

Desire to Acquire: Powerlessness and Compensatory Consumption

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Three experiments examine how power affects consumers' spending propensities. By integrating literatures suggesting that (a) powerlessness is aversive, (b) status is one basis of power, and (c) products can signal status, the authors argue that low power fosters a desire to acquire products associated with status to compensate for lacking power. Supporting this compensatory hypothesis, results show that low power increased consumers' willingness to pay for auction items and consumers' reservation prices in negotiations but only when products were status related. The link between powerlessness and compensatory consumption has broad implications both for consumers' health and well-being and for understanding the psychological state of power.

Power is perhaps one of the most omnipresent forces in consumers' social world. Throughout the day individuals are likely to have experiences of feeling both powerful and powerless. For example, meeting with one's boss, defending a thesis, or submitting a job application might evoke the psychological state of feeling powerless. Conversely, interviewing a potential employee, giving advice, or setting a curfew for one's child might evoke the opposite state of feeling powerful. Similarly, in contemporary capitalism, consumption takes front and center on the stage of everyday life. Despite the importance of the twin forces of power and powerlessness, the relationship between them has not been systemically explored. The current research addresses a straightforward but important question: is a state of low power associated with a decreased willingness to pay for products, or might powerlessness actually produce an increased desire to acquire certain types of products?

One simple prediction is that a state of low power might

signal to consumers that they have fewer resources and, as a result, reduce the amount they are willing to spend on products. Indeed, Mandel, Petrova, and Cialdini (2006) suggest that the perception of fewer resources decreases consumers' preference for luxury products. While recognizing this possibility, we propose that states of low power can focus consumers on restoring or gaining power and thus have the opposite effect on consumers' consumption by increasing their willingness to pay for products that serve this end.

We suggest that feeling powerless is often an aversive state that will lead consumers to attempt to attenuate or alter this state. Furthermore, prior theorizing suggests that status is one source of power, and thus feeling powerless might be compensated for by demonstrating or obtaining status. As a result, we predict that feeling powerless, relative to feeling powerful (or baseline conditions), will increase consumers' desire to acquire products associated with status as measured by their willingness to pay. Further, we argue that this increased attraction to high-status products stems from a specific inclination to reestablish power rather than a general mood repair or mood maintenance motive. Finding support for these predictions contributes to the literature by demonstrating an entirely unexplored mechanism for power in decision making, that of emphasizing the importance of consumers' psychological state of power in consumption behavior and showing how deeply the experience of power seeps into everyday life.

POWER AS A PSYCHOLOGICAL STATE

Power is a force that touches on most social interactions. Indeed, individuals are constantly segmented into powerful

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versus nonpowerful roles: typically, bosses have power over employees, professors have power over students, and parents have power over their children. But in some circumstances the roles are reversed: a CEO might feel powerless when an employee leaves for a better job, a professor powerless when students fill out teaching evaluations, or a parent powerless when a child will not cease screaming. Thus, power can vary within the same individual depending on the situation. To account for how and when power emerges, scholars have often defined power as the capacity to control resources and outcomes, both one's own and that of others (Hunt and Nevin 1974; Keltner, Gruenfeld, and Anderson 2003; Thibaut and Kelley 1959); this control over resources can emerge from a variety of sources, including economic resources, positions of authority, respect from others, and expertise (e.g., French and Raven 1959). Thus, power varies from situation to situation, with each context carrying its own hierarchical arrangement.

A great deal of research has demonstrated that power is a psychological state. Feeling powerful or powerless can be activated by instructing participants to recall prior events where they felt powerful or powerless and has the exact same effects as those obtained using structural and role-based manipulations of power (Anderson and Galinsky 2006; Galinsky, Gruenfeld, and Magee 2003; Magee, Galinsky, and Gruenfeld 2007; Lammers et al., forthcoming; Smith and Trope 2006; Smith et al., forthcoming). Such psychological states of power have been shown to have important consequences for how people behave. Inducing feelings of being powerful, as opposed to powerless, tends to foster optimism and action (Anderson and Galinsky 2006; Galinsky et al. 2003), leads to a greater reliance on one's thoughts (Briñol et al. 2007), increases abstract thinking (Smith and Trope 2006), and reduces accuracy in estimating the interests of other people (Keltner and Robinson 1997). In short, across multiple domains, possessing or simply recalling an experience with power exerts a tremendous effect on people's behavior.

POWER AND CONSUMPTION

Surprisingly, little research has systematically or directly examined how power influences consumers' preferences or spending propensities. Rather, the bulk of work in marketing that has touched on power has examined issues such as the role of power in channel negotiations and in modeling the profit achieved by buyers and sellers as a function of their power (Hunt and Nevin 1974; Lusch and Brown 1982; McAlister, Bazerman, and Fader 1986). Work has also found that bargainers in a position of power tend to perform better than those in a low position of power (Dwyer 1984) and that high-power individuals tend to make the first offer in a negotiation (Magee et al. 2007). However, with regard to understanding how power affects consumers' purchasing propensities, far less is known.

