Power and Ethical Attributes: Do Powerful Consumers Weight Ethical Attributes More or Less Than Powerless Consumers?

By

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ABSTRACT

POWER AND ETHICAL ATTRIBUTES: DO POWERFUL CONSUMERS WEIGHT ETHICAL ATTRIBUTES MORE OR LESS THAN POWERLESS CONSUMERS?

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This Thesis is an investigation of the influence of power on consumers’ ethical decision-making in the consumption environment. The main objective of this study is to explore the effect of power on consumers’ preference for ethical attributes. Across two experiments, we test whether individuals in low power state prefer products with ethical attributes more than individuals in high power state. Additionally, we investigate whether explicitly activating sense of responsibility inside powerful individuals can increase their preference for products with ethical attributes. Discrete Choice Experiment (DCE) is used to test the individuals’ preference for ethical attributes. The results provide support for the effect of power on consumers’ preference for products with ethical attributes in one product category, Bar Soap, but not in the other category, Athletic Shoes. Moreover, explicitly activating the sense of responsibility for powerful individuals increases their preference for some ethical attributes but not for others.
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Chapter 1: INTRODUCTION

“The fundamental concept in social science is Power, in the same sense in which Energy is the fundamental concept in physics ... The laws of social dynamics are laws which can only be stated in terms of power.” (Russell, 1938, p. 10).

Power is considered an essential dimension in human interaction. Rucker, Galinsky, & Dubois (2012) suggested that power is considered as a social construct that involves interaction between two or more parties. Power is defined as “asymmetric control over valued resources or other people in social relationships” (Magee & Galinsky, 2008, p. 361). Magee and Galinsky (2008) used the words “asymmetric control” and “social relationships” to describe the dependence of the less powerful individuals on the more powerful individuals in obtaining resources (Rucker, Galinsky, & Dubois, 2012). Additionally, their definition includes “valued resources” which explain the subjective importance of these resources which the powerful individual possesses control over them (Rucker, Galinsky, & Dubois, 2012). The resources that the powerful person has control over can be social (e.g., knowledge, friendship, decision making opportunities) or material (e.g., money, food, valued resources) and the value of these resources depends on the relative importance of these resources to other people (Keltner, Gruenfeld, & Anderson, 2003).

Power in organizations can be described in terms of the relationship between the managers and the employees. The manager has control over resources and over employees. In class rooms, the teacher has control over the students through the assigning of marks and control
over resources through the sharing of knowledge. This type of power is called social power because power in the previous cases is derived from the relative control over others, whereas, personal power is derived from decreasing dependence on others (Van Dijke & Poppe, 2006). In other words, social power is power over others (i.e. interdependence) and personal power is freedom from others (i.e. independence) (Lammers, Stoker, & Stapel, 2009). In the present study, the focus was on social power or power as asymmetric control over valued resources in social interaction because this type of power is the broadest and is commonly used in literature.

The psychological state of power can easily be activated inside the person (Anderson & Galinsky, 2006). It can arise from a number of different structural, physical, and cognitive factors (Rucker, Galinsky, & Dubois, 2012). First, structural differences can create differences in power level. Structural power showed that power is not dominant inside the individual and can be changed depending upon the situation. In lab experiments, Brinol et al., (2007) showed that assigning individuals to different tasks in the experiment (either boss role or employee role) activated the state of power (either high or low, respectively) inside the individual. Second, the physical position of the individual can also activate different states of power. Carnay, Cuddy, & Yap, (2010) showed that open-expansive posture can activate a state of high power status while closed-contractive posture can activate low power status. Finally, regarding cognitive factors, power is embodied inside the individual (Galinsky, Gruenfeld, & Magee, 2003) and the individual can feel more or less powerful in situations where there are no structural differences present (Rucker, Galinsky, & Dubois, 2012). In lab experiments, Galinsky, Gruenfeld, & Magee, (2003) found that asking the participants about a past situation, episodic recall, where they felt more or less powerful lead to differences in the state of power among the participants.
Additionally, Smith & Trope (2006) showed that asking participants to form a sentence from words either related to high power or low power activated the sense of power inside the individual. The episodic recall methodology for activating the sense of power pioneered by Galinsky, Gruenfeld, & Magee (2003) was applied in this study to activate the sense of power inside the participants. In general, once the state of power is activated inside the person the cognitive consequences of power will also be activated inside the individual in the subsequent decisions (keltner, Gruenfeld, & Anderson, 2003).

Activating different senses of power (high vs. low) inside individuals has different effects on consumer decision-making. Individuals experiencing a state of high power tend to spend more money on themselves than individuals experiencing a state of low power (Rucker, Dubois, & Galinsky, 2011). Additionally, consumers in low power condition tend to spend more money on others than individuals in high power condition (Rucker, Dubois, & Galinsky, 2011). In lab experiments, individuals in low power condition tend to donate money, volunteer, and help others more than individuals in high power condition (Lammers et al., 2012; Twenge et al., 2007).

Power has been considered a key to social environment and hierarchies. Despite the long existence of the concept of power in social sciences, power construct has received little attention in consumer behaviour. This construct is considered important in consumer behaviour because different consumers experience different levels of power. Individuals possess different levels of power depending on economic resources or cultural capital (Bourdieu, 1985). Additionally, the same individual can face different levels of power in the daily activities in which the state of
power or powerlessness depends on the situation. For example, a father at home possesses more power when dealing with his children than at work when dealing with his boss. Whenever the power concept is activated cognitively, the associated behavioural tendencies are also activated (Keltner, Gruenfeld, and Anderson, 2003). Such differences in power affect how the consumer plans for the purchase decision, makes the purchase decision, and acquires the products or services (Rucker, Galinsky, and Dubois, 2012).

Previous research has shown that powerful individuals are less likely to take others’ perspectives in their decision making and instead, rely mostly on their own vantage goals which lead to less accuracy in evaluating the thoughts and emotions of others (Galinsky et al., 2006). Moreover, powerful individuals are less likely to be engaged in prosocial behaviour than powerless individuals (Lammers et al., 2012; Twenge et al., 2007). In other words, powerful individuals donated less money, showed less willingness to help others, and were less willing to volunteer in lab experiments than less powerful individuals.

The current study introduces a new connection between power and consumer behaviour. It connects the individual’s state of power (high versus low) with the preference for ethical attributes. Despite the importance of testing the preference of ethical attributes, there is a gap in power literature that tests the attribute level. The main area of interest for this thesis is to test the consumer’s preference for ethical attributes in high power condition versus low power condition. A major issue in selecting a product is the attributes of the product. Which attributes does the consumer value more when selecting a product? If a company is interested in introducing ethical attributes for a product, then, how does one make sure that the consumer will positively consider
such attributes in selecting the product? Across two experiments, this study introduces a new moderator for the consumer’s preference for ethical decision making. In the first study, we seek to discover how low power situations can lead to more ethical behaviour. In other words, we test whether consumers in a low power state show higher preference for ethical attributes than consumers in a high power state. In the second experiment, we test whether explicitly activating the sense of responsibility for consumers in high power condition leads to more ethical decision making by increasing their preference for ethical attributes. Episodic recall, according to Galinsky, Gruenfeld, & Magee (2003), was used in both experiments to activate different states of power (high versus low power) inside the participants. Discrete Choice Experiment (DCE) was used in both experiments to test the preference of ethical attributes among the participants. DCE is considered as an indirect method for testing the consumer’s preference based on random utility theory (Yang, 2014; Marley & Islam 2012).

This research enhances better understanding of consumer’s decision making by taking into consideration the psychological state of power of the consumer. In addition, it tests the effect of activating sense of responsibility for consumers in high power condition on their preference for ethical attributes. Clarity regarding consumer’s ethical behaviour can assist business enterprises in determining the values of their target market. The findings of this research are expected to contribute to ethical consumption literature and power literature in consumer behaviour.
Chapter 2: LITERATURE REVIEW

Consider the following situation. You decide to buy a laptop. Do you think you will focus on the same features of the product if you buy this laptop for your boss or for your children? Or, perhaps a better question, which situation you will focus on the main features of the product and which situation you will focus on the secondary features of the product? In this study, the focus will be on which consumer - the consumer in high power situation or the consumer in low power situation - will focus more on the ethical attributes of the product (ethical attributes are considered as secondary features). In the following sections, we will start with reviews of cognitive consequences of the sense of power, then corporate responsibility and ethical attributes, and finally, power and sense of responsibility.

2.1 THE SENSE OF POWER

Power has been defined as “asymmetric control over valued resources in social relationship” (Magee & Galinsky, 2008, p. 361). Although power is often perceived as a structural variable (Huang et al., 2011) and a social variable (Emerson, 1962), it can also be viewed as a psychological property of the individual (Anderson, John, & Keltner, 2005; Galinsky, Gruenfeld, & Magee, 2003). Power is a psychological state that has an influence on behavior (keltner, Gruenfeld, & Anderson, 2003). The sense of power penetrates individuals’ everyday lives. It can simply be activated inside individuals through body posture or hierarchical role (Carnay, Cuddy, & Yap, 2010; Huang, Galinsky, and Gruenfeld, 2011). It can also be activated through episodic recall (Galinsky, Gruenfeld, & Magee, 2003), or mental role playing (Brinol et al., 2007; Rucker, Dubois, and Galinsky, 2011). Once the sense of power is activated
inside the individual, the cognitive consequences of power will be activated (Keltner, Gruenfeld, & Anderson, 2003).

2.1.1 Some Cognitive Consequences of Power

Different levels of power have different effects on consumer behaviour. Power affects how people feel about themselves and how they perceive others (Galinsky et al., 2006). Powerful individuals are less accurate in judging the interests and emotions of others (Galinsky et al., 2006) and are more likely to use stereotypes in evaluating others (Goodwin et al., 2000). Additionally, powerful individuals depend more on their own thoughts in determining their attitudes (Brinol et al., 2007) and express their own opinion more than less powerful individuals in group discussions (Anderson & Berdahl, 2002). The sense of power has some cognitive consequences on the individuals and, as a result, has some applications in consumer behaviour.

Power has an effect on an individual’s way of thinking (Smith & Trope, 2006; Lammers et al., 2012). Elevated power can lead to social distance and psychological distance between people (Smith & Trope, 2006; Lammers et al., 2012). As a result, powerful consumers possess more abstract information processing or abstract way of thinking (Smith & Trope, 2006). In other words, the powerful consumer focuses more on the central aspects of a situation than the less powerful consumer who focuses more on the details (Smith & Trope, 2006). Abstract way of thinking has an effect on decision making, so high power and low power consumers will focus on different criteria in decision making (Smith & Trope, 2006). For example, each product has different features. Some features are related to the main purpose of the product and others are not. The high powered consumer will focus more on the primary features of the product (e.g.,
price, quality, efficiency) and evaluate the product based on that. On the other hand, the less powerful consumer will focus more on the secondary features of the product and evaluate the product based on these features. Additionally, powerful consumers tend to focus more on the utilitarian aspects of the products, such as function and quality of the product, than less powerful consumers (Rucker & Galinsky, 2009).

Lammers & Stapel (2011) showed in three studies how power increases dehumanization. The authors found that powerful individuals treated people as objects or tools and deny the human nature (humanness) of other individuals. Dehumanization was perceived because powerful individuals are often in position of making tough decisions that may cause suffering for others. Although, this phenomenon looks unacceptable, the authors argued that it can be beneficial in some situations. Powerful individuals can overcome emotional stress and make tough decisions that may result in short term suffering, but may have long term benefits, more than less powerful people (Lammers & Stapel, 2011).

