Promoting Ethical Consumption: The Role of Performance Risk and Regulatory Focus on Purchase Intent of Multifinal Ethical Products

By Rishad Habib

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Abstract

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Rishad Habib
University of Guelph, 2016

Advisor:
Dr. Towhidul Islam

More and more companies are professing their desire to fulfill ethical goals as well as functional ones, nevertheless the research on ethical products from a multiple goals perspective is scant. Additionally self-regulatory focus is yet to be applied to the area of multifinality. Two studies explore the relationship between additional ethical goals, perceived performance risk and regulatory focus on purchase intent. It was found that participants’ chronic regulatory focus interacted with the number of goals a product claims to fulfill in such a way that the higher the predominance of promotion focus in individuals the greater their purchase intent for two goal products. In addition it was found that the effect occurred through a serial mediation of resource allocation followed by perceived performance risk. These findings contribute to various aspects of consumer psychology, social psychology, and ethical business literature and provide substantial implications for marketing ethical products.
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# Table of Contents

1.0 Introduction ............................................................................................................. 1
2.0 Literature Review .................................................................................................... 4
  2.1. Ethical Consumption ............................................................................................ 4
    2.1.1. Ethical Behaviour and Consumption .............................................................. 4
    2.1.2. The Trade-off in Ethical Consumption ............................................................. 5
  2.2. Goals and Multifinality ....................................................................................... 8
    2.2.1. Goal Theory .................................................................................................... 8
    2.2.2. Multifinal vs Unifinal Means ......................................................................... 10
    2.2.3. Goal Value, Expectancy & Risk .................................................................... 12
  2.3. Self Regulatory Focus ......................................................................................... 14
    2.3.1. A SRF perspective on Ethical Consumption .................................................... 15
    2.3.2. SRF, Expectancy and Risk ............................................................................. 17
    2.3.3. Effect of Self Regulatory Focus on Multifinality ........................................... 19
  2.4. Summary of Research Gaps ............................................................................... 20
3.0 Conceptual Model & Research Hypotheses .......................................................... 21
4.0 Study 1 .................................................................................................................... 24
  4.1. Participants and Design ...................................................................................... 24
  4.2. Measuring IVs and DVs ..................................................................................... 25
  4.3. Data Analysis and Results .................................................................................. 26
5.0 Pretest ..................................................................................................................... 29
  5.1. Regulatory Focus Manipulation Pretest ............................................................... 29
6.0 Pilot Study ............................................................................................................... 30
7.0 Study 2 .................................................................................................................... 32
  7.1. Study 2A - Replication with Performance Risk Added ....................................... 32
  7.2. Study 2B - Participants and Design .................................................................... 34
  7.3. Measurements ..................................................................................................... 34
  7.4. Data Analysis & Results .................................................................................... 35
    7.4.1. Main and Interaction effects on Purchase Intent and Resource Allocation .. 35
    7.4.2. Serial Mediation ............................................................................................ 38
Table of Figures

Figure 1: Conditional Effect of Number of Goals on Purchase Intent at Levels of Promotion Predominance for Burger .......................................................... 27

Figure 2: Conditional Effect of Number of Goals on Purchase Intent at Levels of Promotion Predominance for Washball .......................................................... 28

Figure 3: Effect Size Calculation via www.uccs.edu/lbecker/ ................................. 30

Figure 4: Purchase Intent of Dishwashing Soap Across Goal and Regulatory Focus Conditions ........................................................................................................... 36

Figure 5: Resource Allocation Beliefs of Dishwashing Soap Across Goal and Regulatory Focus Conditions .............................................................. 37

Figure 6: Moderated Mediation Model for Drain Cleaner ........................................ 40

Figure 7: Moderated Mediation Model for Dishwashing Soap ................................ 41
1.0 Introduction

Ever tasted a vegan burger that bleeds? Or cheeses from greens and grains that age with time? Well, Impossible Foods Inc have made it their mission to engineer delicious, true to taste meats and cheeses directly from plants, that meat eaters will love. The company is founded on these two goals - taste and veganism - and is set to launch its first products in 2016, expecting rave reviews and huge demand. However, given the chances of failure for both new products (40-50% in the two years after launching (Joshi, 2003)) and ethical ones (more than half of new green products fail to meet their financial goals (sustainable brands, 2009)), it's important for the company to position their product and company goals in the most appealing way.

Impossible Foods is not the only company aiming to fulfill more than a single consumer goal, although they are part of a growing number of new companies that have been founded on this premise (other examples include Hampton Creek and their vegan mayonnaise, Lush and their organic bath products and Guelph's local Planet Bean and their fair trade coffee). Ethical consumption is on the rise with more and more companies launching products that they believe will cater to the public's demand for goods that help the world (Nielsen, 2014). Products that fulfill multiple goals have become increasingly common, with research showing a greater preference among consumers for such products (Thompson et al., 2005). However, there is a flipside to more goals as it can reduce associative strength and perceptions of instrumentality (Zhang, Fishbach and Kruglanski, 2007).

Zhang et al's (2007) dilution effect states that the addition of goals weakens the associative strength between the initial goal and the means, leading to a dilution of perceived instrumentality of the initial goal. Thus, the means is deemed to be less effective at achieving the original goal if it also tries to fulfil other goals. In their example, consumers evaluate milk as being less instrumental in maintaining healthy bones when it is stated that it also helps to reduce heart disease. A similar effect is thus expected when firms attempt to make a product faster and also more environmentally friendly. i.e. when companies express multiple goals, consumers should believe they are worse at achieving each. In the case of ethical products, if the functional instrumentality of the product is diluted when ethical goals are added, then this would mean the
product is less likely to perform its main function well. Thus, this fall in functionality can be interpreted by consumers as the products being more risky and may result in lower evaluations and purchase intentions for ethical products. Self regulatory focus (Higgins, 1998) is looked at in this research as an important moderator of this effect.

Higgins (1998) introduced the two dimensions of regulatory focus, promotion and prevention, in an effort to explain motivational pursuits. He conceived these not as binary constructs but as different measures as it is possible for people to be high on both or low on both. His work distinguished between the two through approach and avoidance principles where promotion focused individuals approach pleasure and prevention focused individuals avoid pain. Subsequent research linked prevention focus to more ethical behaviour through its concern for conservation (Bock & Kenhove, 2010) and its lack of tolerance for risk (Gino and Margolis, 2011). However, ethical consumption differs from ethical behaviour as the latter is usually not affected by perceptions of product functionality. Thus in contrast to previous research, the lack of tolerance for risk associated with prevention focus should lead to a greater preference for products that fulfill single goals and not ethical ones.

Literature shows that differences in self regulatory focus result in different responses to risk. It has been found that a promotion focus results in greater risk taking whereas a prevention focus results in more risk aversion (Zhou et al., 2004; Friedman et al, 2001). Lee and Aaker (2004) distinguish between risk taking and perceived risk, emphasizing that risk aversion is a preference for a more certain outcome and that perceived risk is an individual's opinion of risk in a particular situation. Much research show the relationship between self regulatory focus (SRF) and perceived risk where promotion focused individuals place less weightage and importance on risk (Crowe & Higgins, 1997; Liberman et al., 1999; Chernev, 2004).

This paper explores differential effects of regulatory focus on the relationship between multifinal ethical firm goals and product evaluations and how this effect will be mediated by perceptions of risk; promotion focused consumers should perceive lower levels of risk due to a lower risk less salience and thus infer less resource reallocation from product quality and give better product evaluations than prevention focused consumers. The first part is a thorough literature review that begins with looking at much of the relevant work surrounding ethical
consumption and various theories that attempt to explain the reasons why such products have not taken off as expected. It then moves into discussing goals and multifinality and how goal theory pertains to products, value, expectancy and risk. The last section of the literature review surrounds the topic of regulatory focus and delves into how this concept relates to risk and multiple goals. The conceptual model and hypotheses are then discussed before moving on to the two studies carried out for this research. Lastly the results of the studies are discussed and contributions, limitations and future research possibilities are discussed. Overall, this paper attempts to find the connection between promotion focus, reduced risk perceptions and resource allocations that may lead to greater product evaluations when companies try to fulfil two goals.
2.0 Literature Review

The literature review covers the concept of ethical consumption and important research into the tradeoff effects existent in this domain. It then goes on to explain this through a goal based lens in order to delve into how self regulatory focus can affect the relationship between firm goals and perceived performance risk which in turn effects evaluation and purchase intentions.

2.1. ETHICAL CONSUMPTION

Ethics is a field that has governed large portions of our lives, from legal proceedings to medical practices, and also represents a strong framework for everyday interactions and behaviour. The consumption of goods and services is one of the recent additions to the field of ethics and attempts to associate ethical values with the purchase of products.

2.1.1. ETHICAL BEHAVIOUR AND CONSUMPTION

Philosophy outlines two major streams in ethics; teleological or consequentialist ethics which focuses on consequences of actions and deontological ethics which focuses on the intentions behind actions (Beauchamp & Bowle, 1979). This is largely a contrast between the position that "the end justifies the means" and "it's the thought that counts". These views encompass many sub divisions of ethical thought, from commonly known theories such as utilitarianism to less well known ones such as egalitarianism, and have had a large impact on humanity leading to streams such as business ethics, bioethics and military ethics. Ethical arguments have been put forward both for and against capital punishment leading to 99 countries abolishing the death penalty as of March 2015 (Bonnie, 1990; Amnesty International, 2015). The current scientific debate regarding the process of human embryonic stem cell research is largely being held on ethical grounds (Beeson et al., 2006; McLaren, 2001).

The recent politicization of consumption through the concept of "voting with your dollar" has given rise to the popularity of ethical consumption (Shaw et al., 2006; Johnson, 2008). The
appearance of the phrase "ethical consumption" in books has increased by more than 24 times from 1991 to 2008 (Google Ngram viewer, 2015). The idea is based on simple economic principles that consumers can use to bring about meaningful social change by allocating their resources towards the products and companies of their choice (Buchanan, 1954).