Based on work finding an association between power and resources (e.g., Keltner et al. 2003; Thibaut and Kelley 1959), psychological states of powerlessness might prime

consumers to feel as if they have fewer resources available. As a result, consumers experiencing a lack of power might feel they cannot afford to spend large monetary amounts on consumer products. Although not examined with respect to power, there is evidence that consumers who perceive themselves to have resources are more likely to indicate stronger preferences for expensive (i.e., luxury) brands. For example, Mandel and colleagues (2006) found that participants who could easily imagine having future success indicated a greater preference for luxury brands compared to when they could not easily imagine being successful. The authors also found that this effect was mediated by participants' perception that they would have greater resources (e.g., higher levels of income) in the future. Thus, in some cases, the perception of resources has been linked with a potential willingness to spend more on consumer goods (i.e., luxury brands).

Drawing upon the association between power and resources, one might anticipate that a state of low power would decrease consumers' willingness to pay for products. We hypothesize, however, that there is reason to expect that the relationship between power and consumption might be the exact opposite: states of low power might foster a greater desire to acquire products in the form of an increased willingness to pay. To support this hypothesis, we draw from three different but related literatures: one that suggests that the experience of low power is aversive and therefore might motivate efforts to attenuate that state, another that suggests that status is a form of power, and a final that suggests that products can signal one's status.

LITERATURE REVIEW AND THEORETICAL DEVELOPMENT

Powerlessness as an Aversive State

It might come as no surprise that feeling powerless has been portrayed as aversive relative to neutral states or feeling powerful (Keltner et al. 2003). Powerlessness is often accompanied by actual or perceived loss of control over one's own behavior or the behavior of others. Indeed, not having contingent control over one's environment is often associated with severe negative consequences, as documented in research on learned helplessness (e.g., Abramson, Seligman, and Teasdale 1978; Seligman 1975). Furthermore, work has linked low power to feelings of general uncertainty (Anderson and Galinsky 2006; Briñol et al. 2007), which itself is often aversive (e.g., Weary et al. 1993). Being powerless is also associated with less access to both physical (e.g., material wealth) and social rewards compared with being powerful (e.g., recognition; Buss 1996; Domhoff 1998; Operario and Fiske 2001).

As further evidence for low power as an aversive state, individuals who have low power are also more likely to be targets of aggression and punishment by others. Work on low socioeconomic status, which can be seen as a form of powerlessness, has found that low-status children are more likely to be victims of aversive behavior such as bullying

(Whitney and Smith 1993). Low-status individuals also report higher levels of worry about crime (Riger, Lebailly, and Gordon 1981) and are more likely to perceive threat in ambiguous social interactions (Schwartz, Dodge, and Coie 1993). Low power is even associated with aversive physiological states, such as lower levels of serotonin (Munafò et al. 2003; Raleigh and McGuire 1991). Such concerns and states contribute to the experience of low power as a fundamentally aversive state.

In short, several research streams converge on the notion that being powerless is an aversive state. As such, we hypothesize that people often want to reduce feelings of powerlessness. In fact, although not tested directly, some work alludes to the possibility that people might indeed seek to reduce their state of powerlessness. For example, when people feel that their behavioral freedom is threatened, they often exhibit psychological reactance (Brehm 1966), and when people are uncertain, they tend to act in an effort to reduce their uncertainty (Tiedens and Linton 2001). By a similar logic, when individuals lack power, they might act in a manner to regain a sense of power.

Status as a Signal of Power

How might consumers cope with a lack of power? One way to answer such a question is to consider the bases of power. In their classic work, French and Raven (1959) acknowledge that power could stem from multiple sources, such as the ability to control others (coercive power), having knowledge (expert power), and by possessing qualities that others find desirable (referent power). Indeed, both their referent and expert sources of power can be conceptualized as status. Status is typically defined as relative respect or esteem, and both power and status are considered relative variables (i.e., one person's status is best understood in relation to others'). Individuals with expert or referent power have more respect and esteem than their counterparts.

Similarly, Fiske and Berdahl (2007), in their handbook chapter on social power, suggest that social status could be conceptualized as an input into power and that observers might view those with status as having power. Indeed, status often determines the resources or control one is given or able to allocate within a group (Blieszner and Adams 1992; Kemper 1991). Consequently, while power might be extracted from a number of different possible sources (French and Raven 1959), one important source is one's status. As a result, one means of restoring one's sense of power might be to enhance one's status.

Products and Consumption Symbolism

Prior research in marketing has indicated that products communicate information about the identities of their owners (e.g., Belk, Bahn, and Mayer 1982; Shavitt 1990; Shavitt and Nelson 1999). In particular, Belk and colleagues (1982) discuss the notion that products can signal one's status. They also report that consumers tend to gravitate toward desiring high-status items as they age in an effort to demonstrate their status to others. The concept of luxury products and

brands suggests that consumers are willing to purchase items, not because of any inherent functional value but because they signal a form of social status. In fact, the term "conspicuous consumption" (Veblen 1899/1994) arose to describe the behavior of those who purchase unnecessary luxuries as a means of displaying their wealth and status. Work by Lasswell and Parshall (1961) also supports the proposition that products, such as the clothing consumers choose to wear, signal status to other consumers.