The powerful consumer tends to posses high self-importance and be self-focused whereas the less powerful consumer tends to be others-focused and posses high dependence on others (Rucker, Dubois, & Galinsky, 2011). Because the powerful individuals focus on achieving their own goals, they often see others as a means to achieve their personal goals (Gruenfeld et al., 2008) and behave as if they are more important than less powerful individuals (Zimbardo et al., 1974). Dubois, Rucker, & Galinsky (2015) reported that the relationship between power and self-focus versus power and others-focus explains when and why individuals engaged in unethical behaviour. When the unethical behaviour was performed to be self-beneficial, powerful
individuals were more likely than less powerful individuals to be engaged in the unethical behaviour (Dubois, Rucker, & Galinsky, 2015). In contrast, when the unethical behaviour benefited others, the less powerful individuals were more likely than the powerful individual to be engaged in the unethical behaviour (Dubois, Rucker, & Galinsky, 2015).

Power has an effect on how individuals feel about themselves and how they perceive others. Powerful individuals show an inability to take on the cognitive, visual, and emotional perspectives of others (Anderson, Keltner, & John, 2003; Galinsky et al., 2006). As a consequence, the powerful individual is less likely to adjust to other perspectives (Galinsky et al., 2006) and either dismisses or pays no attention to others’ opinions when evaluating a product (Galinsky et al., 2008; Mourali & Yang, 2013). Galinsky et al. (2006) explained why the powerful individual is less likely to adjust to others perspectives. First, because power can be defined as the asymmetric control over valued resources, therefore, powerful individuals are less dependent on others. As a result the powerful individuals’ decisions do not need to rely on accurate understanding of others’ perspectives. Second, it is difficult for the powerful individual to take the perspective of other individuals or concentrate on everyone’s interests because of the increased attention demanded for their position. In general, the powerful individuals\(^1\) care more about themselves than about others (Fiske, 1993).

### 2.1.2 Power and Consumer Behaviour

There is little in the literature that connects power with consumer behaviour. Rucker, Galinsky, & Dubois (2012) offered one connection between power and consumer behaviour.

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\(^1\) Using the concept “powerful consumer” or “less powerful consumer” in this thesis refers to a consumer in a psychological state of high power or low power.
They described the relationship of power with respect to agentic and communal orientations. Agentic and communal orientation are two different ways of thinking and interacting with the environment. An agentic orientation means that the individual exists as an agent and focuses more on “self-protection, self-assertion, and self-expansion” (Bakan 1966, p. 14), whereas a communal orientation means that the person is more likely to participate in larger social groups (e.g., family, friends, and society) and is more likely to consider others in decision making and thinking (Galinsky et al., 2006; Rucker, Galinsky, & Dubois, 2012). Therefore, with a communal orientation there is greater concentration on and thinking of others. Rucker, Galinsky, & Dubois (2012) connected power with agentic and communal orientations because powerful individuals possess more resources and are less dependent on others. As a result of their existence in higher level in the hierarchy and feelings of freedom to take action, powerful individuals focus more on their own goals and interests and demonstrate agentic orientations. On the other hand, the less powerful individual, one whom exists in a lower level of the hierarchy, has an increased dependence on others to obtain resources, forcing the individual to corporate with others to satisfy their needs. The behaviour of the less powerful individual encourages and facilitates the communal orientation (Rucker, Galinsky, & Dubois, 2012).

Rucker, Dubois, and Galinsky (2011) offered a new connection between power and spending (i.e. differences between consumers in high and low power states in their way of spending). The authors used different manipulations of power through five experiments to demonstrate how the state of power affected consumer spending on themselves versus on others: powerful consumers tended to spend more on themselves than on others compared to less powerful consumers and less powerful consumers tended to spend more on others than on
themselves compared to powerful consumers. Rucker, Dubois, & Galinsky (2011) concluded that the powerful consumers possessed high self importance and were more self-focused than the less powerful consumers who displayed high dependence on others and tended to be others-focused.

Recent studies connected power and prosocial behaviour and found that the effect of power on prosocial behaviour is the same at both the country level and the personal level (Winterich & Zhang, 2014; Lammers et al., 2012). At the country level, higher power distance, the extent that inequality is expected and accepted in the society, resulted in weaker responsibility to aid others and this resulted in decreasing prosocial behavior (Winterich & Zhang, 2014). On the personal level, power creates social distance\(^2\) or distance from people and this social distance or social exclusion decreases willingness to help others, whereas, less powerful individuals show more willingness to help others (Lammers et al., 2012). According to Twenge et al. (2007), social exclusion leads to a reduction in prosocial behaviour and socially excluded individuals donated less money, showed less willingness to volunteer in lab experiments and, were less helpful to others. Additionally, social class can be seen as a source of power, but only when the person is actually feeling a sense of power (Dubois, Rucker, & Galinsky, 2015). Piff et al. (2010) demonstrated that lower class individuals were more generous, more helpful, more charitable, and more trusting compared to upper class individuals.

\(^2\) Social distance: “induces a mind-set in which people feel less close to others and experience a general preference to do things alone” (Lammers et al., 2012).
2.2 CORPORATE SOCIAL RESPONSIBILITY

2.2.1 Corporate Responsibility and Ethical Attributes

Corporate Social Responsibility (CSR) has a long history in the literature. It can be defined as “The idea of corporate social responsibilities supposes that the corporation has not only economic and legal obligations but also certain responsibilities to society which extend beyond these obligations” (McGuire, 1963, p. 144). The main idea of this definition is that the responsibilities of any company are much broader than merely maximizing profit, instead, Corporate Social Responsibility (CSR) includes some considerations that include going beyond the legal and economic requirements of the business, such as supporting health organizations, recycling, using pesticide-free products, and producing products with social attributes or characteristics. Recently, companies have increasingly engaged in CSR activities not only from a responsibility point of view, but also, because companies engaged in CSR activities tend to do better financially (Sen & Bhattacharya, 2001).

Some companies engage in CSR activities because they believe that this is the right thing to do, whereas other companies engage in CSR activities only when such activities are financially profitable (Webb, Mohr, & Harris, 2008). One way of making social responsibility profitable can occur when the consumer considers ethical attributes in the purchase decision and one way of determining whether the consumer will consider the ethical attributes in the purchase decision is to activate the ethical behaviour inside the consumer.

Ethical attributes can take different forms and products may include many attributes that could be labeled as ethical attributes. These attributes may range from locally oriented to
globally oriented (Oppewal, Alexander, Sullivan, 2006). There are many classifications for ethical activities and attributes. Arana & Leon (2009) classified ethical attributes into four groups based on consumer interest and the actions companies normally undertook. The first group related to environmental measures (e.g., using recycled materials), the second group related to labour relations (e.g., ensuring safe working conditions for the workers or no child labour used in the production process), the third group related to respect for animals rights and welfare (e.g., producing a product without being tested on animals or without using animal by-products), and the fourth group related to involvement in social life and culture welfare (e.g., donating to social organizations). Arana & Leon (2009) concluded also that the ethical attributes used should relate to the product (e.g., the practice of using safe working condition as an ethical attribute is most related to athletic shoes, the environmental and cultural attributes are most related to pharmaceutical products, and the animal welfare is least related to laundry detergent). In the present study, the focus is not on all four types of ethical attributes; instead, the focus is on the ethical attributes that are related to animal rights and labour relations because these are the most related ethical attributes to the type of products selected (i.e. Bar Soap and Athletic Shoes, respectively).

2.2.2 Ethical Attributes in Consumer Decision Making

Corporate Social Responsibility activities affect consumer behaviour in the market place (Webb, Mohr, and Harris, 2008) and the consumer’s evaluation for both the company and its products (Brown and Dacin, 1997). Companies that applied CSR activities not only gained competitive advantage in the marketplace, but also gained an advantage in strengthening their brand names (Papadopoulos et al., 2011). Auger et al. (2008) suggested that CSR activities not
only gave consumers a general idea about how to evaluate a company overall, but also a context within which to evaluate the products. Thus, the social features of the products have an effect on the consumer evaluations of the products (Auger et al., 2008).

Previous studies have demonstrated that consumers are willing to pay more for the products that have social attributes. Creyer & Ross (1997) explained how the consumer was willing to pay above the market price for products with ethical or social attributes as a reward for the company behaving in a socially responsible manner. On the contrary, consumers were willing to pay less for the products of the companies that were not participating in CSR activities (Creyer & Ross, 1997). Hiscox et al. (2011) conducted experiments on eBay and reported that online shoppers were willing to pay, on average, 45% more for t-shirts with labels that said that the products were made in a workplace with fair labors standards compared to unlabeled t-shirts.

Some consumers care about ethical attributes in their decision making and prefer such products over others and are willing to pay more for them (Mohr, Webb, & Harris, 2001). Consumers who care about the social or ethical attributes in their decision making have been called socially conscious consumers (Webster, 1975), whereas consumers who value products that are environmentally friendly have been called green consumers (Pedersen & Neergaard, 2006). The socially conscious consumer can be defined as “a consumer who takes into account the public consequences of his or her private consumption or who attempts to use his or her purchasing power to bring about social change” (Webster 1975, p. 188). Mohr, Webb, & Harris (2001) suggested that socially conscious consumers tend not only to prefer products that benefit the society, but also try to avoid products that harm society.
Social attributes have been studied from a number of different perspectives. When studying the sex differences in socially responsible behaviour, Roberts (1993) concluded that women were more likely than men to be concerned about others and about the environment. With respect to the social class, middle class individuals were more socially responsible than upper class individuals (Berkowitz & Lutterman, 1968; Kassarjian, 1971). Because social class can be seen as a source of power (Dubois, Rucker, & Galinsky, 2015), therefore, low power individuals are more socially responsible than high power individuals.

2.3 SENSE OF POWER AND SENSE OF RESPONSIBILITY

The effects of power, on decision making, depend on whether the individuals possess sense of responsibility toward others (Anderson & Galinsky, 2006; Chen, Lee-Chai, & Bargh, 2001; Overbeck & Park, 2001). Activating the sense of power is associated with activating the sense of responsibility (Anderson & Galinsky, 2006). For instance, the boss in an organization who possesses high power over his employees is also responsible for his employees and the parents who have power over their children are also responsible for their children’s well being. Therefore, powerful individuals’ behaviours are associated with an increased sense of responsibility (Chen, Lee-Chai, & Bargh, 2001; Overbeck & Park, 2001).

Keltner, Gruenfeld, & Anderson (2003) showed that power is responsible for the activation of an approach/inhibition system. According to their approach/inhibition theory of power, power is associated with resources and constraints. Powerful individuals possess more resources, experience fewer constraints from the evaluations of others and have fewer constraints on the consequences of their decisions (Smith & Bargh, 2008). Furthermore, having power means being less dependent on others (Dépret & Fiske, 1993) and therefore, experiencing less
interference from others when making decisions and as a result, experiencing less constraints (Keltner, Gruenfeld, & Anderson, 2003). On the other hand, less powerful individuals have fewer resources and therefore more social constraints on their behaviour from others because the outcomes of their decisions are controlled by others (Smith & Bargh, 2008). Additionally, being less powerful means more dependence on others (Dépret & Fiske, 1993) and therefore, more interference from others when making decisions and as a result, more constraints on the individual (Keltner, Gruenfeld, & Anderson, 2003). To summarize, powerful individuals have fewer constraints on their decisions than less powerful individuals who possess more constraints on their decisions.