Ethical consumption has been used in a wide range of contexts, from the purchase of products made from responsibly managed wood and certified by the Forestry Steward Council to the fair trade label for coffee and other products to the organic certification by the Canada Organic Regime to ensure that contents of products are organic. The Ethiscore developed by the Ethical Consumer Research Association (ECRA) covers ethical topics related to environment, sustainability, people, animals and politics in order to guide consumers in product choice. The attitudes of consumers reflect this shift in priorities, with global consumer surveys consistently showing that large proportions of consumers care about the ethical consequences of their purchases. In 2014, 55% of worldwide online consumers reported willingness to pay higher prices for sustainable products, a 10% increase from 2011 and 52% reported having made a sustainable purchase in the previous six months (Nielsen, 2014).

The global threat of climate change and growing concern regarding the issue has led to regulatory changes and to companies introducing new sustainable products. However, the adoption of sustainable products has faced many barriers and has not been as high as expected with only certain types of ethical products achieving success in specific contexts. People feel they should buy sustainable products & have positive attitudes towards them but in the end they do not base purchase decisions on this factor alone (Carrigan & Attalla, 2001). Research has found that there is a trade-off present in ethical consumption which is discussed in the next section.

2.1.2. The Trade-off in Ethical Consumption

Despite the rise in popularity of ethical consumption, only a few ethical products have fared as well as expected. Much research explores consumer perceptions of tradeoffs involved in ethical consumption from various perspectives including attribute utility (Luchs et al., 2010; Lin
& Chang, 2013), perceived risk (Essoussi & Linton, 2010), intentions and inherentness of ethical attributes (Newman et al., 2014) and benefits (Bodur et al., 2014).

The focus of trade-off research in ethical consumption has been on attribute utilities; in the case of sustainable products, this has been looked at from the angle of attribute congruency by Luchs et al. (2010). The study looks at the implicit associations people have with sustainable products. Sustainability is associated with gentleness attributes and thus adds value to gentle products like baby shampoo. The study indicates that increased gentleness attribute congruency between the product and sustainability will improve product evaluations and subsequently lead to an increase in the purchase of the products. On the other hand, for products where strength is important, sustainable attributes can weaken this so much that it lowers preference for the sustainable brand. Lin and Chang (2013) extend this trade-off effect to usage situations where consumers use more of an environmentally friendly product because they believe it to be inferior in strength. They find that consumers view green products to be less effective and tend to compensate for this lack of effectiveness by increasing their usage.

The negative perception of sustainable products is further supported by research that shows that the perceived functional risk of environmentally friendly products reduces consumers' willingness to pay (Essoussi & Linton, 2010). A complementary study that includes a broader range of ethical products by Bodur et al. (2014) looked at utilitarian products that have more inherent benefits, such as recycled products, and symbolic products that have less inherent benefits, such as fair trade. They find that this benefit congruity can help eliminate the tradeoff effect and improve product evaluations for a range of products and that physical contact is an important moderator of this effect.

Newman et al. (2014) analyze the negative effect of sustainability in relation to how inherent the change was to the product, finding that benefits which are inherent to the product are less favourable when they are intended as opposed to non-inherent benefits which are viewed more favourably when intended. They find that consumers use a zero-sum heuristic to interpret resource allocation signals from firms and assume that a focus on sustainability has resulted in poorer product quality. This is used by consumers mainly when firms explicitly intend to increase sustainability but is absent when the ‘green’ effect is an unintended consequence. This
is because an unintended side effect is not assumed to take up resources that would otherwise have gone to improve product quality whereas an intended benefit is.

Thus, companies that claim they are trying to make their products more ethical may face a negative response from consumers who assume that such companies are diverting resources away from ensuring product quality (Newman et al., 2014). This research also found different effects on product evaluations depending on whether the ethical attribute was inherent to the product (e.g. green) or not (e.g. fair-trade). Interestingly, they discovered that consumers infer resource allocation regardless of whether the ethical benefit is inherent or separate from the product, showing that this is a widely experienced result.

Company claims to achieve both functional and ethical goals through their products can be looked at from a multifinal goal perspective which is discussed in the next section.
2.2. GOALS AND MULTIFINALITY

Goals have long been studied by academics to uncover the mysteries of human motivation and behaviour. The following sections highlight important research related to goals, particularly in relation to the consumption context and multifinality in order to look at how a company claiming to fulfill multiple goals can effect consumer evaluations of their products.

2.2.1. GOAL THEORY

Goals are theorized to be structured hierarchically in goal systems with interconnections between different goals, subgoals and means (Kruglanski et al., 2002; Fishbach, Shah, & Kruglanski 2004; Devezer et al., 2014). These connections depend on the relationship between goals and the strength of this relationship. Complementary goals and connections between goals and means have facilitative links whereas competing goals have inhibitory links. This means that activating complementary goals strengthens the link but activating competing goals weakens the link. These links vary in strength where unique, as well as repetitive associations, lead to stronger ties. Moreover, the activation of such links is dependent on situational effects, such as framing, priming, etc (Kruglanski, 2002).

Early research on goal-setting theory focussed on conscious goals held in people's minds that would then effect motivation and action (Locke, 1968). Researchers have found that clear goals work to motivate people, that more difficult goals lead to greater achievement and commitment provided the person has the ability and knowledge to achieve it (Locke & Latham, 1990). This has been further developed to include the importance of deadlines, goal orientation and group goal setting (Locke, 1996). These conscious or explicit goals are often referred to as focal goals.

More recently, Bargh et al. demonstrated the unconscious activation of background goals depending on situational circumstances including subconscious priming, repeated associations and exposure to words (Bargh & Chartrand, 1999; Bargh et al., 2001; Chartrand & Bargh, 1996). Through further studies they showed that non-consciously activated goals have the same effect
on motivation and behaviour as conscious goals even though they remain outside of people's awareness.

The activation of goals, however, has often been considered a sticky issue with debate regarding the effectiveness in solely activating intended goals and its distinction from procedural or semantic priming (Kruglanski et al., 2002; Forster et al., 2007). In this regard, Forster et al. (2007) outlined several key principles involved in priming goals and goals alone including; the attainment of a goal should result in a reduction in motivation to fulfill the goal whereas inability to fulfill a goal should increase motivation, priming a goal or means should inhibit incompatible goals and increase the preference for multifinal means that can fulfill both chronic and temporary goals. Goals can thus be distinguished from other constructs. In particular, much research has sought to explain the relationship between goals and attributes; attributes compatible with individual's goals are preferred (Chernev, 2004, Fischer et. al 1999), larger number of attributes tend to fulfill a larger number of goals and are hence preferred (Thompson, Hamilton, & Rust, 2005), goals are malleable whereas attributes are inflexible (Kruglanski, 2002).

There are three key differences between goals and attributes in relation to product evaluations and it is important to understand that the two concepts are different: the value of products is determined by how well they fulfill consumer goals not by the attributes they have (Van Osselaer & Janiszewski, 2012), product utilities are not as stable as attribute utility theory suggests and change depending on temporary activation of goals (Brendl et al., 2003; Fitzsimons et al., 2008) and these changes in goals allow us to predict changes in preference. Van Osselaer & Janiszewski (2012) predict that product evaluation and choice depends on the extent to which goals are fulfilled and provide a thorough model of this process which helps view consumption from a goal-based rather than the more common attribute utility based perspective.

Goals have a wide application in the context of consumption and consumer behaviour and have been explored from a number of angles including consumer decision making (Fishbach & Dhar, 2005), product evaluation and choice (Van Osselaer et al., 2005; Van Osselaer & Janiszewski, 2012) and preference construction (Bargh et al. 2001). Goal progress in one dimension or simply planning progress was found to make it easier for consumers to pursue incongruent goals in various domains including exercise, study, weight-loss etc (Fishbach &
Dhar, 2005). In a consumer choice context, they have been divided into 3 categories; consumption goals which involve the benefits that are received by the consumption of a means, criterion goals which help justify the choice of means and process goals which help satisfy the goals related to the choice process (Van Osselaer et al., 2005; Van Osselaer & Janiszewski, 2012).

The next section looks into the concept of ethical consumption from a goal perspective and aims to explain the trade-off in functionality that many consumers experience using goal theory.

2.2.2. **Multifinal vs Unifinal Means**

Most research in goal theory has been carried out on a single mean and goal and how they relate to one another; the idea of multiple goals and means is a more recent topic of research. The term multifinality was introduced by Kruglanski and colleagues (2002) and covers the concept of a single means fulfilling multiple goals. This is in contrast to unifinality, which has been the focus of most goal research and points to a single means fulfilling a single goal. Multifinality offers much benefit to the individual by allowing him or her to pursue several goals simultaneously. Products that fulfill multiple goals at once such as cell phones and smart TVs have grown in demand over the years and consumers show preference for products with more features (Thompson et al., 2005). However, there is a flipside to additional goals.

The work on multifinality that ensued uncovered many constraints and effects; the search for multifinality reduces the size of people's consideration set (Köpetz et al., 2011), additional goals reduce the perceived instrumentality of a single means to fulfil a focal goal (Zhang et al., 2007), activated implicit goals may shift preference towards multifinal means (Chun et al., 2011) and positive mood lowers preferences for multifinal products (Pocheptsova, 2015). Much of the literature focuses on how multifinal goals in consumer minds influence choice rather than multifinal goals fulfilled by an object. Kopetz and colleagues (2011) found that the search for multifinal means leads to a smaller number of possible options that fulfill all active consumer goals, thus decreasing the set of acceptable means for consumers. This further depended on the feasibility of finding multifinal means that would allow consumers to fulfill both goals.
simultaneously. Furthermore, the importance of individual goals influenced the means that were chosen, with more important goals being met by the suggested means. The effect of implicit background goals on final choice was also studied by Chun et al. (2011); the implicit activation of background goals resulted in greater preference for multifinal options except for when these options were less instrumental to fulfilling the explicit, focal goal. Zhang et al. (2007) coined the dilution effect in which the perceived instrumentality of a single means to fulfill a primary goal decreases as goals are added. They show that the addition of a goal results in lower perceived instrumentality by reducing the means-goals associative strength and is dependent on the degree of similarity between the goals.

In addition to reviewing existing research on multifinality, Kruglanski et al. (2013) also provided new insight into existing theories and phenomena including motivated reasoning, pluralistic ignorance and preference instability. For instance, they contend that the reduction in motivation for intrinsically rewarding activities when extrinsic rewards are added and then removed can be explained using the dilution of the connection between the activity (means) and the intrinsic reward (goal).