Power and Consumption: The Compensatory Hypothesis

In sum, our review of the literature elucidates three key propositions. First, given that low power is an aversive psychological state, people will seek to compensate for and diminish feelings of powerlessness. Second, given that high status is often one signal of power (e.g., Fiske and Berdahl 2007), obtaining or demonstrating status is one way to obtain or restore power. Third, consumer products are one means to signal one's status. Taking these different streams into consideration, we hypothesize that acquiring status-related consumer products serves as one means by which consumers might attempt to restore their sense of power. Consequently, when experiencing low power, consumers might "desire to acquire" products that naturally signal status to others (e.g., business attire, executive pens) as evidenced by an increased willingness to pay for such goods.

Overview of the Present Research

The present research examines the impact of power on compensatory behavior. In particular, we sought to provide the first test of a new mechanism through which power might affect consumer behavior by examining whether placing consumers in a state of low power will lead to a greater willingness to pay for products associated with status. Experiment 1 examines the effects of power on consumers' willingness to obtain auction items and tests whether differences in willingness to pay are moderated by whether the items are associated with status. Experiments 2 and 3 examine the effect of power on the reservation prices that people place on products in a negotiation context. Experiment 2 demonstrates that the effect of power on one's willingness to pay for a product can be affected by how the exact same product is framed in terms of status and argues against a general mood maintenance account of the relationship between power and compensatory consumption. Experiment 3 provides mediation evidence that consumers' increased willingness to pay for items associated with status is due to the perception that obtaining those items will provide a sense of power.

EXPERIMENT 1: THE LOW POWER LURE OF LUXURY

Experiment 1 examined whether a state of power affected consumers' willingness to pay for products. In particular, we predicted that, if low power evokes a compensatory

process, we should observe an increased willingness to pay for products that primarily have strong associations with status. That is, low-status products should do little to restore a sense of power and therefore should not affect low-power consumers' desire for them. Our first hypothesis is as follows:

- H1:** Placing consumers into a low state of power will increase their willingness to pay for products associated with status (i.e., high status), relative to both control and high-power conditions, but a low state of power will not affect willingness to pay for products that are not associated with status (i.e., low status).

Participants and Design

Participants were 61 undergraduates at Northwestern University who participated in exchange for payment. The experiment had a 3 (power induction: control, low power, high power) \times 2 (product association: low status, high status) mixed-model design with product association serving as a within-participant factor.

Procedure

Participants first completed a recall task designed to manipulate their power. Participants were then given instructions for an ostensibly unrelated study interested in examining consumers' bidding for products in different contexts. Participants were told that they had been assigned to help the researchers understand the type of reserve prices consumers set in online auctions (e.g., eBay). Products were presented one at a time with a simple picture of the product and a label of the product (e.g., "sofa"). Participants indicated their willingness to pay after seeing each product.

Independent Variables

Power. Power was manipulated using a recall task adapted from Galinsky and colleagues (2003). Participants assigned to the high-power condition received the following instructions: "Please recall a particular incident in which you had power over another individual or individuals. By power, we mean a situation in which you controlled the ability of another person or persons to get something they wanted, or were in a position to evaluate those individuals. Please describe this situation in which you had power—what happened, how you felt, etc." Participants in the low-power condition, in contrast, were given the following instructions: "Please recall a particular incident in which someone else had power over you. By power, we mean a situation in which someone had control over your ability to get something you wanted, or was in a position to evaluate you. Please describe this situation in which you did not have power—what happened, how you felt, etc."

In addition, we included a control condition that consisted of having participants write about the last time they went

to a grocery store (see Galinsky et al. 2003). Pretesting confirmed that these manipulations were successful in affecting relative states of power in our population.

Product association. We pretested several stimuli and selected five products strongly associated with status and five products weakly associated with status. The low-status products consisted of a ballpoint pen, sofa, dryer, washer, and a minivan. The high-status products consisted of cuff links, an executive pen, briefcase, fur coat, and a silk tie. Importantly, status was not inextricably linked to price. That is, even relatively inexpensive items (e.g., a silk tie, an executive pen) could have strong associations to status; similarly, even relatively expensive items (e.g., a sofa, a minivan) could have weak associations to status.

Dependent Variable

Willingness to pay. Because participants were presented with products from a variety of price tiers, we used an interval scale to reduce the amount of response variance and to guard against outliers. Specifically, participants were asked, "How much would you be willing to pay for the product featured?" Participants responded on a 12-point scale, where 1 = 10% of the retail price of the item, 2 = 20% of the retail price of the item, and increasing intervals of 10% per scale point up to 12 = 120% of the retail price.