Activation of the sense of responsibility can increase the perceived constraints that the powerful individual may have (Smith & Bargh, 2008). Therefore, individuals are less likely to behave in self-focused way if the sense of responsibility is explicitly activated (Anderson & Galinsky, 2006). Additionally, activating the sense of responsibility leads to increasing inhibition behaviour and decreasing approach behaviour (Higgins, 1997). The relationship between activating the sense of power and approach/inhibition behaviour is supported by other research. Anderson and Galinsky (2006) showed that sense of responsibility moderated the effect of power on risk taking behaviour. In their study, individuals in high power condition were more likely to be engaged in an unprotected sex, but when the sense of responsibility was explicitly activated, individuals were more likely to behave in a more responsible way. Moreover, Mourali & Nagpal (2013) explained how the sense of responsibility moderates the way the consumer form the consideration set; whether selecting or rejecting options to form the consideration set. The high power state directs the individuals to focus on the positive features and, therefore, form the
consideration set by choosing the preferred items. In contrast, the state of low power leads the individuals to focus more on the negative aspect and, therefore, form the consideration set by rejecting the less preferred items. However, in the high power condition, when the sense of responsibility is explicitly activated, the individuals became more conscious and form the consideration using rejection strategy (Mourali & Nagpal, 2013). The previous studies (Anderson and Galinsky, 2006 and Mourali & Nagpal, 2013) explained that in order for the moderation effect of sense of responsibility to occur, the sense of responsibility must be explicitly emphasized first.

Responsibility for the welfare of others is a key determinant in the engagement in charitable behaviour (Darley and Latane, 1968). In other words, more responsible individuals engage more in prosocial behaviours. Moreover, the step preceding charitable behavior is that “the potential helpers feel some sense of responsibility to relieve the need of the victim” (Schwartz and Ben David 1976, p. 406). This thought is in line with Winterich & Zhand (2014) who suggested that the existence of high power distance³ leads to decreasing charitable behaviour among citizens and that the relationship between power distance and charitable behaviour is mediated by the perceived responsibility in which the powerful individuals have a weaker perception of responsibility to aid others.

To summarize, activating the sense of high power activates the sense of responsibility (Chen, Lee-Chai, & Bargh, 2001; Overbeck & Park, 2001). Because powerful individuals have fewer constraints imposed by others on their decision making (Smith & Bargh, 2008) and are

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³ Power distance is the extent that inequality between individuals is expected and accepted (Winterich & Zhang, 2014).
less dependent on others (Dépret & Fiske, 1993), they have weaker perception of responsibility and behave in a more self-focused way (Winterich & Zhang, 2014). In order to make powerful individuals behave in a more responsible way, the sense of responsibility must be explicitly activated (Anderson and Galinsky, 2006; Mourali & Nagpal, 2013). Once the sense of responsibility is explicitly activated, powerful individuals feel more constraints in their decisions and behave in a more responsible way (Anderson and Galinsky, 2006; Mourali & Nagpal, 2013).

2.4 RESEARCH GAP

Previous studies have shown that power and prosocial behavior are related to each other. Power creates social distance (Lammers et al., 2012) and this social distance makes the powerful individual socially excluded (Twenge et al., 2007). As a result, the powerful individual donates less money, shows less willingness to help others and less willingness to volunteer in lab experiments (Twenge et al., 2007). Furthermore, powerful individuals tend to be self focused and care more about themselves than caring about others compared to less powerful individuals who tend to be others-focused and care more about others than themselves (Rucker, Dunios, & Galinsky, 2011).

Understanding the motivations for engaging in prosocial behavior, or perhaps not engaging in such behaviour, is important. Despite the importance of ethical attributes in the market place, there is a gap in power literature that moves forward to the attribute level and tests whether there is an effect of the state power on evaluating the ethical attributes of products. Testing the attribute level is important because every product is composed of a combination of features. In evaluating a product, the consumer makes tradeoffs between different features of the
product. For example, the consumer may prefer a certain level of quality for a product, but when evaluating the product the consumer evaluates it based on other attributes, not only the quality and therefore, makes tradeoffs among these different attributes. As a result, the preference for a certain level of quality may increase or decrease based on the tradeoffs the consumer makes among different features.

Consumers respond positively to ethical attributes of products and favour companies with strong business ethics (Auger et al., 2008). However, there is still lack in the literatures with respect to describing moderators for such preferences. Hence, more studies are needed to determine moderators for ethical attributes preferences. This thesis focuses on the state of power (high vs. low) as a moderator for ethical attributes preferences. It was expected that powerful consumers would weight ethical attributes less than powerless consumers. In other words, being less powerful would lead to more ethical behaviour. Discrete Choice Experiment (DCE), an indirect way for testing the preference for ethical attributes, has been used in this study (see Louviere et. al., 2013; Islam 2014; Islam & Meade 2013).

This thesis focuses on evaluating the preference of powerful consumers versus less powerful consumers for different ethical attributes. Currently, there are no power studies in the literature that focus on ethical attributes in consumer decision making. The purpose of this study is to test whether the preference for ethical attributes for the powerful consumer is more or less than the preference for ethical attributes for the less powerful consumer i.e. to determine how the powerful consumers versus less powerful consumers make tradeoffs after taking into account preferences for other attributes, specifically functional attributes.
CHAPTER 3: RESEARCH OBJECTIVES AND HYPOTHESES

3.1 RESEARCH OBJECTIVES

The previous literature demonstrated that there are cognitive differences between individuals in high power state and individuals in low power state. As power is a psychological state that can be fluctuated inside the individual depending on the situation (Rucker, Galinsky, & Dubois, 2012), it was surprising that power literature did not discuss the consumer’s preference for ethical attributes. Powerful and powerless individuals possess differences in prosocial behaviour. In general, powerless individuals behave more ethically than powerful individuals.

The main objective of this study is to explore the preference for ethical attributes for powerful versus powerless consumer. How powerful consumers versus powerless consumers make tradeoffs between functional attributes and ethical attributes. Based on the previous literature, it was expected that there are differences between consumers in high power state and consumers in low power state in their preferences for ethical attributes. Consumers in low power state were expected to show higher preference for ethical attributes than consumers in high power state.

In our study we used two types of products; Athletic Shoes and Bar Soap. These two products were selected because: first, the participants in this study are students and these two products are familiar to them and include many attributes that the students are able to evaluate. Second, these two products are tested before and they are relevant to the selected ethical attributes; child labour, safe working conditions, animal testing, and animal by-products. Finally,
because these two products have been used in previous studies and this facilitates comparison between studies. Discrete Choice Experiment (DCE) was used in this study to test consumers’ preferences for ethical attributes in high power state versus low power state.

3.2 HYPOTHESES

The first set of hypotheses was:

For Bar Soap, we hypothesized that:

H1a: Preference for ethical attributes of no animal testing is higher for less powerful consumers than powerful consumers.

H1b: Preference for ethical attributes of no animal by-products is higher for less powerful consumers than powerful consumers.

For Athletic Shoes, we hypothesized that:

H1c: Preference for ethical attributes of no child labour is higher for less powerful consumers than powerful consumers.

H1d: Preference for ethical attributes of safe working conditions is higher for less powerful consumers than powerful consumers.

Additionally, it was expected that when the sense of responsibility is explicitly activated for powerful consumers, powerful consumers would behave more ethically and their preference for ethical attributes would increase. In other words, when sense of responsibility was explicitly activated, preference for ethical attributes for powerful consumers was expected to be higher than when sense of responsibility was not activated.
Therefore, the second set of hypotheses was:

For Bar Soap, we hypothesized that:

H2a: When sense of responsibility is explicitly activated (made salient), powerful consumers’ preference for ethical attributes of *no animal testing* is higher compared to powerful consumers’ preference for ethical attributes of *no animal testing* when sense of responsibility is not activated.

H2b: When sense of responsibility is explicitly activated (made salient), powerful consumers’ preference for ethical attributes of *no animal by-products* is higher compared to powerful consumers’ preference for ethical attributes of *no animal by-products* when sense of responsibility is not activated.

For Athletic Shoes, we hypothesized that:

H2c: When sense of responsibility is explicitly activated (made salient), powerful consumers’ preference for ethical attributes of *no child labour* is higher compared to powerful consumers’ preference for ethical attributes of *no child labour* when sense of responsibility is not activated.

H2d: When sense of responsibility is explicitly activated (made salient), powerful consumers’ preference for ethical attributes of *safe working conditions* is higher compared to powerful consumers’ preference for ethical attributes of *safe working conditions* when sense of responsibility is not activated.
In this study, two experiments were conducted to test the following Moderated-Moderation model (figure 1).

**Figure 1:** Moderated-Moderation model that was tested in this study
CHAPTER 4: RESEARCH METHODOLOGY

This chapter introduces a systematic approach to test the previous hypotheses. First, we provide an overview of the experiment. Then, we discuss sampling plan and sample size. Finally, we explain data collection plan, data analysis plan, and the procedures of each study.

4.1. OVERVIEW OF THE EXPERIMENT

The present research examined the impact of power on preference for ethical attributes. In particular, we sought to provide new vein of research that connects power and consumer behavior through examining the effect of power on ethical attributes preference. Discrete Choice Experiment (DCE) methodology was used to test the consumers’ preference for ethical attributes in two studies. In both studies, power was manipulated using episodic recall adopted from previous research (Galinsky, Gruenfeld, & Magee, 2003; Mourali & Nagpal, 2013; Mourali & Yang, 2013). To manipulate sense of high or low power, participants were asked to recall a situation in which they either possess power over someone, or someone else possess power over them (Galinsky, Gruenfeld, & Magee, 2003). Study 1 tested whether having high power versus low power moderated individuals’ preference for ethical attributes. Study 2 tested whether preference for ethical attributes for powerful consumers moderated by explicitly activating sense of responsibility. We used Mixed-design, between-subject and within-subject, to test the previous hypotheses. Within-subject design used to test the preference for ethical attributes in both studies. Between-subject design used to test the differences between the three conditions of the experiment in the first study. These three conditions are high power condition, low power condition, and control group. Also, between-subject design used to test the differences between
the two conditions of the experiment in the second study. These two conditions are: a group whose sense of responsibility was explicitly activated and another group whose sense of responsibility was not activated.

Two products were selected in this research to test the previous hypotheses; Bar Soap and Athletic Shoes. These two products and their attributes were selected because they are familiar to the student sample. Additionally, Araña and León (2009) proved that there was a relationship between consumer’s reaction to ethical attributes and the type of the product offered by the firm. Therefore, Bar Soap and Athletic Shoes were selected because they showed high relevance to the selected ethical attributes in previous literature (Auger et al., 2008; Yang, 2014). Finally, these two products were tested in previous studies making the comparison of the results easier. Based on Auger et al., (2008), the ethical attributes that related to the Bar Soap are no animal testing and no animal by-products while the ethical attributes that related to Athletic shoes are: no child labour and safe working conditions.

Hence, in this study two products were used and for each product six attributes were tested. The six attributes were divided into four functional attributes and two ethical attributes. These attributes were selected after careful study of literature and careful study of the market for Athletic Shoes and Bar Soap.