Research on multifinality has generally not been applied to product choice and evaluation although products that fulfill multiple goals have risen in demand and popularity. Consumers have been gravitating towards products with the most features (Thompson, Hamilton, & Rust, 2005) although they perceive such products to be less useful. However, multifinality research focusing on factors that will influence the choice of multifinal products has only recently begun. Recent research has studied the effect of affective mood on the choice of multifinal products (Pocheptsova, 2015) finding that positive mood is likely to increase the differences between conflicting goals and thus lower the preference for multifinal products. Another article looks at how locomotion versus assessment modes lead to greater preference of unifinal versus multifinal means respectively (Orehek et al., 2012). Research has found that stressing goal uniqueness or the ability of a product to fulfil a unique goal results in greater perceived instrumentality as well as preference. Moreover, the researchers find that manipulating the perceived similarity and distinctiveness of goals has a significant effect on perceived instrumentality; increasing perceived goal similarity weakened the dilution effect (Zhang, Fishbach, & Kruglanski, 2007).
This was found to also predict choices but its influence on purchase decisions which are of immense importance to marketers was not studied by Zhang et al. Martin and Stewart (2001) also studied the effect of goal similarity on evaluations of different products. They found that for different products or means, fulfilling more similar or congruent goals leads to greater affect and knowledge sharing which results in greater elaboration of the products and increased preference.

The effect of multiple firm goals on product evaluation and choice is yet to be studied; if firms state they are attempting to fulfil multiple goals through the creation of a particular product, this should have an effect on consumer evaluations of the product. Newman et al. (2014) study this from the perspective of intentions, which shows that when firms intentionally "green" a product, consumers infer that resources have been taken away from other, important aspects of the product. In this situation, the firm is making it clear to consumers that they are attempting to fulfil two goals and this in turn can have a negative effect on product evaluations.

Of the many characteristics of multifinality, the ones which concerns this paper the most are those related to expectancy or risk and value. As discussed previously, consumers are expected to maximize expectancy and value when making choices. The addition of goals to means has specific impacts on both these factors.

2.2.3. Goal Value, Expectancy & Risk

Expectancy-value theory stems from Atkinson's (1964) model which linked several factors including choice and persistence to expectancy and task-value beliefs held by individuals. The more commonly used modern theory by Eccles (1983) looks at goal commitment and choice from an expectancy-value perspective where the two factors are assumed to be positively related to one another. The full model combines various social cognitive variables with individuals' perception and individual difference variables. The model requires both expectancy and value for goal commitment and shows that they combine multiplicatively so that individuals attempt to maximize expectancy and value. The general theory involves a cognitive based evaluation of choices in an effort to maximize their expectancies and values. The definitions of expectancy and value have evolved over time to include a broader set of terms and more specific sub categories.
However, the overall effect remains the same; consumers are more likely to choose options that they expect will fulfill goals that have high value.

The two important factors behind this theory have also been studied in detail by researchers. As this research focuses on perceived risk the concept of expectancy is elaborated next to arrive at a more detailed understanding.

Expectations of fulfilling a goal is an important determinant of motivation and choice and has mainly been looked at from a goal choice perspective. There are several expectancy based theories which focus on the efficacy and competence of individuals in accomplishing a goal. This includes Bandura's (1997) self-efficacy theory of goal motivation in which he distinguished between outcome expectancy, which is the belief that certain behaviours will result in certain outcomes, and efficacy expectancy, which is the belief that a person can perform these certain behaviours.

In Eccles et al's (1983) expectancy-value theory, expectancy was defined as beliefs held by individuals of how well they will do on immediate or future tasks. The more that people think an end result is likely to happen, the greater the expectancy and the greater the likelihood of individuals choosing that particular alternative. Expectancy was divided into 4 different types by Heckhausen (1991) based on whether the subject acted or not and focus on outcomes and consequences. This includes action-outcome and situation-outcome which are the probabilities of attaining an outcome with or without acting respectively, action-by-situation-outcome where the situation helps an individual's actions attain an outcome and outcome-consequence which is the probability that an outcome leads to a certain consequence.

Multifinal means can be associated with lower expectancy and expectancy is associated with risk such that as risk increases, the expectancy of attaining the desirable outcome diminishes. Research has shown that adding goals to means increases risk and decreases expectancy by reducing functional instrumentality.

The goal dilution model states that when a single product aims to fulfil multiple goals, it reduces consumer perceptions of the ability of the product to fulfil its first objective (Zhang, Fishbach, & Kruglanski, 2007). This is because when a specific means is expected to fulfil
multiple goals, it dilutes the functional association between the means and the original goal which causes a decrease in perceived instrumentality. Thus consumers believe the product is less able to fulfill its primary goal and have lower expectancy for the product. Although marketers often feel the urge to include a wide variety of attributes in one product, this act can lower the perception of the product’s ability to contribute to the fulfilment of each of the goals. When companies try to fulfill more than one goal, they may be seen as less instrumental in fulfilling each. In other words, the expectancy that the product will fulfill a goal decreases as firms attempt to fulfill other goals.

This increase in the perceived risk of products that claim to fulfill two goals is in line with the previously discussed research showing that ethical products are perceived as riskier (Kang and Kim, 2013). Thus, multifinal means result in a reduction in expectancy of attaining a particular goal. The increased risk associated with multifinal products is mainly due to a weakening of the means-goal associative strength which results in a lower expectancy that the product will fulfill the functional goal. This decreased expectancy will result in certain preferences between products where the firm has one or two goals such that those who are less sensitive to risk will show a more positive tendency towards multifinal firm products. One such factor is discussed in the next section.

2.3. SELF REGULATORY FOCUS

The concept of self regulatory focus was introduced and developed by Higgins (1998) who studied human motivation and goal pursuit from a distinctive angle. He proposed that the way in which we make decisions guides the final decision itself. In order to substantiate this he laid down two distinct motivational pursuits; he coined them promotion and prevention focus. In promotion focus, individuals concentrate on approaching pleasure in order to achieve their aspirations and hopes whereas in prevention focus, they concentrate on avoiding pain in order to fulfill duties and obligations. Additionally, promotion focus leads to greater eagerness in individuals, a positive attitude towards change and a concentration on the ideal self. This is largely due to the attention towards getting as many hits as possible and not making errors of omission. On the other hand, prevention focus leads to greater vigilance in individuals, an
attitude of conservation and a concentration on the ought self. This is in turn due to an attention towards ensuring correct rejections and not making errors of commission (Higgins et al, 2001).

Regulatory focus has been conceptualized as both a trait and a state. As such some studies have attempted to measure chronic focus using questionnaires (Lockwood, Jordan & Kunda, 2002; Higgins et al, 2001) while others have manipulated it through experiments (Semin et al., 2005; Pham & Avnet, 2004). Some studies have also framed regulatory focus through situational primes such as gain and loss frames (Shah, Higgins & Friedman, 1998) or advertising message framing (Ku et al., 2012). Furthermore, Higgins (2002) states that promotion and prevention are not bipolar measures; it is possible for people to be high on both or low on both and thus the difference may be a better measure of individual inclinations. This is similar to how ideal and ought discrepancies work. This research thus uses relative strengths of promotion and prevention when measuring chronic regulatory focus.

To understand regulatory focus we need to delve into the concept of ideal and ought selves as desired end states and Higgins self-discrepancy theory (1987). This looks at ideal self-guides as pertaining to an individual's perceptions of the attributes he or she hopes for or aspires to whereas ought self-guides represent attributes he or she should have. Oughts can be thought of the minimal goals that individuals should fulfill and ideals as the maximal goals. Ideal selves are closely associated with a promotion focus and ought selves are associated with a prevention focus. In terms of persuasion, ideal self individuals respond more positively to affective subjective messages whereas ought self individuals respond more positively to the substance of the message (Pham & Avnet, 2004). This is primarily due to the focus on vigilance versus eagerness that the ought and ideal selves respectively promote and leads to more attractive advertisements being preferred when ideals were primed.

2.3.1. A SRF perspective on Ethical Consumption

Goal focused research in ethical consumption remains a relatively unexplored topic with a few notable examples; Devezer et al. (2014) find that subgoal failure reduces motivation and commitment towards the focal well-being goal, particularly when the end goal or outcome is perceived as unimportant or is less relevant to the self. A sustainable behaviour study using goals
looks at the effect of benefit, descriptive and injunctive appeals depending on whether collective or individual level of self is activated (White & Simpson, 2013). The study contends that the compatibility between goals and level of self leads to more positive evaluations from customers. This means that when the collective self is activated, injunctive or descriptive appeals result in salient collective level goals being congruent and when the individual self is activated, benefit or descriptive appeals result in salient individual level goals being congruent. In both these papers, the authors studied behaviours such as overspending, donating and various eco-friendly activities (Devezer et al., 2014) and composting and grasscycling (White & Simpson, 2013) and did not relate these to consumption of ethical products.

The ideas of prevention and promotion states have been studied from an ethical perspective. A body of research links prevention focus to a preference for ethical behaviour and promotion focus to a greater tolerance for unethical behaviour. The idea that promotion prioritizes change and prevention prioritizes conservation was used by Bock & Kenhove (2010) to illustrate the greater tolerance that promotion focused individuals have towards unethical practices. Similarly, Gino and Margolis (2011) find that a promotion focus leads to greater unethical behaviour than a prevention focus due to a greater preference for risk. These studies look mainly at ethical behaviour, such as honesty but research from a consumption perspective are rarer. However, there are differences between consumption and other types of behaviour including the concept of functional or performance risk. As purchase of ethical products can lead to a tradeoff in functionality or product quality, this makes the consumption situation different from that of ethical behaviour such as recycling. In one study that looked at the consumption context, prevention focus was found to improve purchase intentions for green product related appeals (Ku et al., 2013). However, the authors did not look at how this affected perceptions of risk or product quality and they did not manipulate firm goals. In another study, the preference for ethical products was found to be driven by a desire to avoid or prevent guilt, which is related to prevention focus, rather than impression management, which is related to a promotion focus (Peloza, White & Slang, 2014). Again, this study looks at how prevention focused guilt increases a tendency to behave more ethically and does not research the effect of self regulatory focus on inferences of product functionality and risk. Promotion and prevention focus have different reactions to risk and expectancy as discussed in the next section.
2.3.2. **SRF, Expectancy and Risk**

Expectancy and risk have been previously elaborated to understand their effects on choice as well as their relationship to multifinality. Research has also shown that self regulatory focus interacts with these topics in specific ways.