Results and Discussion

Preliminary analyses. Because there was natural variability among both the high-status products ($M_{\text{briefcase}} = 3.97$, $SD = 2.36$; $M_{\text{cuff links}} = 3.61$, $SD = 2.51$; $M_{\text{furcoat}} = 3.05$, $SD = 2.39$; $M_{\text{silk tie}} = 3.85$, $SD = 2.37$; $M_{\text{executive pen}} = 3.80$, $SD = 2.39$) and the low-status products ($M_{\text{minivan}} = 5.69$, $SD = 2.73$; $M_{\text{sofa}} = 5.80$, $SD = 2.23$; $M_{\text{ballpoint pen}} = 3.64$, $SD = 2.8$; $M_{\text{washer}} = 5.59$, $SD = 2.70$; $M_{\text{dryer}} = 5.10$, $SD = 2.51$), we first examined whether it was permissible to collapse across the products within each level of status for the purpose of analysis. Specifically, as long as the individual variation in products did not interact with power, we could confidently collapse across products to produce two levels of the status factor. To test whether the specific products interacted with the power manipulation, we employed several different tests. First, we examined whether there was a product \times power interaction in a repeated measures ANOVA where the five high-status products were nested within a high-status factor and the five low-status products were nested within a low-status factor. This failed to produce a significant product \times power interaction, $F < 1$. We also tested the interaction between power and products by running two separate repeated measures ANOVA, one with the five high-status products as a repeated measure crossed with power and a second with the five low-status products as a repeated measure crossed with power. Neither of these analyses produced a product \times power interaction, F 's < 1 . Finally, we examined whether the overall regression model

was improved by adding in the product \times power interaction, and it was not, $F < 1$.

In short, multiple tests indicated that the individual products within each level of the status factor did not respond differently to the power manipulation, giving us confidence to aggregate across products to create an overall mean for low-status products and an overall mean for high-status products. Consequently, we focused our remaining analysis on the interaction between power and product status (low, high).

Primary analyses. We submitted participants' willingness to pay to a 3 (power induction: control, low power, high power) \times 2 (product association: low status, high status) mixed-model ANOVA with repeated measures on the product association factor. There was no main effect of power, $F(2, 58) = 1.75$, $p = .18$, $\eta_p^2 = .06$. There was a main effect of product association such that participants indicated a willingness to pay more of the retail value of products low in their association to status ($M = 5.16$; $SD = 1.82$) compared to those highly associated with status ($M = 3.66$; $SD = 1.79$), $F(2, 58) = 45.76$, $p < .001$, $\eta_p^2 = .44$, perhaps because the products that were low in their association to status were more relevant to our population as a whole.

In support of our main hypothesis, there was a significant power \times product association interaction, $F(2, 58) = 3.27$, $p = .045$, $\eta_p^2 = .10$ (see fig. 1). Deconstructing the interaction by product association revealed, for products that were low in their association to status, no differences between the control ($M = 5.26$; $SD = 1.78$), low power ($M = 5.22$; $SD = 1.82$), and high power ($M = 4.95$; $SD = 1.98$) conditions, $F(2, 58) = .15$, $p = .86$, $\eta_p^2 = .005$. However, for products with a high association with status, there was a significant effect of the power manipulation, $F(2, 58) = 4.49$, $p = .015$, $\eta_p^2 = .13$. Simple contrasts revealed, for these products associated with status, that participants in the low-power condition indicated a higher willingness to pay ($M = 4.47$; $SD = 1.85$) compared to those in the control ($M = 3.42$; $SD = 1.69$), $t(58) = 2.09$, $p = .041$, $d = .55$, and high-power conditions ($M = 2.88$; $SD = 1.44$), $t(58) = 2.85$, $p < .01$, $d = .75$. Control and high-power conditions did not differ, $p = .33$, $d = .26$.

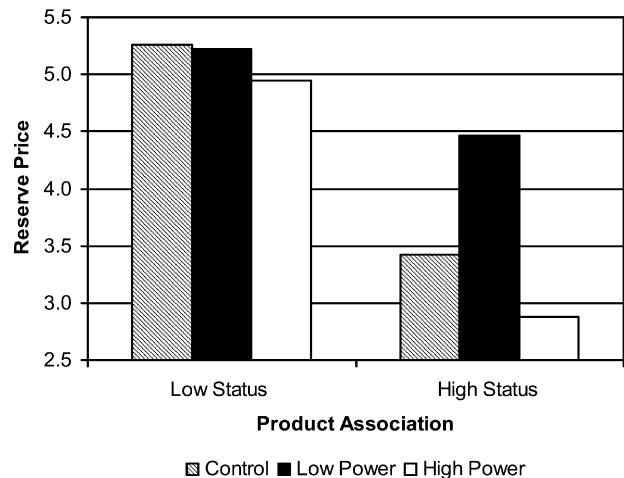
The results supported our hypothesis that high-status products could serve a compensatory purpose for states of low power. We found an increased desire to acquire high-status products but no differences for products with weak associations to status. In addition, relative to a control condition, the effect appeared driven by participants in the low-power condition, suggesting that a state of low power fostered a greater willingness to pay for products associated with status (rather than a high state of power decreasing one's willingness to pay).

EXPERIMENT 2: FRAMING A FRAMED PICTURE WITH STATUS

The previous experiment relied upon the natural association of different products with different levels of status.

FIGURE 1

EFFECTS OF POWER ON WILLINGNESS TO PAY (RESERVE PRICE) AS A FUNCTION OF PRODUCT ASSOCIATION WITH STATUS, EXPERIMENT 1



Although we view the use of natural associations with status as a strength speaking to the ecological validity of the research, it remains possible that the low- and high-status products selected varied on some dimension besides status. To provide a more unequivocal test of our hypothesis, participants in experiment 2 evaluated the exact same product; however, the product was portrayed as being either weakly or strongly associated with status. We predicted that consumers' willingness to pay would be sensitive to whether the same product was portrayed as providing status or not.