For Bar Soap the four functional attributes are: 1) Brand (Ivory/Dove), 2) Price ($1.50/$0.75), 3) Scent (Scented/unscented), 4) Antibacterial protection (Yes/No). The two
ethical attributes are 1) no animal testing (no animal testing/no information available) and 2) no animal by-products (no animal by-products/no information available).

For Athletic Shoes the four functional attributes are: 1) Brand (Reebok/Adidas) 2) Price ($120 per pair/$80 per pair) 2) Shock Absorption (high/low) 4) Weight (lighter/heavier) and the two ethical attributes are: 1) no child labour (no child labour/no information available) and 2) safe working conditions (safe working conditions/no information available).

For each product, we designed DCE with six attributes each has 2 levels resulting $2^6$ full profiles (64). Then, we generated 8 Orthogonal Designs and allocated them into 14 choice sets using Balance Incomplete Block Design (BIBD) such that each choice set includes four options. In DCE, the participants are making tradeoffs among different attributes of the product and trying to maximize their utility by choosing the option that they are “MOST likely to choose”, “LEAST likely to choose”, or “no purchase option” (Islam & Meade, 2013).

4.2 PARTICIPANTS AND SAMPLE SIZE

Upon receiving the ethics approval via the Research Ethics Board (REB# 14SE030), undergraduate students were recruited from the research pool of Marketing and Consumer Studies department at University of Guelph through an announcement posted on SONA system. Subjects participated in this study in exchange for course credit. There were no restrictions for participating in this study in terms of age, sex, or educational level. The participants did the study on individual computers in the computer lab.
To calculate number of participants required for this study, we used the following formula. This formula was used to calculate the number of participants in each experiment and under each condition (this formula adopted from Hensher, Rose, & Greene, 2005).

$$n \geq \frac{z^2 q}{r p a^2}$$

n is the number of participants required for each condition.

z is 95% confidence level ($z = 1.96$).

p is the choice share of a brand (this study has 4 options, therefore, $p = 0.25$).

q is equal to 1 − p ($q = 0.75$).

r is the number of the choice sets ($r = 14$).

α is the margin of error ($\alpha = 0.10$).

The number of participants required for each condition is equal to:

$$\frac{1.96^2 \times 0.75}{14 \times 0.25 \times 0.10^2} = 82.32$$

Therefore, in each condition of the study, at least 82 participants are required. In the first, we have three conditions (high power, low power, and control group). Therefore, at least 246 (82 x 3) are required. In the second study, we have two conditions only, therefore, at least 164 (82 x 2) are required.

4.3 DATA COLLECTION PLAN

Designing the survey and collecting data was conducted using Qualtrics software. It is an effective tool for designing a survey, collecting data, and it randomly assigned participants into different conditions of the experiment.
Study 1 tested whether consumer’s state of power moderates preference for the ethical attributes. In particular, we predicted that less powerful consumers prefer ethical attributes more than powerful consumers in their purchase decision. Accordingly, the first set of hypotheses (H1a, H1b, H1c, and H1d) was tested in this study. Therefore, in this study, after the participants signed the consent form, they were randomly assigned to one of the three conditions (high power condition, low power condition, and control group). Then, the following steps took place:

1- Episodic Recall: participants were asked to write about a situation in which they feel power over someone (high power condition) (Appendix A) or someone else has power over them (low power condition) (Appendix B). In the control group the participants were asked to write about their last shopping experience (Appendix C). This step is followed by manipulation check for the sense of power, such that the participants were asked to report the extent to which they feel powerful on 7-point Likert scales (1 = not powerful, 7 = powerful) (Appendix D).

2- Choice Sets: each participant completed 28 DCE preference choice sets (14 choice sets for Bar Soap and 14 choice sets for Athletic Shoes) (an example for the choice sets of each product exists in Appendix E & F, respectively).

3- Finally, participants completed demographic questions and debriefing form.
The following is the conceptual model for the first study (figure 2):

![Conceptual Model](image)

**Figure 2:** The conceptual model for the moderation analysis for the first study

Study 2 examined whether explicitly activating sense of responsibility moderated powerful consumer’s preference for ethical attributes. Accordingly, the second set of hypotheses was tested in this experiment (H2a, H2b, H2c, and H2d). In this study, after participants signed the consent form, they were randomly assigned to one of the two conditions (high power without explicitly activating sense of responsibility and high power with explicitly activating sense of responsibility). Then the following steps took place:

1- Episodic Recall: all participants were asked to write about a situation in which they feel powerful over someone else (Appendix A). This step is followed by manipulation check in which participants were asked to report the extent to which they feel powerful on 7-point Likert scales (1 = not powerful, 7 = powerful) (Appendix D).

2- Activating sense of responsibility: one group read a paragraph about social responsibility before starting DCE preference choice sets (Appendix G).
3- Choice Sets: each participant has to complete 28 DCE preference choice sets (14 choice sets for Bar Soap and 14 choice sets for Athletic Shoes) (an example for the choice sets in Appendix E & F, respectively).

4- Finally, participants completed demographic questions and debriefing form.

The following is the conceptual model for the second study (figure 3):

![Conceptual Model for the Second Study](image)

*Figure 3: the conceptual model for the Moderation Analysis for the second study*

### 4.4 PROCEDURES

Undergraduate students in Marketing and Consumer Studies department at University of Guelph were recruited through an announcement on SONA system for partial fulfillment of course requirements. To insure student participation and express appreciation for their participation, students were informed that they would receive course credit for their contribution.

In both experiments, participants entered the lab in small groups (8 students maximum) and they were informed that they would participate in an online survey for a research at Marketing and Consumer Studies department. Participants were seated at individual computers in the computer lab and were asked to sign a consent form that they agree to participate in this
study. The length of the study was approximately 30 minutes. The responses were kept confidential and anonymous.

In the first study, participants were randomly assigned to one of the three conditions of the experiment (high power, low power, or control group). Participants first completed episodic recall for power manipulation. Specifically, they were randomly assigned to recall a situation in which they felt powerful over someone (powerful situation) or someone else felt powerful over them (powerless situation). Participants who assigned to control group were asked to talk about their last shopping experience (This way of priming was first used by Galinsky, Gruenfeld, & Magee, 2003).

In high power condition, participants were instructed as the following:

“Please recall a particular incident in which you had power over another individual or individuals. By power, we mean a situation in which you controlled the ability of another person or persons to get something they wanted, or were in a position to evaluate those individuals. Please describe this situation in which you had power—what happened, how you felt, etc”.

Participants who assigned to low power situation were instructed as the following:

“Please recall a particular incident in which someone else had power over you. By power, we mean a situation in which someone had control over your ability to get something you wanted, or was in a position to evaluate you. Please describe this situation in which you did not have power—what happened, how you felt, etc”.
Participants who assigned to the control group are asked to write down about their last shopping experience.

To ensure that our manipulation of power induced different states of power, participants were asked immediately after manipulation of power the extent to which they feel powerful on a 7-point Likert scale (1 = not powerful, 7 = powerful) (Rucker, Dubois, Galinsky, 2011). After completing the episodic recall and the manipulation check, all the participants moved to the next step which is the survey.

In the second study, participants are randomly assigned to one of two conditions (high power condition without explicitly activating sense of responsibility or high power condition with explicitly activating sense of responsibility). Participants first completed the episodic recall for power manipulation. Specifically, all the participants were asked to recall a situation in which they felt powerful over someone else (Galinsky, Gruenfeld, & Magee, 2003).

All the participants in the second study were instructed as the following:

“Please recall a particular incident in which you had power over another individual or individuals. By power, we mean a situation in which you controlled the ability of another person or persons to get something they wanted, or were in a position to evaluate those individuals. Please describe this situation in which you had power what happened, how you felt, etc”.
Immediately after completing the episodic recall, participants completed the manipulation check. They were asked to select the extent to which they feel powerful on a 7-point Likert scale (1 = not powerful, 7 = powerful) (Rucker, Dubois, & Galinsky, 2011).

After completing the episodic recall and the manipulation check in the second study, participants who assigned to high power condition with explicitly activating the sense of responsibility read a paragraph about social responsibility of people in the society before moving to the next step. Then, all participants in both conditions answered the next step of assessing the sense of responsibility with four items on a 7-point Likert scale (Winterich & Zhang, 2014). The items were revised coded such that higher score means higher sense of responsibility (Appendix H). Then, all the participants moved to the next step which is the survey⁴.

In both experiments, all participants completed the survey section. Before starting the survey, they read the instructions for the survey (see appendix I & J for the instructions for both Bar Soap section and Athletic Shoes section, respectively). They were told that the next step is a survey which is divided into two sections; one section related to Athletic Shoes and the other section related to Bar Soap. To account for the order effect of the two sections (Bar Soap section and Athletic Shoes section), the two sections were randomized using Qualtrics software, such that, some participants answered Athletic Shoes section first then Bar Soap section, while others answered Bar Soap section first then Athletic Shoes section. For each section, there are 14 choice sets and each choice set consists of four options. For each option, information was provided with respect to the 6 attributes (four functional and six ethical). In each choice set, the participants have to find which of the four options they are “MOST likely to choose” and which of the

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⁴ The survey in the second study is exactly the same as in the first study.
remaining three options they are “LEAST likely to choose”. Also, at the end of each choice set, there was a “no purchase” option, in which participants were asked to think seriously if they would not buy any of the four options, then they need to check the box below (see appendix E & F for samples of the choice sets and the questions). After completing the survey, participants in both studies completed the demographic questions (age and gender) and were asked if they could guess the purpose of the study. Finally, they were thanked and signed a debriefing form. No participant suspecting a relationship between power and the preference for ethical attributes. In other words, no one guessed the true nature of the experiment.

4.5 DATA ANALYSIS PLAN

In the first study, the moderation effect of the sense of power on the preference for ethical attributes was analyzed to test the first set of hypotheses (H1a, H1b, H1c, and H1d). In the second study, the moderation effect of explicitly activating the sense of responsibility for individuals in high power condition on the preference for ethical attributes was analyzed to test the second set of hypotheses (H2a, H2b, H2c, and H2d). The dependent variable in both experiments is the choice including the “no purchase” option. We used Multinomial Logit Model (MNL) to calculate individuals’ preference for ethical attributes. Effect coding was used to convey all the attribute levels into ones and minus ones. Table 1 provides a summary for the coding. LatenGOLD 5.0 software was used to do Discrete Choice analyses and SPSS software was used to do the ANOVA analysis.
<table>
<thead>
<tr>
<th>The Attributes</th>
<th>1</th>
<th>-1</th>
<th>The Attributes</th>
<th>1</th>
<th>-1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand</strong></td>
<td>Dove</td>
<td>Ivory</td>
<td><strong>Brand</strong></td>
<td>Reebok</td>
<td>Adidas</td>
</tr>
<tr>
<td>Price</td>
<td>$1.50</td>
<td>$0.75</td>
<td>Price</td>
<td>$120</td>
<td>$80</td>
</tr>
<tr>
<td>Scent</td>
<td>Scented</td>
<td>Unscented</td>
<td>Shock</td>
<td>high</td>
<td>low</td>
</tr>
<tr>
<td><strong>Antibacterial</strong></td>
<td>yes</td>
<td>no</td>
<td><strong>Absorption</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>protection</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Animal testing</strong></td>
<td>no animal</td>
<td>no information available</td>
<td>Child labour</td>
<td>no child labour</td>
<td>no information available</td>
</tr>
<tr>
<td><strong>Animal by-products</strong></td>
<td>no animal by-products</td>
<td>no information available</td>
<td>Working conditions</td>
<td>Safe working conditions</td>
<td>no information available</td>
</tr>
</tbody>
</table>

Table 1: Summary of the effect coding values

4.6 PRE-TEST

We conducted pre-test to see how the participants interpret “no information available” for the ethical attributes. In the market place, when the company is not using, for example, child labour in the production process, it adds a sign of “no child labour”. On the opposite side, when the company is using child labour in the production process they do not add any label. So, we want to make sure that the participants interpret “no information available” that the company is using child labour in the production process (also, the same interpretation for “no information available” for the other three ethical attributes; safe working conditions, animal testing, and animal by products).