Shah and Higgins (1997) showed that the interaction of value x expectancy varies depending on a person's self regulatory focus with promotion focused consumers demonstrating the traditional multiplicative effect. Their need to maximize outcomes through maximizing value and expectancy results in greater motivation by high expectancy outcomes when attainment value is also high. However, the authors show that this interaction effect does not hold true for prevention focused consumers who require either high expectancy or high value to be motivated towards a goal. In cases where there is a high value attached to a goal, even small expectancies can lead to sufficient motivation to pursue a goal.

It is important to emphasize what this particular article shows and what it does not. Shah and Higgins (1997) focus on the interaction effect of expectancy and value showing that this is only important when individuals are promotion focused. They do not show how main effects on expectancy and value differ for promotion and prevention focused individuals as the focus is on interaction effects. They use expectancy and value to interpret choice and decision scenarios and predict that the interaction effect will depend on the type of self regulatory focus. They do not, however, show how interpretations of value and expectancy of means and goals will depend on SRF. In order to control for different evaluations of risk and value by promotion and prevention focused individuals, the authors used specific numerical percentages to convey the same level of value and expectancy to all respondents. However, changes in expectancy and value are expected to be received differently by people with different self regulatory focus.

The effect of self regulatory focus on an individual's attitude towards expectancy and risk has been studied to understand the decision making process more clearly. Promotion focused individuals were found to have a more risky response bias and a greater openness to change whereas prevention focused individuals had a more conservative response bias, were less willing to take risks and preferred stability (Crowe & Higgins, 1997; Liberman et al., 1999; Chernev,
One study showed that promotion focussed individuals concentrated more on identifying items correctly, thus responding more quickly in recognition tasks and also saying they recognized more items than in the prevention focussed condition (Crowe & Higgins, 1997). Another study looked at how individuals responded to the option to change the task they were doing and to change the object they possessed. In both cases, prevention focussed individuals demonstrated a preference for stability and promotion focussed individuals demonstrated a preference for change (Liberman et al., 1999). Similarly, Chernev (2004) showed that prevention focused individuals have a preference for the status quo. This effect of goal orientation resulted in greater preference for the alternative that was perceived to be the status quo as well as a greater preference for inaction in prevention focused participants.

It has been found that riskier situations prompt a prevention focus (Lee & Aaker, 2004) and that a promotion focus results in greater risk taking whereas a prevention focus results in more risk aversion (Zhou et al., 2004; Friedman et al, 2001). Lee and Aaker (2004) distinguish between risk taking and perceived risk, emphasizing that risk aversion is a preference for a more certain outcome and that perceived risk is an individual's opinion of risk in a particular situation. Herzenstein and colleagues (2007) find that self-regulatory focus influences risk salience for relatively risky new products. They find that inferences of risk are lower for promotion focused consumers which leads to a larger purchase intentions of new products by promotion focused consumers when associated risks are not specified. This indicates that for promotion focused participants, concern for risk was not as salient a factor as it was for prevention focused participants and thus when risk was not mentioned they did not focus on it.

Therefore, there is an association between promotion focused consumers and a greater tolerance for risk as well as a lower risk salience. This is in contrast to prevention focused consumers who are more sensitive to increased risk and are more likely to find situations risky. These aspects of self regulatory focus result in different reactions to multifinal versus unifinal products.
2.3.3. Effect of Self Regulatory Focus on Multifinality

Research in the area of multifinality has shown the effect of additional goals on perceived functionality through the dilution effect. However, little research has focused on the factors that influence choice of multifinal products over unifinal ones nor considered how firm level goals effect product evaluations. This section looks at how the self-regulatory focus dimensions of prevention and promotion can moderate the preference for products related to multifinal or unifinal firm goals.

Firms that express multiple intentions communicate to consumers that they have been trying to fulfil more than one goal at the same time. This should make them seem less able to fulfil each of those goals individually in a manner similar to the goal dilution effect (Zhang et al., 2007); this states that when additional goals are added to a means, the means seems less instrumental at fulfilling the stated initial goal. For instance, if libraries are considered good places to discuss things with friends then they may seem less effective for quiet study. Similarly, if a company says they are trying to make their cars eco-friendly, they may be seen as less effective at making it fast. This can be termed as functional risk as the product is now seen as less likely or less able to fulfill the functional goal.

As outlined in the previous section, promotion focus leads to a greater tolerance for risk. This would seem to suggest that promotion focused consumers would gravitate towards products when companies state they were attempting to reach multiple goals; their willingness to take risks as well as their lower risk perceptions should make them less worried about decreases in functionality that accompany additional goals. On the other hand, prevention focused consumers should be more wary of how additional goals can impact functionality as they are less interested in taking risks and concentrate more on avoiding mistakes. Thus, they are likely to have a greater preference for products which the company states were produced with only a single goal in mind.
2.4. SUMMARY OF RESEARCH GAPS

This work shows how consumers’ regulatory focus can moderate the relationship between number of goals a firm professes to have in mind when creating an ethical product and consumer inferences of resource reallocation and performance risk. This contributes to Newman et al.’s (2014) work and shows how the effect they describe works through risk perceptions. Additionally, the work also adds to the current self-regulatory focus research. As outlined in previous sections, there is little research on the effect of self-regulatory focus in an ethical consumption context although there is research in an ethical behaviour context. Prevention focus has largely been linked to ethical behaviour and promotion focus to unethical or neutral behaviour. Given the research showing consumers infer functional risks and lower product quality when ethical goals are added, the effects of regulatory focus may not be the same in a product consumption context. This study thus shows how the perception of risk can be used to explain why promotion focused consumers should find ethical products to be of higher quality.

Moreover, this research can add to the growing body of literature on multifinality, including how multiple firm goals can impact consumer perceptions and introduces self regulatory focus as an important moderator of preference for multifinality. As companies are increasingly claiming to fulfill both functional and ethical goals through their product development, this is an area where multifinal means are present and multiple goals are active. Thus, the associations between products as means with functional goals is expected to weaken in situations of multifinality and can help provide a goal based explanation of the tradeoffs in ethical consumption such as why ethical products are often perceived as functionally inferior. This research can therefore also contribute to the existing literature on ethical and sustainable consumption by providing a goal based explanation of the trade-off effect. Overall the research can lead to improvements in marketing ethical products so that greater regulatory fit results in better evaluations of multifinal ethical products.
The conceptual model and the research hypotheses focus on the effect of regulatory focus and perceived performance risk on the dependent variable of purchase intent for products that fulfill both one and two goals. Here regulatory focus is theorized to be moderating the relationship between goal number and purchase intent. This is expected to work through a mediation of perceived risk which regulatory focus has been shown to effect. Lastly the moderated mediation model is tested as per the below hypotheses.

Previous literature has show that means that fulfill multiple goals result in lower perceptions of instrumentality than the same means fulfilling a single goal. This paper contends that regulatory focus will interact with the number of goals fulfilled by a product to influence overall evaluation and purchase intentions. As regulatory focus is not conceived as a bipolar construct, promotion predominance is used to measure the relative strength of promotion over prevention focus.

**H1**: There will be a significant interaction between participants' regulatory focus and the number of goals a product fulfills such that consumers high in promotion predominance (i.e the difference between their promotion and prevention strengths) will have higher purchase intent for two goal products than for one goal products.

Promotion and prevention regulatory focus have been shown to have different risk salience and perceptions. Thus perceived performance risk is theorized to be an important mediating variable as it is likely to influence consumers' purchase intent for products. This is expected to work through resource allocation perceptions similar to that studied by Newman et al. (1998). Both product quality, which was used in previous research and perceived performance
risk, which is added in this paper, are modeled as mediators in an effort to show that performance risk provides a better explanation of purchase intent and leads to inferences of product quality through serial causal composition. Thus perceived performance risk is theorized to be a better mediator than product quality.

**H2:** Products that fulfill multiple goals will indirectly influence consumers' purchase intent negatively through causally linked multiple mediators of resource allocation beliefs and performance risk. The serial mediation model predicts that multiple (vs. single) goals lead people to infer that the firm diverted more resources away from quality, which in turn leads to higher ratings of performance risk and, ultimately, lower purchase intent.

The previous two hypotheses aim to show that the effect of multiple goals on purchase intent works through a mediation of resource allocation and performance risk and is moderated by regulatory focus. Much research shows that regulatory focus influences the weight individuals place on risk with promotion focused individuals responding to risk more positively than prevention focused individuals. The last hypothesis explains this through a moderated mediation process.
**H3:** Self regulatory focus will have a moderating effect on the indirect serial mediation of number of goals on purchase intent through resource allocation and performance risk. Specifically, for promotion focused respondents multiple goals leading to higher performance risk perceptions will lead to higher purchase intent than for prevention focused respondents. Conversely, for prevention focused respondents single goals leading to lower risk perceptions is expected to result in higher purchase intent.
4.0 **Study 1**

This section outlines the first study where participants' chronic regulatory focus was measured to see if it affected evaluations of one goal vs two goal products. This study tests the first research hypotheses to show that promotion focused people evaluate multifinal products more favourably.

4.1. **PARTICIPANTS AND DESIGN**

Undergraduate students were recruited from the MCS research pool at the University of Guelph. They were informed about the study through announcements posted on the SONA\(^1\) website, as well as, on their Courselink\(^2\). Subjects were recruited to participate in this study in exchange for course credit as part of their research component grade in marketing courses. There was no restriction in participation based on gender, age, or education level. This study was conducted in a behavioral computer lab and all measures were collected electronically.

For this study, 62 undergraduate students from the University of Guelph took part in a computer based lab study in exchange for course credit. They were randomly assigned to either the one or two goals conditions and provided with descriptions of products which fulfilled either one or two goals. They also completed a regulatory focus questionnaire to assess their chronic association with either promotion or prevention focus.