H2: Consumers in a state of low power, compared to consumers in control or high-power conditions, should demonstrate a higher willingness to pay for a product when it is associated with status, but there should be little difference when the same product is not associated with status.

We also aimed to examine an alternative explanation for the present results. One might raise the possibility that a state of low power is accompanied by a general state of negative affect, and, as a consequence, states of low power might foster a mood repair motive rather than a motive specific to restoring power. We believed a mood repair account is unlikely for several reasons. First, conceptually, a psychological state of power can be distinguished from negative affect; one can feel powerful or powerless without a change in one's emotional state. For example, being given more responsibility at work might make one feel more powerful, but, depending on the type of responsibility, one might have a positive, neutral, or negative affective reaction. Second, empirically, the inductions of power used in the present research have not been found to affect people's mood (e.g., Briñol et al. 2007; Galinsky et al. 2003; Smith and Trope 2006). Third, in a pretest we examined whether the power

manipulation used in the present experiments affected mood in our population. Employing the same event recall task used in experiment 1, we asked 39 participants how happy, sad, upbeat, gloomy, pleasant, and negative they felt. The negative items were combined to form a measure of negative affect ($\alpha = .84$), and the positive items were combined to form a measure of positive affect ($\alpha = .79$). Consistent with prior research, the power manipulation had no effect on these measures, F 's < 1 .

Although power can be conceptually and empirically separated from mood, one possibility is that low-power people, while not experiencing differences in their current emotional state, might perceive high-status products as somehow conferring greater future happiness, with power producing a compensatory strategy of seeking positive affect rather than a more specific desire to restore power. As a result, consumers might overweight the potential happiness they anticipate receiving from status-related items. Consequently, to further test the possibility that some form of mood regulation might be involved, we included a measure of the anticipated happiness participants expected to receive from acquiring the product. Finally, we changed our context to a negotiation situation to increase generalizability.

Participants and Design

Participants were 127 undergraduates at Northwestern University who were paid for their participation. Participants were randomly assigned to conditions in a 3 (power induction: control, low power, high power) \times 2 (product association: low status, high status) between-participants design.

Procedure

Participants were told that they would be participating in studies for different experimenters. All tasks took place on the computer. The first experiment was portrayed as examining the language people use to describe different events. In reality, this task consisted of the power manipulation used in experiment 1. The second task was portrayed as a negotiation task. Participants were asked to imagine that they would negotiate with a seller to purchase a framed picture of their university. In preparation for the negotiation, participants were told that they should carefully consider and provide their reservation price for the picture (i.e., the highest amount they would be willing to pay to obtain the item). Finally, participants were thanked and debriefed.

Independent Variables

Power. Participants were placed into control, low-, or high-power conditions using the manipulation described in experiment 1.

Product association. Drawing upon the idea that products can provide status by being exclusive or unique (Belk 1980; Blumberg 1974; Lynn and Harris 1997), we developed two different descriptions of a framed picture. The high-

status picture was described as a limited-edition and exclusive picture available only for a short period of time. In contrast, in the low-status condition, the picture was described as a mass-produced picture available to anyone. All participants also received the same exact image of the product. This allowed us to use a product that was functionally and physically the same but differed in the status it provided.

Dependent Variables

Willingness to pay. Participants were asked to provide an open-ended response consisting of the highest dollar amount they would be willing to settle the negotiation for (i.e., their reservation price). Specifically, participants were asked, "what is your reservation price for the product? That is, what is the most you would be willing to pay in order to obtain this product?"

Anticipated happiness. Participants' anticipated happiness was assessed by asking them, "to what extent do you think having this picture would make you feel HAPPY?" on a 12-point scale, with one anchored at "not at all happy" and 12 anchored at "extremely happy."

Results and Discussion

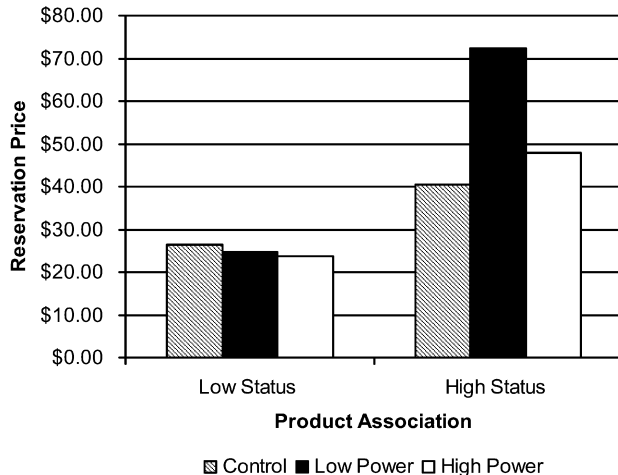
Data were analyzed using a between-participants ANOVA. Given the open-ended response format, we examined whether there were any severe outliers in the data. All the data fell within three and a half standard deviations. Furthermore, controlling for extreme points does not alter any of the conclusions presented. Therefore, all data points were retained for analysis.