We ask the participants (n=38) to complete the survey and at the end we added the following open-ended question:

In the previous choice sets, some attributes includes “no information available”, how do you interpret this?
For example, regarding the “child labour”, the level is either “no child labour” or “no information available”. What do you think “no information available” means?

The results showed that the majority of the participants (82%) interpret “no information available” as: the company is using “child labour” or “animal by-products” (or any of the four ethical attributes) in the production process. Also, some participants (18%) interpret “no information available” as the company may or may not using “child labour” or “animal by-products” in the production process.
CHAPTER 5: RESULTS

5.1 THE FIRST STUDY

The core objective of this study is to find out the effect of individual’s state of power on preference for ethical attributes. We tested the moderation effect of power on preference for ethical attributes. The main objective was to find out whether preference for the ethical attributes is higher for individuals in low power state than individuals in high power state. We used two products (Bar Soap and Athletic Shoes) to test this moderation effect. Each product has four functional attributes and two ethical attributes. DCE was used to test this preference. The analysis of DCE was done using LatenGOLD 5.0 software and the ANOVA analysis was done using SPSS software.

5.1.1 Participants

Three-hundred and eleven undergraduate students at University of Guelph participated in this study in exchange for course credit (127 male and 184 female). Participants’ age ranged from 18 to 41 (M = 19.07, SD = 1.852). They were randomly assigned to one of the three conditions of the experiment (113 in the high power condition, 109 in the low power condition, and 89 in the control group). The data for all the participants was complete and included in the analysis.

5.1.2 The Impact of Power Manipulation on Participants

Manipulation Check: As expected, the one-way Analysis of Variance (ANOVA) results showed that there are statistically significant differences between the three groups (p < 0.01).
The results showed that there is statistically significant main effect of power manipulation on the reported feeling of power, such that participants reported higher feeling of power in the high power condition (M = 5.16, SD = 1.360) than in the low power condition (M = 3.48, SD = 1.537). For control group (M = 4.47, SD = 1.596), there is statistically significant difference between control group and each of the other two groups (table 2).

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>high power condition</td>
<td>113</td>
<td>5.16</td>
<td>1.360</td>
</tr>
<tr>
<td>low power condition</td>
<td>109</td>
<td>3.48</td>
<td>1.537</td>
</tr>
<tr>
<td>control group</td>
<td>89</td>
<td>4.47</td>
<td>1.596</td>
</tr>
<tr>
<td>Total</td>
<td>311</td>
<td>4.37</td>
<td>1.651</td>
</tr>
</tbody>
</table>

Table 2: Summary of the descriptive statistics for each group

Post-hoc results showed statistically significant difference between each two groups. A summary for the ANOVA Post-hoc results exists in table 3.

<table>
<thead>
<tr>
<th>I</th>
<th>J</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>High power</td>
<td>Control group</td>
<td>.6874</td>
<td>.2116</td>
<td>.004</td>
</tr>
<tr>
<td></td>
<td>Low power</td>
<td>1.6822</td>
<td>.2004</td>
<td>.000</td>
</tr>
<tr>
<td>Low power</td>
<td>Control group</td>
<td>-.9948</td>
<td>.2133</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>High power</td>
<td>-1.6822</td>
<td>.2004</td>
<td>.000</td>
</tr>
<tr>
<td>Control group</td>
<td>High power</td>
<td>-.6874</td>
<td>.2116</td>
<td>.004</td>
</tr>
<tr>
<td></td>
<td>Low power</td>
<td>.9948</td>
<td>.2133</td>
<td>.000</td>
</tr>
</tbody>
</table>

Table 3: Summary of the multiple comparisons between each two groups

Within each group, there was no significant difference between males and females in the reported feeling of power. In high power condition, there was no significant difference between males (n = 48) and females (n = 65) in the reported feeling of power (M_{male} = 5.250, SD = 1.437 vs. M_{female} = 5.092, SD = 1.308). Also, in low power condition, there was no significant
difference between males (n = 40) and females (n = 69) in the reported feeling of power (M\text{male} = 3.650, SD = 1.512 vs. M\text{female} = 3.377, SD = 1.554).

5.1.3 Bar Soap Results

5.1.3.1 Main Effects (Bar Soap)

This section explains the main effects of the six attributes that were selected for the purchase decision of Bar Soap. These six attributes were categorized into four functional attributes and two ethical attributes. The functional attributes are Brand, Price, Scent, and Antibacterial protection. The ethical attributes are animal testing and animal by-products. The estimates of Multinomial Logit Model (MNL) for these six attributes are summarized in table 4.

<table>
<thead>
<tr>
<th>Attributes</th>
<th>$\beta$</th>
<th>S.E.</th>
<th>z-value</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand (Dove)</td>
<td>0.048</td>
<td>0.023</td>
<td>2.12</td>
<td>0.03</td>
</tr>
<tr>
<td>Price ($1.50)</td>
<td>-0.434</td>
<td>0.024</td>
<td>-18.37</td>
<td>0.00</td>
</tr>
<tr>
<td>Scent (scented)</td>
<td>0.310</td>
<td>0.022</td>
<td>14.02</td>
<td>0.00</td>
</tr>
<tr>
<td>Antibacterial protection</td>
<td>0.455</td>
<td>0.023</td>
<td>19.99</td>
<td>0.00</td>
</tr>
<tr>
<td>no animal testing</td>
<td>0.704</td>
<td>0.022</td>
<td>31.61</td>
<td>0.00</td>
</tr>
<tr>
<td>no animal by-products</td>
<td>0.506</td>
<td>0.022</td>
<td>23.39</td>
<td>0.00</td>
</tr>
<tr>
<td>ASC (no purchase)*</td>
<td>-1.483</td>
<td>0.078</td>
<td>-18.99</td>
<td>0.00</td>
</tr>
</tbody>
</table>

*Alternative Specific Constant

Table 4: Summary of the main effects for Bar Soap

The results of the main effects showed that Brand, Price, Scent, and Antibacterial protection are statistically significant (p < 0.05) and have important role in the choice process. Regarding the two ethical attributes, both attributes are statistically significant (p < 0.05) and plays an important role in the choice process. Participants showed high preference for no animal
testing ($\beta = 0.704$) and no animal by-products ($\beta = 0.506$). In particular both animal testing and animal by-products have an impact in the purchase intention. However, participants showed higher preference for no animal testing ($\beta = 0.704$) than no animal by-products ($\beta = 0.506$).

5.1.3.2 The Interaction Effects (Bar Soap)

This section illustrates the results of the moderation effect of individual’s state of power on preference for ethical attributes. Specifically, it explains whether there is an interaction effect between individuals’ state of power (high power versus low power) and preference for ethical attributes (no animal testing and no animal by-products) in the purchase decision of Bar Soap. The 2-way interaction results are estimated and the estimates of the Multinomial Logit Model (MNL) for these six attributes and the interaction effects are summarized in table 5. The results of the interaction effects are significant and the first two hypotheses are supported.

<table>
<thead>
<tr>
<th>Attributes</th>
<th>$\beta$</th>
<th>S.E.</th>
<th>z-value</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand (Dove)</td>
<td>0.049</td>
<td>0.023</td>
<td>2.16</td>
<td>0.031</td>
</tr>
<tr>
<td>Price ($1.50)</td>
<td>-0.435</td>
<td>0.024</td>
<td>-18.42</td>
<td>0.00</td>
</tr>
<tr>
<td>Scent (scented)</td>
<td>0.311</td>
<td>0.022</td>
<td>14.06</td>
<td>0.00</td>
</tr>
<tr>
<td>Antibacterial protection</td>
<td>0.457</td>
<td>0.023</td>
<td>20.06</td>
<td>0.00</td>
</tr>
<tr>
<td>no animal testing</td>
<td>0.707</td>
<td>0.022</td>
<td>31.66</td>
<td>0.00</td>
</tr>
<tr>
<td>no animal by-products</td>
<td>0.509</td>
<td>0.022</td>
<td>23.46</td>
<td>0.00</td>
</tr>
<tr>
<td>ASC (no purchase)*</td>
<td>-1.482</td>
<td>0.078</td>
<td>-18.97</td>
<td>0.00</td>
</tr>
<tr>
<td>2-way Interaction effects</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High power X no animal testing</td>
<td>-0.079</td>
<td>0.026</td>
<td>-3.02</td>
<td>0.002</td>
</tr>
<tr>
<td>High power X no animal by-products</td>
<td>-0.078</td>
<td>0.025</td>
<td>-3.11</td>
<td>0.002</td>
</tr>
</tbody>
</table>

*Alternative Specific Constant

Table 5: Summary of the interaction effects for Bar Soap
It is clear that the two interaction effects for Bar Soap are statistically significant: “High power X no animal testing” (p < 0.05) and “High power X no animal by-products” (p < 0.05). Therefore, the first two hypotheses are supported (H1a and H1b).

H1a: Preference for ethical attributes of no animal testing is higher for less powerful consumers than powerful consumers. (Supported)

H1b: Preference for ethical attributes of no animal by-products is higher for less powerful consumers than powerful consumers. (Supported)

Therefore, when individual’s state of power is high, preference for Bar Soap with no animal testing is lower compared to when individual’s state of power is low. Additionally, when individual’s state of power is high, preference for Bar Soap with no information available regarding no animal testing is higher compared to when individual’s state of power is low. Figure 4 showed the interaction effect between individuals’ state of power and preference for ethical attribute of no animal testing.

![Figure 4: The interaction effect between individual’s state of power and preference for ethical attribute of no animal testing.](image)

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Also, when individual’s state of power is high, preference for Bar Soap with no animal by-products is lower compared to when individual’s state of power is low. Additionally, when individual’s state of power is high, preference of Bar Soap with no information available regarding no animal by-product is higher compared to when individual’s state of power is low. Figure 5 showed the interaction effect between individual’s state of power and preference for ethical attributes of no animal by-products.

![Figure 5: The interaction effect of individual’s state of power and preference for ethical attribute of no animal by-product](image-url)
5.1.4 Athletic Shoes Results

5.1.4.1 Main Effects (Athletic Shoes)

This section explains the main effects of the six attributes of Athletic Shoes. These six attributes are categorized into four functional attributes and two ethical attributes. The four functional attributes are: Brand, price, Shock absorption, and Weight. The two ethical attributes are no child labour and safe working conditions. The estimates of Multinomial Logit Model (MNL) for these six attributes are summarized in table 6.

