consumers buy products that further their own interests at the expense of others' interests (cf. Tajfel and Turner 2004). Importantly, we argue that these connections between identity and concern and between concern and behavioral rule are automatic and intuitive (Haidt 2001), such that they come to mind upon mere priming of the identity. This means the default is indeed for consumers primed with moral identity to do the opposite of those primed with business identity, as implied by existing identity work.

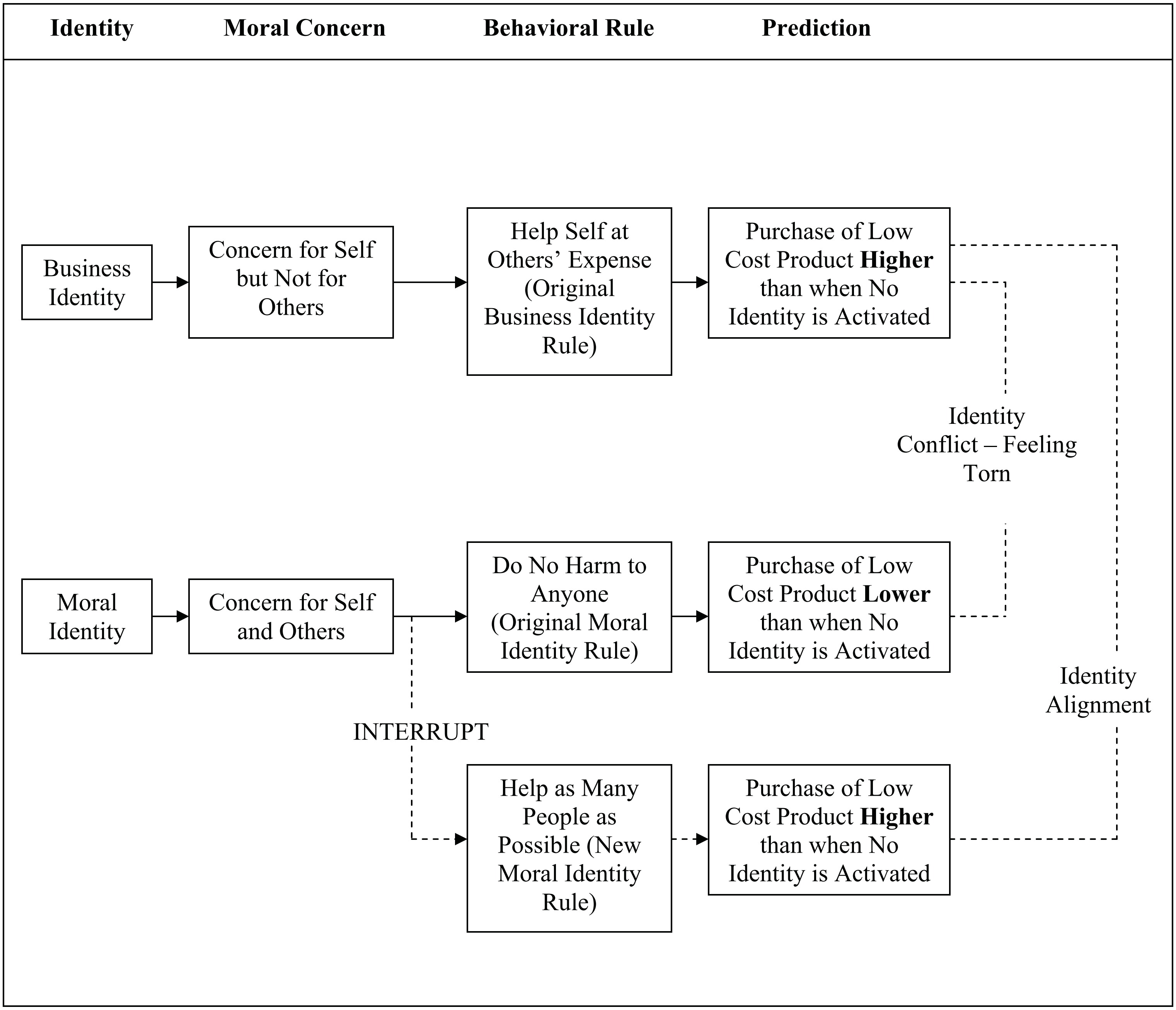
In contrast to past research, we aim to show that the two identities can be harnessed in support of the *same behavior*. That is, consumers can come to view both business identity and moral identity as consistent with purchasing the low cost product, even though the two identities would normally conflict. We propose that the identity alignment can be achieved by changing not the concern attached to the identity but rather the behavior for acting on that concern (cf. Bandura, Barbaranelli, Caprara, and Pastorelli 1996).

For example, suppose that a consumer's moral identity has been activated and that she consequently has a high concern both for herself and for workers. Left to her own devices, she acts on the concern by recruiting the automatically elicited behavioral rule of not harming anyone. She thus avoids the low cost product because she knows that buying it could result in harm to workers. The identity automatically elicits the intuitive concern for self and others, and the concern automatically elicits the behavioral rule of not hurting anyone. Moral identity thus leads to lower likelihood of buying the low cost product.

However, suppose we as marketers interrupted the concern-rule link, showing consumers that other behavioral rules are equally consistent with the concern for the wellbeing of both self and others. For example, one such rule could be, "Help as many people as possible." Unlike the "harm no one" rule, the "help as many people as possible rule" could be consistent with buying the low cost product manufactured by poorly paid workers. After all, paying low wages means more workers can be employed and fewer people are unemployed. With this new rule, consumers primed with moral identity may actually exhibit a higher desire to buy the low cost product than they otherwise would. If advertisements repeatedly link moral identity to this new rule, the new rule may actually *replace* the old rule as the one that automatically comes to consumers' minds when moral identity is made salient (Fazio, Powell, and Williams 1989; Fazio, Sanbonmatsu, Powell, and Kardes 1986; Haidt 2001). Business identity and moral identity are thus aligned so that priming either one increases choice of the low cost product. A diagram of our proposed framework is attached.

Our proposed project aims to show how identities that traditionally operate in opposition to each other can be aligned in support of the same consumption decision. In this way, consumers can convince themselves that a purchasing decision is in fact consistent with both identities, thereby reducing ambivalence and conflict and crafting a stronger pro-purchase attitude. A strong, resilient attitude of this sort is important because many decisions need to be made not only once but rather on many occasions over a prolonged time span.

Diagram of Conceptual Framework



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