There was a main effect of product association such that participants indicated a higher reservation price for the portrait when it was framed as high status ($M = \$53.39$; $SD = 42.38$) compared to low status ($M = \$25.02$; $SD = 25.12$), $F(2, 121) = 22.33$, $p < .001$, $\eta_p^2 = .16$. This finding suggests that consumers, in general, seem to recognize that status-related products are likely to incur a higher cost. There was also a marginal main effect of power, $F(2, 121) = 2.43$, $p = .09$, $\eta_p^2 = .039$, such that participants experiencing low power had higher reservation prices ($M = \$47.43$; $SD = 48.87$) compared to those in the control ($M = \$33.70$; $SD = 25.47$) and high-power conditions ($M = \$36.42$; $SD = 33.32$). High-power and control conditions did not differ, $F < 1$.

More importantly, these main effects were qualified by a marginally significant power \times product association interaction, $F(2, 121) = 2.80$, $p = .065$, $\eta_p^2 = .044$ (see fig. 2). Deconstructing this interaction revealed, for the low-status product, that participants did not differ in their reservation price as a function of control ($M = \$26.52$; $SD = 20.97$), low ($M = \$24.65$; $SD = 27.30$), and high ($M = \$23.79$; $SD = 27.74$) power conditions, $F(2, 60) = .06$, $p = .94$, $\eta_p^2 = .002$. In contrast, for the high-status product, there was a significant effect, $F(2, 61) = 3.57$, $p = .03$, $\eta_p^2 = .10$. Low-power participants had a significantly higher reserva-

FIGURE 2

EFFECT OF POWER ON WILLINGNESS TO PAY (RESERVATION PRICE) AS A FUNCTION OF PRODUCT ASSOCIATION WITH STATUS, EXPERIMENT 2



tion price ($M = \$72.38$; $SD = 34.41$) compared to participants in the control condition ($M = \$40.55$; $SD = 27.89$), $t(61) = 2.56$, $p = .013$, $d = .66$, and a marginally higher reservation price compared to participants in the high-power condition ($M = \$47.86$; $SD = 34.41$), $t(61) = 1.95$, $p = .056$, $d = .50$. The control and high-power conditions did not differ, $F < 1$.

Although there were no outliers in the data, we also examined the median reservation price in each condition as a further guard against outliers and for descriptive purposes. Replicating the findings using the means, the medians for the low-status product were relatively consistent in the control (median = \$20.00), high-power (median = \$20.00), and low-power (median = \$15.00) conditions. For the high-status product, the medians were lower in the control (median = \$35.00) and high-power (median = \$35.00) conditions compared to the low-power condition (median = \$60.00). Finally, there were no effects of the power manipulation, product association, or their interaction on anticipated happiness resulting from possessing the product ($p > .18$).

The results of experiment 2 provide further evidence favoring our compensatory hypothesis. Supporting hypothesis 2, the same product increased low-power participants' willingness to pay but only when this product was portrayed as unique and scarce and, thus, as having high status. When the picture was represented as being relatively common and thus weakly associated with status, power did not influence reservation prices. Finally, we found little evidence that people were increasing their spending limits based on a perception that the product would make them happier. This latter finding suggests that our effects are not due to difference in anticipated happiness; rather, we suggest they arise from more specific desires to restore or acquire a sense of power.

EXPERIMENT 3: COMPENSATING THROUGH CONSUMPTION

Experiment 3 was designed to provide evidence for why states of low power lead consumers to desire to acquire status-related products. According to our compensatory hypothesis, individuals experiencing a state of powerlessness seek to restore their sense of power. We believe that low-power individuals, when confronted with status-related items, are more likely to perceive such items as restoring their sense of power, and this perception is what leads individuals to desire to acquire these items. Importantly, we do not believe that powerlessness affects people's perception of the product's status, but, rather, powerlessness affects people's perception of how possessing the high-status product will affect their own sense of power. Specifically, we predict that low-power individuals will be more likely to view status-related items as affecting their power in a restorative fashion.

As an analogy, consider two individuals, one a successful millionaire and the other a recently demoted banker. Both might view a Rolex watch as a clear status symbol (i.e., same perception of the product's status). However, for the millionaire, wearing the watch might not make the millionaire feel any more powerful than he/she normally feels. In contrast, for our demoted banker, wearing the same watch might make the banker feel significantly more powerful. This is the basis of our third hypothesis:

H3: Low-power consumers' willingness to pay more for a high-status product will be mediated by the perception that the high-status product will provide them with an increased sense of power.

To examine this issue, we exposed all participants to a product with status associations (an executive pen from their prestigious university) and assessed the extent to which they perceived that owning this product would provide a sense of power.

Participants and Design

Sixty-five undergraduates at Northwestern University participated in exchange for payment. We randomly assigned participants to control or low-power conditions.

Procedure

The procedure was similar to experiment 2 with the following exceptions. First, since the effects have been driven by low power, we compared low-power participants to a control condition. Second, participants were asked to negotiate for a new item, an executive pen. Pretesting suggested that executive pens are a product associated with status (see also experiment 1). The particular pen also featured the university seal of the participants' school (a prestigious private university) prominently displayed in gold. Participants were asked to indicate their willingness to pay in the form of their reservation price for the product. Fol-

lowing this, participants completed measures to assess their perception that the product would provide a sense of power. Finally, participants were thanked and debriefed.