<table>
<thead>
<tr>
<th></th>
<th>β</th>
<th>S.E.</th>
<th>z-value</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand (Reebok)</td>
<td>0.089</td>
<td>0.022</td>
<td>3.10</td>
<td>0.00</td>
</tr>
<tr>
<td>Price ($120)</td>
<td>-0.103</td>
<td>0.022</td>
<td>-4.75</td>
<td>0.00</td>
</tr>
<tr>
<td>Shock Absorption (high)</td>
<td>0.317</td>
<td>0.021</td>
<td>14.93</td>
<td>0.00</td>
</tr>
<tr>
<td>Weight (lighter)</td>
<td>0.458</td>
<td>0.023</td>
<td>20.12</td>
<td>0.00</td>
</tr>
<tr>
<td>no child labour</td>
<td>0.644</td>
<td>0.022</td>
<td>29.88</td>
<td>0.00</td>
</tr>
<tr>
<td>safe working conditions</td>
<td>0.549</td>
<td>0.021</td>
<td>26.77</td>
<td>0.00</td>
</tr>
<tr>
<td>ASC (no purchase)*</td>
<td>-1.677</td>
<td>0.084</td>
<td>-19.96</td>
<td>0.00</td>
</tr>
</tbody>
</table>

*Alternative Specific Constant

Table 6: Summary of the main effects for Athletic Shoes

The results of the main effects showed that Brand, Price, Shock Absorption, and Weight are statistically significant (p < 0.05) and have important role in the choice process of Athletic Shoes. Regarding the two ethical attributes, both attributes are statistically significant (p < 0.05) and plays an important role in the choice process. Participants showed high preference for no child labour (β = 0.644) and safe working conditions (β = 0.549). In particular both child labour and working conditions have an impact in the purchase intention. However, participants showed
higher preference for *no child labour* ($\beta = 0.644$) over *safe working conditions* ($\beta = 0.549$). In general, the main effect of the ethical attributes is significant ($p < 0.01$).

### 5.1.4.2 The interaction Effects (Athletic Shoes)

This section illustrates the results of the moderation effect of individual’s state of power on the preference for ethical attributes. Specifically, it explains whether there is an interaction effect between the individuals’ state of power (high versus low) and the preference for ethical attributes (*no child labour* and *safe working conditions*) in the purchase decision of Athletic Shoes. The 2-way interaction results are estimated and the results of the Multinomial Logit Model (MNL) for the six attributes and the interaction effects are summarized in table 7.

<table>
<thead>
<tr>
<th>Attributes</th>
<th>$\beta$</th>
<th>S.E.</th>
<th>z-value</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Main effects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand (Reebok)</td>
<td>0.089</td>
<td>0.022</td>
<td>3.10</td>
<td>0.00</td>
</tr>
<tr>
<td>Price ($120$)</td>
<td>-0.103</td>
<td>0.022</td>
<td>-4.75</td>
<td>0.00</td>
</tr>
<tr>
<td>Shock Absorption (high)</td>
<td>0.317</td>
<td>0.021</td>
<td>14.93</td>
<td>0.00</td>
</tr>
<tr>
<td>Weight (lighter)</td>
<td>0.458</td>
<td>0.023</td>
<td>20.12</td>
<td>0.00</td>
</tr>
<tr>
<td>no child labour</td>
<td>0.644</td>
<td>0.022</td>
<td>29.89</td>
<td>0.00</td>
</tr>
<tr>
<td>safe working conditions</td>
<td>0.549</td>
<td>0.021</td>
<td>26.77</td>
<td>0.00</td>
</tr>
<tr>
<td>ASC (no purchase)*</td>
<td>-1.677</td>
<td>0.084</td>
<td>-19.96</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>2-way interaction effects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High power X no child labour</td>
<td>0.007</td>
<td>0.024</td>
<td>0.29</td>
<td>0.77</td>
</tr>
<tr>
<td>High power X safe working conditions</td>
<td>0.017</td>
<td>0.023</td>
<td>0.74</td>
<td>0.46</td>
</tr>
</tbody>
</table>

*Alternative Specific Constant

Table 7: Summary of the interaction effects of Athletic Shoes
It is clear that the two interaction effects for Athletic Shoes are not statistically significant: “High power X no child labour” (p > 0.05) and “High power X safe working conditions” (p > 0.05). Therefore, the second two hypotheses are not supported (H1c and H1d).

H1c: Preference for ethical attributes of no child labour is higher for less powerful consumers than powerful consumers. (Not supported)

H1d: Preference for ethical attributes of safe working conditions is higher for less powerful consumers than powerful consumers. (Not supported)

Therefore, when individual’s state of power is high, preference for Athletic Shoes with no child labour is not lower compared to when individual’s state of power is low. Additionally, when individual’s state of power is high, preference for Athletic Shoes with no information available regarding child labour is not higher compared to when individual’s state of power is low.

Also, when individual’s state of power is high, preference for Athletic Shoes with safe working conditions is not lower compared to when individual’s state of power is low. Additionally, when individual’s state of power is high, preference for Athletic Shoes with no information available regarding working conditions is not higher compared to when individual’s state of power is low. Therefore, Athletic Shoes results showed significant Main Effects for the six attributes but did not show significant Interaction Effects between individual’s state of power and preference for ethical attributes.
5.2 THE SECOND STUDY

The core objective of this study is to find out the effect of explicitly activating sense of responsibility on preference for ethical attributes for individuals in high power state. We tested the moderation effect of explicitly activating sense of responsibility on preference for ethical attributes for individuals in high power state. The purpose for this test is to find out whether preference for ethical attributes for individuals in high power state is higher after explicitly activating their sense of responsibility compared to individuals in high power state without activating their sense of responsibility. We used two products (Bar Soap and Athletic Shoes) to test this moderation effect. Each product has four functional attributes and two ethical attributes. Discrete Choice Experiment (DCE) was used to test this preference. The analysis of DCE was done using LatenGOLD 5.0 software and the descriptive analysis was done using SPSS software.

5.2.1 Participants

One-hundred and forty-three undergraduate students at University of Guelph participated in this study in exchange for course credit (107 male and 36 female). Participants’ age ranged from 18 to 43 (M = 19.55, SD = 2.331). They randomly assigned to one of the two conditions of the experiment (70 in high power condition with explicitly activating sense of responsibility and 73 in high power condition without activating sense of responsibility). The data for all the participants are complete and included in the analysis.

5.2.2 Sense of Power and Sense of Responsibility

The one-way Analysis of Variance (ANOVA) showed that there is no significant difference in the feeling of power (p > 0.05) between the first group (n = 70) where sense of
responsibility is activated (M = 5.14, SD = 1.243) and the second group (n = 73) where sense of responsibility is not activated (M = 5.19, SD = 1.138). All participants in this study are in high power condition.

Regarding sense of responsibility, we used the scale in Appendix H to measure sense of responsibility. The scale includes four items in 7-point Likert scale (Cronbach’s Alpha = 0.80) and the items are revised coded such that higher score means higher sense of responsibility (Winterich & Zhang, 2014).

As expected, the one-way ANOVA showed that there is no significant difference in sense of responsibility (p > 0.05) between the first group (n = 70) where the sense of responsibility is activated (M = 5.30, SD = 1.12) and the second group (n = 73) where the sense of responsibility is not activated (M = 5.14, SD = 1.26).

Within each group of the second study there is no significant difference between males and females in sense of responsibility (p > 0.05). In the first group, where sense of responsibility is activated, there is no significant difference between males (n = 50) and females (n = 20) in the reported sense of responsibility ($M_{\text{male}} = 5.145, \text{SD} = 1.185 \text{ vs. } M_{\text{female}} = 5.675, \text{SD} = 0.863$). In the other group, where sense of responsibility is not activated, the difference between males (n = 57) and females (n = 16) is not significant ($p > 0.05$) in the reported sense of responsibility ($M_{\text{male}} = 5.00, \text{SD} = 1.362 \text{ vs. } M_{\text{female}} = 5.67, \text{SD} = 0.604$).
5.2.3 The Interaction Effects results for Bar Soap

This section explains results of the moderation effect of explicitly activating sense of responsibility for individuals in high power state on their preference for ethical attributes. Specifically, it explains whether there is an interaction effect between explicitly activating sense of responsibility for individuals in high power state and their preference for ethical attributes (*no animal testing* and *no animal by-products*) in the purchase decision of Bar Soap. Two interaction results are estimated and the results are summarized in table 8.

<table>
<thead>
<tr>
<th>Attributes</th>
<th>β</th>
<th>S.E.</th>
<th>z-value</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Main Effects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand (Dove)</td>
<td>0.179</td>
<td>0.033</td>
<td>5.37</td>
<td>0.00</td>
</tr>
<tr>
<td>Price ($1.50)</td>
<td>-0.239</td>
<td>0.032</td>
<td>-7.58</td>
<td>0.00</td>
</tr>
<tr>
<td>Scent (scented)</td>
<td>0.268</td>
<td>0.032</td>
<td>8.39</td>
<td>0.00</td>
</tr>
<tr>
<td>Antibacterial protection</td>
<td>0.566</td>
<td>0.033</td>
<td>17.42</td>
<td>0.00</td>
</tr>
<tr>
<td>no animal testing</td>
<td>0.530</td>
<td>0.033</td>
<td>16.33</td>
<td>0.00</td>
</tr>
<tr>
<td>no animal by-products</td>
<td>0.430</td>
<td>0.032</td>
<td>13.56</td>
<td>0.00</td>
</tr>
<tr>
<td>ASC (no purchase)*</td>
<td>-0.550</td>
<td>0.077</td>
<td>-7.16</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>2-way Interaction Effects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responsibility X no animal testing</td>
<td>0.049</td>
<td>0.031</td>
<td>1.61</td>
<td>0.11</td>
</tr>
<tr>
<td>Responsibility X no animal by-products</td>
<td>-0.023</td>
<td>0.030</td>
<td>-0.75</td>
<td>0.45</td>
</tr>
</tbody>
</table>

*Alternative Specific Constant

Table 8: Summary of the interaction effects for Bar Soap

The results showed that, for individuals in high power conditions, the interaction effect of explicitly activating sense of responsibility and their preference for ethical attributes of *no animal testing* is marginally significant (p = 0.11). The correlation (r) between the interaction and the utility is 0.13, indicating a small effect size. Additionally, the interaction effect of explicitly activating sense of responsibility for powerful individuals and their preference for
ethical attributes of *no animal by-products* is not significant (p > 0.05). Therefore, hypotheses H2a is marginally supported and H2b is not supported.

H2a: when sense of responsibility is explicitly activated (made salient), powerful consumers’ preference for ethical attributes of *no animal testing* is higher compared to powerful consumers’ preference for ethical attributes of *no animal testing* when sense of responsibility is not activated. (Marginally supported)

H2b: when sense of responsibility is explicitly activated (made salient), powerful consumers’ preference for ethical attributes of *no animal by-products* is higher compared to powerful consumers’ preference for ethical attributes of *no animal by-products* when sense of responsibility is not activated. (Not supported)

This means that, when sense of responsibility is activated for powerful individuals, their preference for Bar Soap with *no animal testing* is higher compared to those whose sense of responsibility is not activated. Additionally, for powerful individuals, when sense of responsibility is explicitly activated, preference for Bar Soap with *no animal by-products* is not higher compared to when sense of responsibility is not activated.