Participants were given descriptions of two products in each condition. One was a new way of washing clothes using a washball and the other was a new food product for the market. Using the washball would give a spotless clean in the one goal condition and would give both a spotless clean and minimize water usage in the two goal condition. The burger had great taste in

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\(^1\) SONA is the system used at the University of Guelph to manage the student participant pool
\(^2\) Courselink is the course management system used at the University of Guelph
the one goal condition and both amazing taste and did not harm animals in the two goal condition.

4.2. MEASURING IVS AND DVS

This study looks into whether number of goals that a product aims to fulfill as well as the effect of chronic self regulatory focus has an effect on the intention to purchase.

The participants were presented with a regulatory focus questionnaire which consisted of two subscales for promotion and prevention focus (Lockwood, Jordan & Kunda, 2002). The scale consisted of 18 items of which 9 were related to promotion focus ($\alpha = 0.811$); "I often think about how I will achieve academic success", "In general, I am focused on achieving positive outcomes in my life", and 9 related to prevention focus ($\alpha = 0.798$); "I often imagine myself experiencing bad things that I fear might happen to me.", "In general, I am focused on preventing negative events in my life"). Responses were scored on a 7 point Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree). They were then presented with descriptions of the products and asked to provide their intent to purchase the products.

Participants’ predominant regulatory focus was calculated by subtracting the sum of prevention scores from the sum of promotion scores. Therefore, higher scores on the regulatory focus variable indicate greater predominance of promotion focus in individuals, while lower scores indicate greater predominance of prevention focus in individuals. This was then standardized to arrive at the standardized promotion predominance scores used in the subsequent analysis. The dependent variable of purchase intent was measured using the average of the questions "I plan to purchase this product" and "I would purchase this product if I happened to see it in store".
4.3. DATA ANALYSIS AND RESULTS

Sixty two participants (Mean age = 19.34, 55% female) were recruited to participate in the initial study. The participants were randomly assigned to the two conditions where thirty one saw one goal products and thirty one saw two goal products. A general linear model was used to analyze the purchase intent with the regulatory focus predominance, the goal number (dummy coded: 0 = unifinal or one goal, 1 = multifinal or two goals), and their interaction entered as predictors. Promotion focus predominance shows the strength of individuals promotion focus relative to their prevention focus. The analysis revealed a significant two-way interaction between promotion focus predominance and goal number \[\text{Chi}^2 (1,62) = 6.861, p = 0.009\] on purchase intentions of burgers.

This analysis also revealed a significant two-way interaction between promotion focus predominance and goal number \[\text{Chi}^2 (1,62) = 4.537, p = 0.033\] on purchase intentions for the washball. In order to test the direction of the interaction simple slopes analysis was carried out in SPSS using a simple moderation model.

PROCESS model 1 (Preacher et al., 2007) was used in SPSS to test the interaction between promotion predominance and goal number on purchase intentions for both the burger and the washball. The overall model for burgers was found to be significant, \(F(3, 58) = 189, p = 0.000, R^2 = 0.9096\). It also revealed a significant interaction between promotion predominance and number of goals, \(b = 0.03, t(58) = 2.26, p = 0.0274\). In order to interpret this interaction, the conditional effects of number of goals on purchase intent was analyzed at various levels of the moderator, promotion predominance. The results showed that there is a negative effect of a greater number of goals at every level of promotion predominance but this effect becomes less negative at higher levels of promotion predominance. For low promotion predominance at two standard deviations below the mean (or higher prevention predominance), number of goals has a significant negative effect on purchase intent, \(b = -2.79, t(58) = -16.36, p = 0.000\) and for high promotion predominance at two standard deviations above the mean, number of goals has a lower but still significant effect on number of goals, \(b = -2.34, t(58) = -18.48, p = 0.000\). Although the interaction is in the direction specified, simple slopes reveal that it is negative at all levels of promotion predominance.
The overall model for the washball was not found to be significant, $F(1, 58) = 1.99, p = 0.12$, and neither the main effect of number of goals nor promotion predominance was found to be significant. However, there was a significant interaction between promotion predominance and number of goals, $b = 0.0865, t(58) = 2.14, p = 0.0365$. In order to interpret this interaction, the conditional effects of number of goals on purchase intent was analyzed at various levels of the moderator, promotion predominance. The results showed that at lower levels of promotion predominance there is a negative effect of a higher number of goals on purchase intent but at higher levels of promotion predominance there is a positive effect of a higher number of goals on purchase intent. At two standard deviations below the mean or low promotion predominance, number of goals has a negative effect on purchase intent $b = -0.35, t(58) = -0.83$, $p = n.s$. At two standard deviations above the mean or high promotion predominance, number of goals has a significant positive effect on number of goals, $b = 0.89, t(58) = 2.29, p = 0.0254$. 

Figure 1: Conditional Effect of Number of Goals on Purchase Intent at Levels of Promotion Predominance for Burger
This shows that the interaction of number of product goals and participants' chronic promotion focus has a significant effect on purchase intentions. It further shows that the effect on purchase intentions is positive at higher levels of promotion predominance when the product fulfills two goals and positive at lower levels of promotion predominance when the product fulfills one goal, thus supporting H1.
5.0 Pretest

The pretest tested 3 different manipulations of regulatory focus in order to determine the most effective manipulation to use in the main study.

5.1. REGULATORY FOCUS MANIPULATION PRETEST

The regulatory focus pretest was carried out to test several manipulations of self-regulatory focus to determine which has the greatest effect on participants SRF. Three different regulatory focus manipulations used in previous literature were tested on 137 participants from Amazon's Mechanical Turk (44% Female, Average Age = 34.39) who were randomly placed in any one manipulation condition.

The first manipulation ($M_1 = 3.92, N = 49$) asked respondents in the promotion (prevention) focused condition to "think about something you would ideally like (think you ought) to do; think about a hope or aspiration (duty or obligation) that you currently have and what you are doing to attain this hope or aspiration (meet this duty or obligation)" in a manner used by Freitas and Higgins (2002). The second ($M_2 = 3.83, N = 41$) was based on Pham and Avnet's (2004) regulatory focus manipulation where participants were asked to think about their past hopes, aspirations, and dreams, and to list two of them and then asked to think about their current hopes aspirations, and dreams, and again to list two of them in the promotion focused condition. In the prevention focused condition, participants were asked to think about their past and then current duties, obligations, and responsibilities, and to list two of them. The third manipulation ($M_3 = 3.91, N = 45$) was based on Semin et al. (2005) where participants in the promotion condition were asked, “Imagine that you are the kind of person who likes to be a good friend in his close relationships. What would your strategy be to meet this goal?” and in the prevention condition were asked “Imagine that you are the kind of person who believes you should try not to be a poor friend in your close relationships. What would your strategy be to meet this goal?”.
Their extent of promotion and prevention focus was then measured using Pham and Avnet's (2004) manipulation check scale which asked respondents if they would prefer to: (1) do what is right (prevention) versus do whatever I want (promotion); (2) take a trip around the world (promotion) versus pay back my loans (prevention); and (3) go wherever my heart takes me (promotion) versus do whatever it takes to keep my promises (prevention). The average of the three items was taken to arrive at manipulation check scores.

Pham and Avnet's (2004) regulatory focus manipulation where participants were asked to think about their past hopes, aspirations, and dreams, and to list two of them and then asked to think about their current hopes aspirations, and dreams, and again to list two of them in the promotion focused condition was found to be the most successful manipulation with a medium effect size of 0.236.

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>N</th>
<th>Std. Deviation</th>
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<td>20</td>
<td>.75394</td>
</tr>
<tr>
<td>Promotion Focus</td>
<td>4.0476</td>
<td>21</td>
<td>1.07127</td>
</tr>
<tr>
<td>Total</td>
<td>3.8293</td>
<td>41</td>
<td>.94611</td>
</tr>
</tbody>
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Table 1: Descriptive Statistics of Manipulation Check 2

6.0 Pilot Study

The pilot study used the most successful manipulation of regulatory focus in the pretest and tested the effects of number of company goals on the perceptions of resource allocation and performance risk in a 2x2 (regulatory focus: promotion vs prevention x firm goals: one vs two) experiment. Participants on Amazon's Mechanical Turk were randomly assigned to complete the manipulation of regulatory focus and then read the description of a product that fulfills a single goal or the same product when it fulfills two goals. They then completed measures of perceptions...
of resource reallocation and perceived performance risk followed by a few demographic questions.

The measurement of perceptions of resource allocation were carried out in the same manner as in study 1. Perceived performance risk was measured using the scale developed by Shimp and Beaden (1982) which asked questions such as; "How sure are you about the product's ability to perform satisfactorily", "In your opinion, do you feel that the new product if introduced would perform as well as other products now on the market?" and "How confident are you of the product's ability to perform as expected?". The 7-point scale items were averaged to give the performance risk score for the product.

For the pilot study 43 respondents from Amazon's Mechanical Turk participated in the 2x2 experiment with burger and drain cleaner as the two products. A two-way ANOVA found that the interaction of the SRF manipulation and number of goals on resource allocation perceptions was near significant, $F(1, 42) = 3.199, p = 0.074$, and functional risk perceptions was significant, $F(1,42) = 8.18, p = 0.004$, for burgers. A two-way ANOVA for the drain cleaner product's perceived performance risk found a nearing significant interaction between the regulatory focus manipulation and number of goals, $F(1,42) = 3.345, p = 0.067$.

This lends further support to the hypothesis that the interaction between regulatory focus (in this case manipulated rather than measured) and number of product goals is significant in determining the perceived performance risk of a product and perceptions of resource allocation. The next study looks at this in more depth with larger sample sizes and tests it further.
7.0 Study 2

Study 2 manipulated participants' regulatory focus and tested for the interaction effect between regulatory focus and different conditions on purchase intentions. It also tested for the effects of the mediation of perceived performance risk on final purchase intent. Participants saw 2 products in this study, one product (the drain cleaner) using direct stimuli from previous work by Newman et al. in order to attempt to replicate their effects and the other product (dishwashing soap) using goal related stimuli.