Independent Variable

Power. Participants were placed into a low-power or a control condition via the event recall task used in prior experiments.

Dependent Variables

Willingness to pay. Participants were asked to indicate their willingness to pay by providing their reservation price in dollars as in the previous experiment.

Sense of power provided. To assess the extent to which participants perceived that owning the product would provide a sense of power, participants were asked, "to what extent would having this pen make you feel powerful?" and "to what extent would having this pen make you feel respected?" Both items were assessed on 12-point scales with one anchored with "not at all" and 12 anchored with "extremely." Thus, higher numbers indicated a perception that a greater sense of power was provided. These items were highly correlated ($r = .93$) and combined to form an aggregate measure of the extent to which possessing the product would provide power.

Results and Discussion

Data were analyzed using ANOVA. Given the open-ended response format, we first examined whether there were any severe outliers in the data. All the data fell within three and a half standard deviations. Furthermore, controlling for the most extreme points does not alter any of the conclusions presented. Therefore, all data points were retained for analysis.

Willingness to pay. There was a main effect of participants' power such that, replicating previous experiments, low-power participants expressed higher reservation prices ($M = \$14.82$; $SD = 15.66$) compared to control participants ($M = \$8.51$; $SD = 6.04$), $F(1, 63) = 4.31$, $p = .04$, $\eta_p^2 = .06$. Similarly, examining the medians provided additional support as the median was lower in the control condition (median = \$5.50) compared to the low-power condition (median = \$10.00).

Sense of power provided. There was a significant main effect of the power manipulation on the sense of power provided such that the product was perceived as being more likely to provide a sense of power when participants were in a state of low power ($M = 4.07$; $SD = 3.29$) compared to the control condition ($M = 2.48$; $SD = 1.86$), $F(1, 63) = 5.47$, $p = .02$, $\eta_p^2 = .08$.

Mediation. Following the procedures of Baron and Kenny (1986), we conducted a simultaneous regression of

willingness to pay on power and the sense of power provided. Participants' perception of the extent to which the item provided power significantly predicted their willingness to pay $\beta = .34$, $t(62) = 2.81$, $p < .01$, $d = .71$, but the power manipulation no longer exerted a significant effect, $\beta = .16$, $t(62) = 1.30$, $p = .20$, $d = .33$ (see fig. 3). Finally, we tested the overall significance of the indirect effect (i.e., the path through the mediator) by constructing a 95% confidence interval (CI) as recommended by Shrout and Bolger (2002). Specifically, Shrout and Bolger (2002) suggest that if zero falls outside the 95% CI the indirect effect is significant, and, thus, successful mediation can be said to be present. Zero did indeed fall outside of the interval (95% CI = .001–.248), providing further evidence of successful mediation. In short, the results of experiment 3 suggest that the increase in participants' willingness to pay was a function of their belief that owning the product would provide them with a sense of power.

GENERAL DISCUSSION

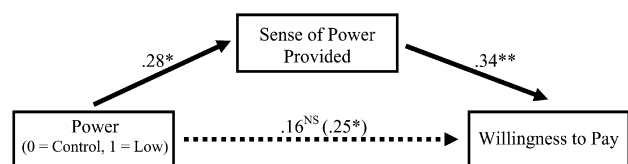
Across three experiments, we found evidence consistent with the notion that placing consumers in a state of low power increased their desire to acquire status-related products. Low-power consumers' desire to acquire status-related products held true for both reserve prices in auctions (experiment 1) and reservation prices in negotiations (experiments 2 and 3). We believe the present work offers a number of important contributions.

First, the present research provides one of the first systematic investigations of the effects of psychological states of power on consumption behavior. The bulk of past research on power has focused on topics that were unrelated, or only tangentially related, to consumer behavior. In this regard, the present research creates an invitation to researchers for a greater pursuit of understanding the role of power in consumption.

Second, although the idea that products can serve as signs of status is well known (e.g., Belk et al. 1982), the current experiments demonstrate that desires for status-related products can be increased by psychological states of low power. These findings provide a new compensatory perspective regarding states of low power and, in doing so, advance our understanding of the power construct. Importantly, we pro-

FIGURE 3

MEDIATION OF POWER ON WILLINGNESS TO PAY (RESERVATION PRICE) VIA SENSE OF POWER PROVIDED, EXPERIMENT 3



NOTE.—* = $p < .05$; ** = $p < .01$.

vide converging evidence for our compensatory process hypothesis by demonstrating that such effects occurred only for products that had the potential to convey status (experiments 1–2) and by demonstrating that these effects were mediated by the perception that a high-status product would give consumers a sense of power (experiment 3).

Third, the present research also reinforces prior research suggesting a link between power and status (e.g., Fiske and Berdahl 2007; French and Raven 1959). Although participants were induced into a general state of low power, they acted toward high-status products in a manner consistent with a desire to compensate for states of low power. Consequently, the present research is consistent with the perspective that power is a multifaceted construct with one source being one's status.