### 5.2.4 The Interaction Effects Results for Athletic Shoes

This section explains the results of the moderation effect of explicitly activating sense of responsibility for individuals in high power state on their preference for ethical attributes. Specifically, it explains whether there is an interaction effect between explicitly activating sense
of responsibility for individuals in high power state and their preference for ethical attributes (*no child labour* and *safe working conditions*) in the purchase decision of Athletic Shoes. Two interaction results are estimated and the results are summarized in table 9.

<table>
<thead>
<tr>
<th>Attributes</th>
<th>β</th>
<th>S.E.</th>
<th>z-value</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Main Effects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand (Reebok)</td>
<td>-0.287</td>
<td>0.036</td>
<td>-7.95</td>
<td>0.00</td>
</tr>
<tr>
<td>Price ($120)</td>
<td>-0.053</td>
<td>0.032</td>
<td>-1.64</td>
<td>0.10</td>
</tr>
<tr>
<td>Shock Absorption (high)</td>
<td>0.398</td>
<td>0.032</td>
<td>12.27</td>
<td>0.00</td>
</tr>
<tr>
<td>Weight (lighter)</td>
<td>0.541</td>
<td>0.035</td>
<td>15.34</td>
<td>0.00</td>
</tr>
<tr>
<td>no child labour</td>
<td>0.613</td>
<td>0.035</td>
<td>17.69</td>
<td>0.00</td>
</tr>
<tr>
<td>safe working conditions</td>
<td>0.503</td>
<td>0.032</td>
<td>15.81</td>
<td>0.00</td>
</tr>
<tr>
<td>ASC (no purchase)*</td>
<td>-0.357</td>
<td>0.075</td>
<td>-4.77</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>2-way Interaction Effects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responsibility X no child labour</td>
<td>0.052</td>
<td>0.029</td>
<td>1.78</td>
<td>0.08</td>
</tr>
<tr>
<td>Responsibility X safe working</td>
<td>-0.040</td>
<td>0.028</td>
<td>-1.43</td>
<td>0.15</td>
</tr>
</tbody>
</table>

*Alternative Specific Constant

Table 9: Summary of the interaction effects for Athletic Shoes

The results showed that, for individuals in high power conditions, the interaction effect of explicitly activating sense of responsibility and their preference for ethical attributes of *no child labour* is marginally significant (*p = 0.08*). The correlation (r) between the interaction and the utility is 0.15, indicating a small effect size. Additionally, the interaction effect of explicitly activating sense of responsibility for powerful individuals and their preference of ethical attributes of *safe working conditions* is not significant (*p > 0.05*) and not in the correct direction (*β = -0.043*). Therefore, hypothesis H2c and H2d are not supported.
H2c: when sense of responsibility is explicitly activated (made salient), powerful consumers’ preference for ethical attributes of no child labour is higher compared to powerful consumers’ preference for ethical attributes of no child labour when sense of responsibility is not activated. (Marginally supported)

H2d: when sense of responsibility is explicitly activated (made salient), powerful consumers’ preference for ethical attributes of safe working conditions is higher compared to powerful consumers’ preference for ethical attributes of safe working conditions when sense of responsibility is not activated. (Not supported)

This means that, for powerful individuals, when sense of responsibility is explicitly activated, their preference for Athletic Shoes with no child labour is higher compared to when sense of responsibility is not activated. Additionally, for powerful individuals, when sense of responsibility is explicitly activated, their preference for Athletic Shoes with safe working conditions is not higher compared to when sense of responsibility is not activated.
CHAPTER 6: GENERAL DISCUSSION

The first study offers clarification regarding the influence of power on the consumer’s preference for ethical attributes. The second study demonstrates whether activating sense of responsibility for powerful consumers increases their preference for ethical attributes. Two products were used in both experiments in testing preference for ethical attributes. These two products were Bar Soap and Athletic Shoes. Six attributes were selected for each product; four functional attributes and two ethical attributes. Discrete Choice Experiment (DCE) methodology was used to test the preference for ethical attributes and to see how consumers make trade-offs among these six attributes.

Previous research has shown that engaging in ethical activities not only gives the consumer a general idea about the overall evaluation of the company, but also the consumer uses these activities as an evaluation for the products (Auger et al., 2008). Arana & Leon (2009) classified ethical attributes into four groups based on consumers’ interest and the actions that the company normally undertakes. These four groups are: environmental issues, labour relations, animal welfare, and social life and culture welfare. Because the ethical attributes should be related to the product, our research focused only on labour and animal welfare since the chosen products are Bar Soap and Athletic Shoes.

In both experiments, the sense of power was manipulated using episodic recall adopted from Galinsky, Gruenfeld, & Magee (2003). This method for manipulating the sense of power appears effective because individuals in the high power condition reported higher feelings of
power (M = 5.159, SD = 1.360) than individuals in the low power condition (M = 3.477, SD = 1.537).

6.1 THE FIRST STUDY

The first study demonstrated the role of the individual’s sense of power on the preference for ethical attributes. This study included three conditions: high power, low power, and control group. The analysis showed that there is significant difference among the three conditions (p < 0.01). Within each group, there was no significant difference between males and females in the reported feeling of power.

Bar Soap results showed a statistically significant interaction effect between individuals’ state of power and the preference for ethical attributes of animal testing and animal by-products on the purchase decision of Bar Soap. The results demonstrated that participants in the high power condition were less likely to prefer Bar Soap with no animal testing compared to those in the low power condition. Moreover, participants in the high power condition showed higher preference for Bar Soap with no information available regarding no animal testing than participants in the low power condition. Therefore, consumer’s preference for ethical attributes of no animal testing is lower when the individual’s state of power is high compared to when the individual’s state of power is low, supporting H1a. Similarly, participants in the high power condition showed lower preference for Bar Soap with no animal by-products compared to those in the low power condition. Also, the participants in the high power condition showed higher preference for Bar Soap with no information available regarding no animal by-products compared to the participants in low power condition. Therefore, the consumer’s preference for
ethical attributes of no animal by-products is lower when the individual’s state of power is high compared to when the individual’s state of power is low, supporting H1b.

Athletic Shoes results showed that there is no significant interaction effect between individual’s state of power and the preference for ethical attributes of no child labour and safe working conditions on the purchase decision of Athletic Shoes. This means that, individuals in the high power condition did not show lower preference for Athletic Shoes with no child labour or safe working conditions than individuals in low power condition. Also, individuals in high power conditions didn’t show higher preference for Athletic Shoes with no information available regarding no child labour and safe working conditions compared to individuals in low power conditions.

The findings from study 1 provide support that power decreases the likelihood for the preference of ethical attributes in the purchase decision of Bar Soap. Our findings do not provide support for the third and fourth hypotheses that power decreases the likelihood for the preference of ethical attributes in the purchase decision of Athletic Shoes. Our prediction for these four hypotheses based on the previous literature that powerful individuals are less likely to be engaged in prosocial behaviour than the powerless individuals (Lammers et al., 2012; Twenge et al., 2007). Specifically, since low power activates engagement in prosocial behaviour, we predicted that this will directs the less powerful consumers’ attention to the preference for ethical attributes. This prediction was correct in the purchase decision of Bar Soap but not in the purchase of Athletic Shoes. The reason for that could be the level of involvement of each product. Based on Zaichkowsky (1985) for measuring the involvement level, the purchase of
Athletic Shoes has higher level of involvement than Bar Soap. All the ethical attributes tested in this study are positively framed attributes (no animal testing, no animal by-products, no child labour, and safe working conditions). Donovan & Jalleh, (1999) found that under low involvement products positively framed attributes are superior, while under high involvement products negatively framed attributes are superior. Therefore, the level of involvement might explain why the results of Bar Soap are significant while the results of Athletic Shoes are not significant. Future research could clarify whether the level of involvement and the framing of the attributes could clarify the relation between power and the preference for ethical attributes.

6.2 THE SECOND STUDY

The objective of this study was to test whether activating sense of responsibility in the powerful individual increased the individual’s preference for ethical attributes. We conducted this study using Bar Soap and Athletic Shoes as in the first experiment. All of the participants in the second study were in the high power condition, but in one group the sense of responsibility was explicitly activated and in the other group the sense of responsibility was not activated. The sense of responsibility in the second study was measured using four items in a 7-point Likert scale adopted from Winterich & Zhang (2014) (Appendix G). Although Roberts (1993) concluded that women were more likely than men to be socially responsible, in our study there was no significant difference between males and females in the sense of responsibility (p > 0.05).

Bar Soap results showed that there was marginally significant interaction effect between explicitly activating the sense of responsibility and the preference for ethical attributes of no animal testing on the purchase decision of Bar Soap for powerful individuals. However, there
was no significant interaction effect between explicitly activating the sense of responsibility and
the preference for ethical attributes of no animal by-products on the purchase decision of Bar
Soap for powerful individuals. Individuals in high power state showed higher preference for Bar
Soap with no animal testing but not for Bar Soap with no animal by-products when sense of
responsibility was explicitly activated compared to individuals in high power state without
activating the sense of responsibility. Also, individuals in high power state showed lower
preference for Bar Soap with no information available regarding no animal testing but not for
Bar Soap with no information available regarding no animal by-products when sense of
responsibility was explicitly activated compared to individuals in high power state without
activating the sense of responsibility.

Athletic Shoes results showed that there was marginally significant interaction effect
between explicitly activating the sense of responsibility and the preference for ethical attributes
of no child labour on the purchase decision of Athletic Shoes for powerful individuals. However,
there was no significant interaction effect between explicitly activating sense of responsibility
and the preference for ethical attributes of safe working conditions on the purchase decision of
Athletic Shoes for the powerful individuals. Individuals in high power state showed higher
preference for Athletic Shoes with no child labour but not for Athletic Shoes with safe working
conditions when the sense of responsibility was explicitly activated compared to individuals in
high power state without explicitly activating sense of responsibility. Also, individuals in high
power state show lower preference for Athletic Shoes with no information available regarding
no child labour but not for Athletic Shoes with no information available regarding safe working
conditions when sense of responsibility was explicitly activated compared to individuals in high power state without explicitly activating sense of responsibility.

The findings from study 2 showed marginally interaction effect between explicitly activating sense of responsibility for the powerful individuals and their preference ethical attributes of no animal testing and no child labour on the purchase decision for Bar Soap and Athletic Shoes, respectively. However, the interaction effect of explicitly activating the sense of responsibility for powerful individuals and their preference for ethical attributes of no animal by-product and safe working conditions were not significant and were not in the correct direction.

Animal by-products and safe working conditions are two ethical attributes, but at the same time they include some degree of risk. Consuming a product that includes ingredients from the unused parts of animals (such as skins or bones) or working under unsafe working conditions is considered as risky behaviour. Anderson and Galinsky (2006) explained how powerful individuals are more likely to be engaged in risky behaviour than low power individuals. Therefore, the reason why the interaction effect for explicitly activating the sense of responsibility on one side and the preference for ethical attributes of no animal by-products and safe working conditions on the other side was not significant could be because these two ethical attributes include some degree of risk and powerful individuals more likely to be engaged in risky behaviour.
CHAPTER 7: CONTRIBUTIONS, LIMITATIONS, AND FUTURE RESEARCH

This research provides insight on how the state of power influences ethical consumption. Two experiments were conducted to provide better understanding about how the state of power of the individual influences the consumer’s preference for ethical attributes when making purchase decisions and how the consumer makes tradeoffs between ethical and functional attributes. This chapter includes a summary of the theoretical and managerial contributions of this research as well as the limitations and future research opportunities.