7.1. STUDY 2A - REPLICATION WITH PERFORMANCE RISK ADDED

The first part of this study aimed to replicate Newman et al.'s (2014) experiment 2A using their exact drain cleaner stimuli and adding perceived performance risk to the model. It aimed to substantiate their results and also show how performance risk is relevant to the relationships analyzed. The study was a between subjects design with participants randomly assigned to either the intended, unintended, control or care-about-both conditions.

Following the previous analysis, a one-way ANOVA for the drain cleaner indicated a significant effect of condition on beliefs about resource allocation, $F(3, 203) = 3.620, p = 0.014$, but a non-significant effect of condition on purchase intentions. This is contrary to Newman et al.'s (2014) analysis where the effect of condition on purchase intent was significant. Additionally Newman et al. only found a marginal effect of product quality and our analysis did not find any effect of product quality on purchase intentions.

A serial mediation model was run for the drain cleaner product where the unintended condition was dummy coded as 0 and the three other conditions (intended, control, and care-about-both) as 1. A bootstrap analysis with 5,000 samples (Preacher and Hayes, 2008) was carried out to test the indirect effect of intention on purchase intent through mediation of resource allocation beliefs and perceived performance risk. The results showed that the suggested model was better than the previous one with product quality used by Newman et al. The serial mediation model using both resource allocation and perceived performance risk was
significant (indirect effect = -0.0339, SE = .0183, 95% CI = -0.0910 to -0.0096) and is given in the diagram below. The model developed by Newman et al. in which the mediation occurred through resource allocation and product quality was found to be non significant (indirect effect = -0.0120, SE = .0152, 95% CI = -0.0564 to 0.0091). However, the full serial mediation model of the effect of intentions on purchase intent through mediators of resource allocation, perceived risk and product quality beliefs was also significant though it was weaker than the model without product quality (indirect effect = - 0.0081, SE = 0.0051, 95% CI = -0.0265 to -0.0020). This shows that perceived performance risk is an important mediator of the process where company intentions can lead to beliefs about resource allocation which can lead to performance risk perceptions which eventually result in the consumers' purchase intent for a particular product. It also indicates that product quality may have just been a proxy for performance risk in previous studies as it is influenced by resource allocation through risk but was not a significant mediator on its own in this study.

![Diagram](image)

*p <0.05, **p <0.01, *** p < 0.001

This shows that the intended condition (dummy coded as 1) leads to higher perceptions of resources being reallocated which in turn means higher performance risk perceptions. Finally risk perceptions are negatively related to purchase intent and so this leads to a lower intent to purchase. The direct effect was both small and insignificant and thus is not taken into consideration. The overall model shows that resource allocation and perceived performance risk fully mediates the indirect effect of company intentions on purchase intent.
7.2. STUDY 2B - PARTICIPANTS AND DESIGN

The second study was a 2 x 2 x 2 (regulatory focus: promotion vs prevention x firm goals: one vs two x goal focus: performance vs ethical) between subjects design. The goal focus was manipulated in the two goal condition by either having the performance goal come first ("dishwashing soap that both removes grease more effectively and is also better for the environment") or the ethical goal come first ("dishwashing soap that is both better for the environment and also removes grease more effectively") in the product description. The effect of these four conditions on the dependent variables was expected to be observed when performance goals were considered primary goals, as the addition of ethical goals to the product is expected to have a stronger effect on the primary goal and perceptions of performance risk through a belief that resources had been reallocated away from the main goal. The necessary sample size was calculated in G*Power using a medium effect size of 0.25, a power of 0.95 and an \( \alpha \) of 0.05. With one degree of freedom for eight groups, the recommended sample size was 210. A total of two hundred and ten undergraduate students at the University of Guelph participated in the research in the computer lab in exchange for course credit. After adjusting for missing data and non-consenting participants the usable sample size was 205 (Mean Age = 19.36, 55% female).

Participants were first given the regulatory focus manipulation for either prevention or promotion focus where regulatory focus was manipulated using the most effective manipulation from the pretests, i.e. using the procedure from Pham and Avnet (2004). They were then assigned randomly to either the one or two firm goals condition and were presented with products where the firm's goal focus was either performance or ethical. After reading the descriptions they evaluated the product and also answered questions related to perceptions of resource allocation, product quality, performance risk and purchase intent.

7.3. MEASUREMENTS

In this study, the dependent variables were measured using scales and measures from previous work. The three variables of resource allocation beliefs, product quality measures and purchase intentions were taken from Newman et al.'s 2014 paper and the perceived performance
risk variable was measured using the scale developed by Shimp and Beaden (1982). All measures were taken on 7 point scales.

Product quality was measured using the average of three items ($\alpha = 0.774$); "How would you rate the ability of this new dishwashing soap to clean plates?", "How would you rate the ability of this new dishwashing soap to remove grease?" and "How would you rate the overall quality of the dishwashing soap?". Participants then indicated their agreement with the resource reallocation statement; "In order to make the dishwashing soap better for the environment, the company took resources away from making this product better in quality." They also rated their intent to purchase the dishwashing soap on a scale ranging from "Definitely would not buy" to "Definitely will buy".

Perceived performance risk was measured as the average of 4 items adapted from Shimp and Bearden's 1982 study ($\alpha = 0.811$); "How sure are you about the dishwashing soap's ability to work satisfactorily?", "Considering the possible problems associated with the product's effectiveness, how much risk would you say would be involved with purchasing the new dishwashing soap?", "In your opinion, do you feel that the new dishwashing soap if introduced would perform as well as other dishwashing soaps now on the market?" and "How confident are you of the dishwashing soap's ability to clean as expected?".

7.4. DATA ANALYSIS & RESULTS

SPSS was used to analyze the results where generalized linear ANOVA models were run using resource allocation, perceived risk and purchase intentions as the response variable, and number of goals and regulatory focus as predictors. PROCESS models for serial mediation were also run in SPSS. Lastly mPlus was used for the final analysis of moderated mediation.

7.4.1. MAIN AND INTERACTION EFFECTS ON PURCHASE INTENT AND RESOURCE ALLOCATION

Two way ANOVAs for the dishwashing soap were carried out with purchase intentions as the dependent variable and regulatory focus manipulation and conditions as IVs. The main
effect of conditions is found to be significant $F(1, 199) = 3.662, p = 0.013$ and pairwise comparisons revealed that this difference reflects a significant difference between the one goal ($M = 4.95$) and two goal ($M = 5.64$) performance goal focus conditions ($p = 0.004$). This indicates that the difference in purchase interest is driven by the performance goal focus conditions. A two way ANOVAs with only the one and two performance goal conditions and regulatory focus as the independent variables found a highly significant effect of goal number, $F(1, 107) = 7.995, p = 0.006$ and is shown in the figure below.

![Means of Purchase Intent Across Manipulations & Goal Number](image)

**Figure 4: Purchase Intent of Dishwashing Soap Across Goal and Regulatory Focus Conditions**

Two way ANOVAs with Resource Allocation as the DV and regulatory focus manipulation and conditions as IVs were carried out for the dishwashing soap. This showed a non-significant effect of the number of goals conditions on resource allocation beliefs. However, pairwise comparisons revealed that the difference between the single goal condition ($M = 3.068$) and the two goal condition with performance as the primary goals ($M = 3.677$) was nearing significance ($p = 0.058$). Selecting only the one and two goal performance focus conditions and running the
two-way ANOVA again revealed a significant effect of number of goal conditions on resource allocation beliefs, $F(1, 106) = 4.04$, $p = 0.047$. This indicated that the effect only worked for those products where performance was the main goal and thus only the one and two performance goal focus conditions were used for further analysis. These results indicate that number of goals in the performance focus condition has a significant effect on resource allocation beliefs and purchase intentions.

![Means of Resource Allocation at Levels of Manipulation and Goal Number](image)

**Figure 5: Resource Allocation Beliefs of Dishwashing Soap Across Goal and Regulatory Focus Conditions**

Furthermore, although the interaction effects and main effect of regulatory focus was not significant, the diagrams show that they were in the right direction. A promotion focus resulted in lower resource allocation beliefs and higher purchase intentions. Later studies can look into this further to assess whether the studies can be improved to bring these effects to significance.
7.4.2. **Serial Mediation**

In order to test the serial mediation effects in hypothesis 2, model 6 from the PROCESS model developed by Preacher, Rucker, & Hayes (2007) was used. PROCESS can be used to analyze path-based moderation and mediation, as well as their combination as a “conditional process model” (Hayes, 2012). It generates conditional effects in moderation models, and conditional indirect effects in moderated mediation models with single or multiple mediators. The model was run with one or two performance goal conditions as the independent variable, purchase intent as the dependent variable and resource allocation, perceived performance risk and product quality as the mediators. The mediators included resource allocation beliefs, a variable used by Newman et al. in their 2014 paper and a new variable of perceived performance risk that is expected to explain the process more fully.

The serial mediation analysis was run for the dishwashing soap using a bootstrap analysis with 5,000 samples (Preacher and Hayes, 2008). The single performance goal condition was dummy coded as 0 and the two performance goals condition with ethical goals added was dummy coded as 1. Similar to study 2A, the serial mediation model including both resource allocation and perceived performance risk was significant (indirect effect = -0.0486, SE = 0.0318, 95% CI = -0.1444 to -0.0067) while the mediation model with resource allocation and product quality was not significant (indirect effect = -0.0067, SE = 0.0278, 95% CI = -0.0777 to 0.0391). Additionally, as with the previous analysis the full mediation model using resource allocation, performance risk and product quality was significant but weaker than the performance risk model alone (indirect effect = -0.0217, SE = 0.0169, 95% CI = -0.0788 to -0.0028). Again this strengthens the argument that perceived performance risk is a better mediator than product quality and that previous research may have captured product quality as a proxy for performance risk.
Here the two goal condition (dummy coded as 1) leads to higher perceptions of resources being reallocated which in turn means higher performance risk perceptions. Finally risk perceptions are negatively related to purchase intent and so this leads to a lower intent to purchase. The direct effect, however, was positive, showing that a product that fulfills two goals leads to lower purchase intentions which is in line with existing theory that a product that fulfills more goals has greater demand. The negative indirect effect tells us more about the way additional goals impact consumer perceptions in a manner that has a lowering effect on purchase intent. The serial mediation model reveals the negative effect of increased goals on purchase intent through the increase in perceived risk. This supports the hypothesis (H2) that perceived performance risk is an important mediator of the process where greater number of company goals can lead to beliefs about resource reallocation which can lead to higher performance risk perceptions which have a negative effect on purchase intent for a particular product.