Practical Implications

Understanding consumers' needs. One important finding in the present research that should be of interest to practitioners is the benefit of recognizing consumers' needs prompted by specific psychological states. In particular, when might consumers be most likely to desire status-related products? According to our research, even consumers who occupy positions of power should be susceptible to situational inducements inspired by feelings of powerlessness. A CEO might be most likely to make lavish, status-implying purchases in those moments when he or she feels particularly powerless. Similarly, to the extent a charity can offer the person a gift associated with status (e.g., an executive pen), this might increase the amount that consumers are willing to contribute to the charity. Future research should, of course, explore the relationship between powerlessness and consumption with actual spending behavior. Executing on this insight ultimately calls for greater attention to understanding what factors affect consumers' sense of power and when lack of power leads to compensatory consumption.

Consumer health and well-being. We believe the present work also holds important implications for consumers' welfare and well-being. Our findings suggest that consumers exposed routinely to states of low power might be more prone to overspending and sinking deeply into debt due to their increased willingness to pay for status-related products. This problem might be exacerbated when feelings of powerlessness are derived from an actual lack of resources, especially given power's link with socioeconomic status (French and Raven 1959; Keltner et al. 2003). Although effects on actual behavior remain speculative, our findings suggest that it is those low in socioeconomic status that might be most inclined to pay price premiums, which might lead to a downward spiral of constantly spending beyond one's means in order to compensate for low power.

In fact, anecdotal findings on racial differences in consumption support the idea that deprivation of economic resources and status might lead to compensatory consumption. Levitt and Dubner (2006) point out that blacks, who tend to have lower economic power, are more likely to name

their children after brand names that convey status. For example, of the eight children named Harvard in California in the 1990s, all of them were black. Anecdotally, the link between deprivation and desire might be summed up in a line from a song by Kanye West, "Couldn't afford a car so she named her daughter Lexus."

The present research provides one potential perspective consistent with these emerging findings. And, although the present research is not designed to solve these problems, we stress that this further emphasizes the importance of examining other ways that consumers might cope with feeling powerless that might not lead to a greater willingness to pay premium prices.

Future Directions and Limitations

The present research represents one of the first empirical attempts to examine the interplay between psychological states of power and consumer consumption. As such, we believe it serves as an invitation to explore a number of important issues in future research.

Distinguishing power from other constructs. Understanding power requires building a nomological net to distinguish it from potentially related constructs. Whereas the present research sought to understand a new process incited by states of low power, we feel it is important to consider how the psychological state of power differs from learned helplessness and, more generally, from control.

Learned helplessness is a state often marked by negative affect, a lack of self-efficacy, and a feeling that one's behavior has little bearing on affecting a situation (Abramson et al. 1978; Seligman 1975). However, psychological states of power need not be accompanied by any changes in individuals' affective state (e.g., Galinsky et al. 2003; Smith and Trope 2006). In addition, prior research has found that the effects of power are not driven by self-efficacy (Anderson and Galinsky 2006). We believe that rather than power being a subset of learned helplessness, learned helplessness might very well be a subset of power, with chronic states of feeling powerless eventually giving rise to the perception that one is "helpless."

Although power is often viewed as a general state of dependence or independence, this is a state that can arise from multiple inputs, not solely from control. Feelings of powerlessness might stem not only from lacking control over others but from deprivation in economic resources, respect, and knowledge (French and Raven 1959). Thus, power can be differentiated from control. For example, in the workplace a boss might have absolute control over the hiring and firing of his employees. However, if his employees have little respect for him, or he feels as if his employees are more knowledgeable than he is, this might evoke a state of feeling powerless despite having control over the outcomes of others.

Given that states of psychological power can have multiple inputs, power might not solely reside in any particular input. For example, two individuals might have equivalent

economic resources but be differentially powerful due to their position in an organization or their skills and knowledge; these two individuals would likely behave very differently with respect to their willingness to pay for high-status products despite possessing similar economic resources. Ultimately, mapping the antecedents and consequences of power in consumption is an exciting challenge for researchers interested in consumer behavior.

Examining other methods of compensation. One future research area could be devoted to understanding other means by which consumers compensate for states of low power. For example, work by Aaker (1997) suggests that different brands have different “personalities.” Future work might examine whether certain brands might be associated with low or high status based simply on the brand’s personality itself. If so, low-power consumers might be especially predisposed toward brands with personalities that are associated with status.

Actual behavior. Future research will also benefit from examining actual spending behaviors and examining when low power leads to more versus less spending. For example, perhaps if powerless consumers are directed to think about or reflect on their limited resources the present findings could be reversed. Thus, the present findings might be moderated by whether consumers experiencing low power attend to their desire to restore power or to the amount of resources implied by their current psychological state (see Mandel et al. 2006). This represents an interesting possibility for future research.

Conclusion

We began this article by noting that, as pervasive as both power and consumption are, little was known about how psychological states of power affect consumption habits, such as consumers’ willingness to pay for products. We have provided not only an initial piece to this puzzle but also introduced a new theoretical mechanism of compensation to the power literature. To acquire their missing sense of power, the powerless are not likely to sit by passively but desire to spend by and by.

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