7.1 CONTRIBUTIONS

7.1.1 Theoretical Contributions

Previous research suggested that consumers prefer products that include ethical attributes and are willing to pay above the market price for these products as a reward for the company behaving in a socially responsible manner (Auger et al., 2008; Creyer & Ross, 1997; Mohr, Webb, & Harris, 2001). Other researchers have found that the link between ethical performance and the consumer’s preference for ethical attributes is not straightforward and the preference for ethical performance is not always as expected (Devinney, Auger, & Eckhardt, 2010). Therefore, there could be some moderators that affect the relationship between the ethical attributes and the consumer’s preference for these attributes. Power was tested in this research as a moderator for ethical consumption.

Our first study provides clarification about the relationship between the individual’s state of power and the preference for ethical attributes. It clarifies how being a high power individual
or a low power individual influences the preference for ethical attributes in the purchase decision. In other words, it demonstrates how social interaction or hierarchal differences could affect the consumer’s preference for ethical attributes of the products. This relationship was significant for Bar Soap, but not for Athletic Shoes. In the second study, although the results were not statistically significant, they might still provide some insight about how explicitly activating the sense of responsibility might increase powerful individuals’ preferences for ethical attributes in purchase decision. This research may provide limited contribution to the power literature in consumer behaviour.

Our study is a new application of Discrete Choice Experiment (DEC) methodology in testing the preference for ethical attributes. In previous studies, Rating Scales were the most commonly used method in evaluating products with ethical attributes (Yang, 2014). In our study uses DCE provided study participants with different choices and we observed how these consumers made tradeoffs among different attributes in a way that is similar to what happens in daily life. Therefore, the current research used a more accurate tool than what is commonly used and we hope that this will lead to precision in the literature regarding power and ethical consumption.

7.1.2 Managerial Contributions

Dubois, Rucker, & Galinsky (2015) demonstrated how social class can elevate the psychological sense of power inside the individual. High social class can bestow high sense of power and low social class can bestow low sense of power. Following from this, our research can help marketers in formulating accurate selections of ethical attributes. For example, including
ethical attributes in products similar to Bar Soap could be successful if the product is offered to low social class individuals. In contrast, if these types of products are offered to high social class individuals then, marketers could focus on finding a way to increase the social responsibility of these individuals.

7.2 Limitations and Future Research

The present research is not without limitations. Using samples that were composed mainly of students may not be accurate in representing the entire population. Furthermore, the students usually 19 or 20 years old and may not have practiced any power situations in their lives. Not having practiced a power situation may cause a problem in the episodic recall that was used to activate the state of power in our experiments. Future research could use not only students, but also participants who are more representative of the entire population.

Using the same stimuli and the same way of activating power in both experiments limits the generalizability of the results. We selected Bar Soap and Athletic Shoes as the stimuli for both experiments because these two products and their attributes are familiar to students and they are non-gender specific products. Future research could use different product categories and use different ways of activating power across the two experiments. Additionally, because activating the sense of responsibility did not provide significant results in the second study, future research is required to find other moderators that limit the abstract way of thinking in powerful individuals or how to increase constrains on the powerful individuals, so their preference for ethical attributes could be increased.
A key limitation of aggregate level analysis of preference done in this research is the ‘majority fallacy’, namely when a choice option chosen by an “average” customer is not the one chosen most often, which is related to preference heterogeneity. In turn, the predictive power of models estimated from aggregate sample choices can be compromised by preference heterogeneity, whether conceived of as a continuous or discrete preference phenomenon. Current research can be extended to investigate preferences at segment level using scale adjusted latent class models (see Bateman et. al., 2010; Burke et. al., 2010).

One other possible future direction can be jointly modeling consumer preferences for different types of ethical attributes as discussed in this research in the context of Bar Soap and Athletic Shoes. This will provide consistency of preferences of different types of ethical attributes of the same consumer. A number of modeling approaches can be used such as bivariate logit/probit, copulas (see Meade & Islam, 2003; Meade & Islam, 2010). In this research, the dependent variable is ‘choice’ but preferences can be elicited to get insights about time dimensions i.e. adoption times of newly introduced ethical attributes (see Islam, 2014; Islam & Meade, 2011; Bartels & Islam, 2002).

Finally, this research focused on testing two moderators (i.e. power and sense of responsibility) and did not take into consideration any mediation effects. Therefore, future research could focus on the mediation effect. This could provide more insight on why the moderation effect of power works with Bar Soap but not with Athletic Shoes. Also, finding mediators will provide some explanation about why, in the second study, two interaction effects were in the correct direction and two were not.
REFERENCES


APPENDIX

Appendix A

The participants in high power condition answered the following question:

You have at least 5 minutes to answer the following question in the space below:

"Please recall a particular incident in which you had power over another individual or individuals. By power, we mean a situation in which you controlled the ability of another person or persons to get something they wanted, or were in a position to evaluate those individuals. Please describe this situation in which you had power - what happened, how you felt, ... etc".

(Note: please, don't include any personally identifying information)
Appendix B:

The participants in low power condition answered the following question:

The Writing Task
You have at least 3 minutes to answer the following question in the space below:

“Please recall a particular incident in which someone else had power over you. By power, we mean a situation in which someone had control over your ability to get something you wanted, or was in a position to evaluate you. Please describe this situation in which you did not have power - what happened, how you felt, etc”.

(Note: please, don't include any personally identifying information)
Appendix C:

The participants in the control group answered the following question:

The Writing Task
You have at least 5 minutes to answer the following question in the space below:

"Please write about your last trip to the grocery store".
(Note: please, don't include any personally identifying information)
Appendix D:

The Manipulation Check for the individual’s sense of power:

Please select the extent to which you feel your decision was powerful in the previous situation (1 = Not powerful & 7 = Powerful):
Appendix E:

A Choice set for Bar Soap:

<table>
<thead>
<tr>
<th>Features</th>
<th>Bar Soap A</th>
<th>Bar Soap B</th>
<th>Bar Soap C</th>
<th>Bar Soap D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand</td>
<td>Ivory</td>
<td>Ivory</td>
<td>Ivory</td>
<td>Ivory</td>
</tr>
<tr>
<td>Price</td>
<td>$1.50</td>
<td>$0.75</td>
<td>$1.50</td>
<td>$0.75</td>
</tr>
<tr>
<td>Scent</td>
<td>unscented</td>
<td>unscented</td>
<td>scented</td>
<td>scented</td>
</tr>
<tr>
<td>Antibacterial Protection</td>
<td>no</td>
<td>yes</td>
<td>yes</td>
<td>no</td>
</tr>
<tr>
<td>Animal Testing</td>
<td>no animal testing</td>
<td>no information available</td>
<td>no information available</td>
<td>no animal testing</td>
</tr>
<tr>
<td>Animal by-Products</td>
<td>no animal by-products</td>
<td>no information available</td>
<td>no animal by-products</td>
<td>no information available</td>
</tr>
</tbody>
</table>

Which of the four options you are MOST likely to choose?

Which of the remaining three options you are LEAST likely to choose?

Thinking seriously about the four products above, if you would buy NONE of the four options please check the box below

○
Appendix F:

A Choice set for Athletic Shoes:

<table>
<thead>
<tr>
<th>Features</th>
<th>Athletic shoes A</th>
<th>Athletic shoes B</th>
<th>Athletic shoes C</th>
<th>Athletic shoes D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand</td>
<td>Adidas</td>
<td>Reebok</td>
<td>Reebok</td>
<td>Adidas</td>
</tr>
<tr>
<td>Price</td>
<td>$120</td>
<td>$80</td>
<td>$120</td>
<td>$80</td>
</tr>
<tr>
<td>Shock Absorption</td>
<td>low</td>
<td>low</td>
<td>high</td>
<td>high</td>
</tr>
<tr>
<td>Weight</td>
<td>heavier</td>
<td>heavier</td>
<td>heavier</td>
<td>heavier</td>
</tr>
<tr>
<td>Child Labour</td>
<td>no child labour</td>
<td>no information available</td>
<td>no information available</td>
<td>no child labour</td>
</tr>
<tr>
<td>Working Conditions</td>
<td>safe working conditions</td>
<td>no information available</td>
<td>safe working conditions</td>
<td>no information available</td>
</tr>
</tbody>
</table>

Which of the four options you are MOST likely to choose?

<table>
<thead>
<tr>
<th>Athletic shoes A</th>
<th>Athletic shoes B</th>
<th>Athletic shoes C</th>
<th>Athletic shoes D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Which of the remaining three options you are LEAST likely to choose?

<table>
<thead>
<tr>
<th>Athletic shoes A</th>
<th>Athletic shoes B</th>
<th>Athletic shoes C</th>
<th>Athletic shoes D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Thinking seriously about the four products above, if you would buy NONE of the four options please check the box below

[ ]
Appendix G:

Social Responsibility:

Social responsibility means that everyone in the society is responsible about the well-being of other individuals in the society as well as the welfare of the society and the environment.

This responsibility can be passive, by avoiding engaging in socially harmful acts, or active, by performing activities that directly advance social goals.

Appendix H:

Perceived responsibility (studies 2; 1 = strongly disagree & 7 = strongly agree; reverse coded so higher scores indicate greater perceived responsibility)

1. Individuals should not be responsible for helping others they don’t know.

2. It is not my responsibility to provide aid to other people.

3. I should not be expected to help others I don’t know.

4. I feel that it is not up to me to provide aid to individuals.
Appendix I:

Instructions for the Bar Soap section:

In the following part you will be provided with 14 choice sets. In each choice set, you will be offered 4 Bar Soap described by the following features and their levels. Each time you will see 4 different combinations of these features. Please imagine these are the only Bar Soap available to you and then indicate:

1) which of the four options you would MOST likely to choose
2) which of the remaining three options you are LEAST likely to choose
3) whether you would realistically buy any of them or not

These are the features and their levels:

1) Brand: Ivory or Dove
2) Price (per Bar): $0.75 or $1.50
3) Scent: scented or unscented
4) Antibacterial protection: yes or no
5) Animal Testing: No-animal testing or "no information available"
   (no-animal testing means this product was produced without testing on animal because animal testing may have negative effects on animals & no information available means no information available about this attribute)
6) Animal by-products: No animal by-products or no "information available"
   (No animal by-products means this product does not include any ingredients that are derived from the unused parts of the animals that are not consumed by humans, such as skin, bones etc & no information available means no information available about this attribute)
Appendix J:

Instructions for the Athletic Shoes section:

In the following part you will be provided with 14 choice sets. In each choice set, you will be offered 4 Athletic shoes described by the following features and their levels. Each time you will see 4 different combinations of these features. Please imagine these are the only Athletic Shoes available to you and then indicate:

1) which of the four options you would MOST likely to prefer
2) which of the remaining three options you are LEAST likely to prefer
3) whether you would realistically buy any of them or not

These are the features and their levels:

1) Brand: Reebok or Adidas
2) Price: $120 or $80
3) Shock Absorption: low or high
4) Weight: lighter or heavier
5) Child Labour: No-child labour or "no information available"
(no-child labour means this product was produced without the employment of children in the production process & no information available means no information available about this attribute)
6) Working Conditions: Safe working conditions or "no information available"
(safe working condition means the safety of the workers was ensured during the production process & no information available means no information available about this attribute)