7.4.3. **Moderated Mediation**

Self regulatory focus was expected to moderate the indirect effect of number of goals on purchase intent through resource allocation and performance risk as given in hypothesis three. mPlus was used to test the moderated mediation as it is a much more versatile application that can analyze the relationship between various factors in any specified model. The model used is given in hypothesis three and tested the effects of regulatory focus interacting with the indirect effect through perceived risk on purchase intentions (H3). Here the first mediator, resource
allocation, is given as m1, the second mediator, perceived performance risk is given as m2 and the dependent variable, purchase intentions, is given as y.

For the drain cleaner product, the conditions (represented by x) were coded as before with intended condition coded as 1 and the unintended condition coded as 0. A bootstrap analysis using 5000 draws was run in mPlus and the model generated for the first product, drain cleaner, with 205 respondents, is given below.

Figure 6: Moderated Mediation Model for Drain Cleaner

Here the previously established indirect effect of intention (x) on resource allocation (m1) on perceived performance risk (m2) on purchase intent (y) was found to be significant (Sum of indirect = -0.034, SE = 0.018, p = 0.046). However, the interaction between the manipulation of regulatory focus and perceived risk (m2v) on purchase intentions as well as the effect of regulatory focus on purchase intent (v) was not significant.
The model was run in mPlus with the second product, dishwashing soap, where the performance goal conditions, given as x, were coded as before with two goals coded as 1 and one goal coded as 0. A bootstrap analysis using 5000 draws was run and the model generated for the dishwashing soap with 110 respondents, is given below:

![Diagram](image)

Figure 7: Moderated Mediation Model for Dishwashing Soap

Similar to the serial mediation analysis, the indirect effect was found to be significant (Indirect effect = -0.053, SE = 0.012, p = 0.045). The interactions between perceived risk and regulatory focus (m2v) on purchase intentions as well as the effect of regulatory focus on purchase intent (v) were not found to be significant and thus the moderated mediation effect could not be shown. The analysis thus does not support hypothesis three which predicted a moderated mediation model with regulatory focus manipulation interacting with perceived risk to influence purchase intent. This lack of support may be due to a variety of factors which are discussed in the next section.
8.0 Discussion and Conclusion

This research aimed to analyze the effects of regulatory focus on ethical products from a goal perspective. The current literature on regulatory focus and ethical behaviour shows a positive relationship between prevention focus (and its ties to duty and conservation) and behaving in a more ethical manner (Bock & Kenhove, 2010; Gino and Margolis, 2011). However, the link between purchase of ethical products and regulatory focus has not been researched in as much depth. This research predicts that when it comes to ethical consumption the relationship will be reversed with promotion focus interacting with goal number to result in greater evaluations and purchase intentions for products that fulfill ethical goals. This is theorized to occur due to the presence of performance risk in consumption and the relationship between promotion focus and lower risk salience and perceptions. This is subsequently tested in two studies.

8.1. STUDY 1

The first study measured participants' chronic regulatory focus and showed how this interacted with the number of product goals on final evaluations and purchase intentions. The results showed that there is a significant interaction of promotion predominance with goal number when it comes to the intent to purchase. This effect was shown using two products, burger and washball, finding significant interactions where a one goal product had lower purchase intent and evaluations with higher promotion predominance scores. Analyzing the conditional effect of number of goals on purchase intentions using simple slopes shows that at higher levels of promotion predominance the relationship between higher number of goals and regulatory focus This helps support the first hypothesis.

8.2. STUDY 2

The second study was designed to test the mediation of perceived risk and how it would interact with a participants' regulatory focus. In this case, the regulatory focus was manipulated
using the most successful manipulation from three different ones taken from literature that were tested on 137 mTurk respondents. Participants were shown products that fulfilled one or two goals, with the second goal being an ethical one and were asked to state their beliefs on how much resources had been reallocated, the perceived performance risk and purchase intentions.

Performance risk was added to Newman et al.’s (2014) mediation using resource allocation and purchase intent. In order to draw parallels with Newman et al.’s work, both their direct stimuli of drain cleaner, using intended and unintended, and goal relevant stimuli of one or two goals for dishwashing soap were used. The effects after running the PROCESS model were found to be consistent for both products, with a significant indirect serial mediation through resource allocation, perceived performance risk and purchase intent. The intended condition resulted in higher beliefs of resource allocation than the unintended condition, leading to higher risk perceptions and lower purchase intent. Similarly, the two goal condition where the firm stated the product fulfilled an additional ethical goal resulted in higher resource allocation beliefs than the single goal condition, leading to greater perceptions of risk and lower purchase intent.

However, one important issue concerned the fact that indirect and direct effects were in opposite directions. For the dishwashing soap, only a partial negative indirect effect was found through serial mediation analysis whereas the direct effect was positive. This is likely because products that fulfill two goals are expected to lead to greater purchase intent but there is a negative effect on these intentions through the increase in performance risk perceptions related to the product. Additionally there is a possibility that social desirability bias or some other preference for ethical products may have led to consumers claiming intent to purchase a riskier product.

The importance of perceived risk in these assessments supports the second hypothesis and leads us to expect that regulatory focus will moderate the results. However, there is a lack of support for an interaction between perceived risk and goal number in subsequent analysis in mPlus. One possible cause for this is the manipulation being unsuccessful in overcoming participants’ chronic regulatory focus. As participants have a chronic tendency towards promotion or prevention focus, it may be hard for manipulations to strongly affect this construct. Regulatory focus can be difficult to manipulate and thus pretests were carried out before the
main study and only the manipulation with the largest significance and effect size was used in study 2. However, due to time and other constraints, the pretest was carried out on Amazon's mechanical Turk while the main study was carried out on student participants. The differences between these two groups in terms of age and other demographic factors as well as the location in which the study was carried out may have contributed to different effects of the same regulatory focus manipulation. Thus, although perceived risk was a significant mediator, regulatory focus did not interact with number of goals or resource allocation to influence risk or purchase intent.
9.0 Contributions, Implications & Limitations

9.1. THEORETICAL CONTRIBUTION

This research can contribute to the growing body of literature on multifinality, self regulatory focus and ethical consumption. Firstly, research on the factors that influence evaluation of products created by firms with multiple goals is at a nascent stage, with recent research delving into understanding this topic more fully. The impact of self regulatory focus on this relationship remains unexplored and this research shows that consumers’ chronic self regulatory focus can influence their evaluation and purchase intent for products that fulfill multiple goals such as products that claim to fulfill ethical goals in addition to their regular goal.

In addition this research can contribute to the ethical consumption literature by showing how in the case of consumption individuals’ self regulatory focus may interact differently than in the case of ethical behaviour. The research shows that higher promotion predominance lead to more positive evaluations and higher purchase intentions for two goal products. This is in contrast to research that shows a promotion focus leads to more unethical behaviour and thus contributes to understanding the differences between ethical behaviour and consumption.

The studies also help conceptualize ethical products from a goal perspective and draw parallels between previous work on intentions and goal research. By carrying out the same analysis on both intended/unintended and one goal/two goal products, the research showcases how both encounter similar mediations through resource allocation and perceived risk.

9.2. MANAGERIAL AND SOCIAL IMPLICATIONS

The managerial implications for this research can extend to any company that has or is in the process of developing multifinal, particularly ethical products. They can then choose their advertising language so as to maximize regulatory fit and result in more positive consumer
evaluations of the products. The pairing of ethical goals with other goals can take into consideration this extra factor in order to end up with better sales.

This research also has social implications as increases in the evaluation and uptake of ethical products will be beneficial to society and the planet as a whole. Governments and organizations around the world have been working to improve ethical standards and provide a greater range of ethical products. Yet the uptake for these products has been lower than expected. Previous research has uncovered many reasons for this and thereby helped to make decision making easier for those hoping to increase the market for ethical products. This research adds another consideration of how the number of firm goals can fit with the self regulatory focus of the product being sold.

9.3. LIMITATIONS AND FUTURE RESEARCH

A major limitation of this study surrounds the use of respondent samples. The main studies incorporate undergraduate students as sample respondents in order to test the hypotheses. This is largely due to a lack of time and availability of outside respondents and is likely to make the results less generalizable to the wider population. It would be interesting to see if the effects would hold if a wider population was used.

Similarly, the pretest and main study sample respondents differed significantly. In the case of the pretest where mTurk respondents were used, it is not consistent with the demographic and environmental conditions that the student respondents in the main study had to contend with. The average age of the students in study 2 was 19.36 whereas the average age for mTurk respondents in the pretest was 34.4. This difference in age means that the respondents were in very different stages of their lives and this may have made the most effective manipulation in the pretest less effective once it was used with student samples. The manipulation chosen asked participants to think of past and current hopes or obligations; this may indeed have been more relevant to those who were older as recalling their past selves helped cement current views and regulatory focus. Conversely, students are still close in age to their past selves and the impact of
the manipulation may have been lessened. Future research should retest with different samples and also ensure that pretest respondents are representative of the main study participants.

Another limitation of the study is that it lacks ecological validity as consumers are asked about means evaluations and purchase intentions by simply reading descriptions on a computer screen. As such, the setting is not the same as it would be for most people in this decision context. However, time and budget restrictions did not make it possible to carry out the research in a purchase environment. Future research can look into how decisions are made when the context is different and attempt to carry out studies in real life purchase situations such as in a shopping mall or in an online product purchase context.

Future studies can look further into this topic by using more robust manipulations of regulatory focus and carrying out studies on samples similar to the pretest samples. Additionally, the advertisements for one or two goal products can be altered to be more promotion or prevention oriented and matched with both individuals' chronic and manipulated regulatory focus to see the interaction effects that are involved. This would enable the testing of situational primes through advertising message framing and whether regulatory focus interacts with these different frames. Additionally future research in this domain can look into the effects of other moderators of multiple goals on various dependent variables, including product design, goal salience and cognitive load.

It would also be interesting to see how different types of products, such as new products, hedonic or utilitarian products, experiential or material products etc are affected by multiple vs single goals. For instance, future research can be carried out in the area of new and innovative products. Herzenstein and colleagues explored the effects of regulatory focus on new products and found that risk salience is lower for promotion focused individuals. There is scope to look at this area from the perspective of core and radical innovations. Future studies can look at how the introduction of core and radical innovations are affected by whether the brand is dominant or not (Bagga, Noseworthy and Dawar, 2016). Moreover, innovation diffusion has been modelled across many countries and results have shown that country characteristics such as openness and individualism often play a part in influencing the spread of innovations (Islam & Meade 1996; Meade & Islam, 2010; Islam, 2014; Islam & Meade 2013). Previous research has shown that
regulatory focus and self-construal are related, with promotion focus being linked to a more individual self-construal and prevention focus to a more independent self-construal (Lee, Aaker, & Gardner, 2000). Thus, countries higher in individualism are likely to be more promotion focused and this factor may be behind lower adoption times and faster diffusion in these regions.

Future work can also look at new perspectives such as schema congruity to test how it influences ethical goals and regulatory focus. Research in congruity suggests that moderately incongruent objects will result in the greatest preference among consumers due to a more positive affective response in resolving the incongruity (Jhang, Grant, & Campbell, 2012; Noseworthy, Finlay & Islam, 2010; Noseworthy et al., 2012). Some ethical products have become commonplace and their alignment with category expectations means consumers have to give little effort in processing these products. However, certain ethical goals may not match a product's established schema and thus would be more difficult to resolve. For instance, consumers are familiar with fair trade coffee but fair trade bananas may be less congruent with their schemas. This line of research has found that partial or incomplete environmental cues on packaging lead to lower perceptions of efficacy and purchase intentions as a result of an activated but unresolved schema (Prancer, McShane & Noseworthy, 2015). Previous work has found that a promotion focus results in more favourable attitudes towards the brand in situations of source content incongruity whereas the opposite is true for prevention focused consumers (Chang & Lin, 2010). Thus, in the face of products with schema incongruent ethical goals, promotion focused consumers may develop more favourable attitudes towards the brand.
10.0 References


Joshi, S. (2003, November 13). Getting the recipe right: Why do so many new products and brands fail? Make sure every element in the marketing strategy is right, from concept to launch to distribution. *Businessline.*


### 11.0 Appendix

**Measuring Regulatory Focus Questionnaire (Lockwood, Jordan & Kunda, 2002)**

Please indicate your answer to each question by circling the appropriate number next to it.

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>In general, I am focused on preventing negative events in my life</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I am anxious that I will fall short of my responsibilities and obligations</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I frequently imagine how I will achieve my hopes and aspirations</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I often think about the person I am afraid I might become in the future</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I often think about the person I would ideally like to be in the future</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I typically focus on the success I hope to achieve in the future.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I often worry that I will fail to accomplish my academic goals.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I often think about how I will achieve academic success</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I often imagine myself experiencing bad things that I fear might happen to me</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I frequently think about how I can prevent failures in my life.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I am more oriented toward preventing losses than I am toward achieving gains.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>My major goal in school right now is to achieve my academic ambitions.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>My major goal in school right now is to avoid becoming an academic failure.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I see myself as someone who is primarily striving to reach my “ideal self”—to fulfill my hopes, wishes, and aspirations.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I see myself as someone who is primarily striving to become the self I “ought” to be—to fulfill my duties, responsibilities, and obligations.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>In general, I am focused on achieving positive outcomes in my life.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I often imagine myself experiencing good things that I hope will happen to me.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Overall, I am more oriented toward achieving success than preventing failure.</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>
Experiment 2A stimuli (Newman, Gorlin & Dhar, 2014)

Control Condition

The Keyes Corporation manufactures household cleaning products such as detergents and cleaning sprays. In a meeting with the CEO of the Keyes Corporation, the Vice President of Research and Development, Joe Smith, announces that the Research team has been working for months on developing a new formula for an all-purpose household cleaner.

Extensive tests have revealed that the new formula is better for the environment. Joe Smith states, “This new household cleaner is significantly better for the environment than competing brands.” Tests conducted by independent agencies confirm that the new household cleaner is indeed better for the environment than any other brand in the marketplace.

Intended Condition

The Keyes Corporation manufactures household cleaning products such as detergents and cleaning sprays. In a meeting with the CEO of the Keyes Corporation, the Vice President of Research and Development, Joe Smith, announces that the Research team has been working for months on developing a new formula for an all-purpose household cleaner that is better for the environment.

Extensive tests have revealed that the new formula is better for the environment. Joe Smith states, “As we initially intended, this new household cleaner is significantly better for the environment than competing brands.” Tests conducted by independent agencies confirm that the new household cleaner is indeed better for the environment than any other brand in the marketplace.

Unintended Condition

The Keyes Corporation manufactures household cleaning products such as detergents and cleaning sprays. In a meeting with the CEO of the Keyes Corporation, the Vice President of Research and Development, Joe Smith, announces that the Research team has been working for months on developing a new formula for an all-purpose household cleaner.

Extensive tests have revealed that the new formula unexpectedly happens to be better for the environment. Joe Smith states, “As an unintended side effect, this new household cleaner is significantly better for the environment than competing brands.” Tests conducted by independent agencies confirm that the new household cleaner is indeed better for the environment than any other brand in the marketplace.
Care-about-Both Condition

The Keyes Corporation manufactures household cleaning products such as detergents and cleaning sprays. In a meeting with the CEO of the Keyes Corporation, the Vice President of Research and Development, Joe Smith, announces that the Research team has been working for months on developing a new formula for an all-purpose household cleaner that is both better for the environment and is a good household cleaner.

Extensive tests have revealed that the new formula is better for the environment. Joe Smith states, “As we initially intended, this new household cleaner is significantly better for the environment than competing brands.” Tests conducted by independent agencies confirm that the new household cleaner is indeed better for the environment than any other brand in the marketplace.

Experiment 2B stimuli

Performance Goal Focus - One Goal Condition

The Keyes Corporation manufactures household cleaning products such as detergents and cleaning sprays. In a meeting with the CEO of the Keyes Corporation, the Vice President of R&D, Joe Smith, announces that the R&D team has been working for months on developing a new formula for dishwashing soap that removes grease more effectively. Extensive tests have revealed that the new formula fights grease better than previous dishwashing soap the company has produced.

The main goal of using this dishwashing soap is to get rid of grease. Joe Smith states, “This new dishwashing soap is significantly better at removing grease than competing brands.” Tests conducted by independent agencies confirm that the new dish soap is indeed better at removing grease than any other brand in the marketplace.

Performance Goal Focus - Two Goal Condition

The Keyes Corporation manufactures household cleaning products such as detergents and cleaning sprays. In a meeting with the CEO of the Keyes Corporation, the Vice President of Research and Development, Joe Smith, announces that the Research team has been working for months on developing a new formula for dishwashing soap that both removes grease more effectively and is better for the environment. Extensive tests have revealed that the new formula fights grease more and is better for the environment than previous dishwashing soap the company has produced.

The main goal of using this dishwashing soap is to get rid of grease and to be environmentally friendly. Joe Smith states, “This new dishwashing soap is significantly better
at removing grease than competing brands. It is also more eco-friendly than other similar products.” Tests conducted by independent agencies confirm that the new dish soap is indeed better at removing grease and more friendly towards the environment than any other brand in the marketplace.

**Ethical Goal Focus - One Goal Condition**

The Keyes Corporation manufactures household cleaning products such as detergents and cleaning sprays. In a meeting with the CEO of the Keyes Corporation, the Vice President of Research and Development, Joe Smith, announces that the Research team has been working for months on developing a new formula for dishwashing soap that is better for the environment. Extensive tests have revealed that the new formula is better for the environment than previous dishwashing soap the company has produced.

**The main goal of using this dishwashing soap is to be environmentally friendly.** Joe Smith states, “This new dishwashing soap is significantly more eco-friendly than other similar products.” Tests conducted by independent agencies confirm that the new dish soap is indeed more friendly towards the environment than any other brand in the marketplace.

**Ethical Goal Focus - Two Goal Condition**

The Keyes Corporation manufactures household cleaning products such as detergents and cleaning sprays. In a meeting with the CEO of the Keyes Corporation, the Vice President of Research and Development, Joe Smith, announces that the Research team has been working for months on developing a new formula for dishwashing soap that is both better for the environment and also removes grease more effectively. Extensive tests have revealed that the new formula is better for the environment and better at fighting grease than previous dishwashing soap the company has produced.

**The main goal of using this dishwashing soap is to be environmentally friendly and to also get rid of grease.** Joe Smith states, “This new dishwashing soap is significantly more eco-friendly than other similar products. It is also better at removing grease than competing brands.” Tests conducted by independent agencies confirm that the new dish soap is indeed more friendly towards the environment and better at removing grease than any other brand in the marketplace.
Perceived Performance Risk Questions (using Shimp and Bearden, 1982)

How sure are you about the drain cleaner's ability to work satisfactorily?

<table>
<thead>
<tr>
<th>Very Sure</th>
<th>Not sure at all</th>
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<td>1</td>
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<td>3</td>
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<td>5</td>
<td>6</td>
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<td>7</td>
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</table>

Considering the possible problems associated with the product's effectiveness, how much risk would you say would be involved with purchasing the new drain cleaner?

<table>
<thead>
<tr>
<th>Very little risk</th>
<th>A great deal of risk</th>
</tr>
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<tbody>
<tr>
<td>1</td>
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<td>3</td>
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<td>5</td>
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</table>

In your opinion, do you feel that the new drain cleaner if introduced would perform as well as other drain cleaners now on the market?

<table>
<thead>
<tr>
<th>Would perform as well</th>
<th>Would not perform as well</th>
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<tbody>
<tr>
<td>1</td>
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<tr>
<td>3</td>
<td>4</td>
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<td>5</td>
<td>6</td>
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</table>

How confident are you of the drain cleaner's ability to clean as expected?

<table>
<thead>
<tr>
<th>Very confident</th>
<th>Not confident at all</th>
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<td>1</td>
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