Ethical Decisions and Response Mode Compatibility: Weighting of Ethical Attributes in Consideration Sets Formed By Excluding Versus Including Product Alternatives

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Across four studies we demonstrate that forming a consideration set by excluding (vs. including) alternatives results in greater weighting of ethical attributes. Furthermore, this nonnormative result appears to reflect a compatibility between exclusion and ethics. We demonstrate this differential compatibility by showing that (1) ethical attributes receive greater weight in the formation of consideration sets in exclusion than in inclusion modes, (2) this differential weighting is not due to other factors such as framing or emotion, and (3) consumers judge others’ behavior more negatively if they exclude ethical products (as opposed to not including ethical products).

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SYMPOSIUM SUMMARY
Exclude or Include? Consideration Set Strategies and the Choice Process
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SESSION OVERVIEW
Decision making research shows that there are two ways to narrow down a set of options—an include and an exclude strategy—and that they can have systematic consequences on consideration set construction and choice (Heller, Levin, and Goransson 2002). Related research has also used the terms accept, select, choose, or retain versus reject or eliminate to refer to a choice between two (or three) options (e.g., Meloy and Russo 2004; Ordóñez et al. 1999; Shafir 1993). This session will bring these two research streams—which have predominately been investigated separately—together to find common ground and promising avenues for future research. Across the three papers we investigate a) what factors affect the use of include and exclude strategies (paper 2), b) how these strategies affect the weighting of attributes and the composition of consideration sets (papers 1 and 2), and c) how these strategies affect final choice and consumer satisfaction (papers 2 and 3).

The first paper, by Irwin and Naylor, investigates the influence of include and exclude strategies on attribute weighting, demonstrating that forming a consideration set by excluding(vs. including) alternatives results in greater weighting of ethical attributes. Interestingly, they also show that consumers judge others’ behavior more negatively if they exclude ethical product alternatives. The second paper, by Goodman and Broniarczyk, proposes that, contrary to the findings of prior research, an exclude strategy may not be the default strategy when forming a consideration set. They provide evidence that consumers are more likely to use an include strategy as the assortment size increases and that this strategy choice can have subsequent effects on consideration set formation. They also provide evidence that the use of an include strategy can increase decision difficulty and regret in the final choice phase. The third paper, by Machin, focuses on including and excluding in the choice phase (termed selecting and rejecting) and finds that rejection can lead to greater satisfaction than selection. Five studies, using actual and imagined consumption experiences, identify two mediating processes and two moderators, and show that a rejection-(versus selection)-based decision strategy increases negative thoughts about foregone options.

This symposium provided a unique opportunity for researchers to broaden the traditional focus of the include/exclude and reject/select domains. The symposium format allowed researchers to explore alternative ways of understanding differences in decision strategies and how these strategies can affect consumer consideration set construction and choice and to discuss how to blend these two streams of research. In addition, the symposium was especially important because it addressed other current consumer issues: how consumers use and weight ethical attributes in choice, how consumers choose decision strategies, and consumer satisfaction. Researchers interested not only in judgment and decision making, but also in ethical attributes and choice, consideration set satisfaction, and satisfaction, were particularly attracted to this session. The papers presented and the insightful discussion provided by Lisa Bolton went beyond an exploration of the include/exclude phenomenon to create a lively discussion for fruitful avenues of future research.

EXTENDED ABSTRACTS
“Ethical Decisions and Response Mode Compatibility: Weighting of Ethical Attributes in Consideration Sets Formed by Excluding versus Including Product Alternatives”
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One of the most pervasive and puzzling inconsistencies in human behavior is the discrepancy between stated values and actual behavior. Psychologists have studied this attitude-behavior link across many contexts and have paid special attention to instances when people appear to be practicing “moral hypocrisy” (Batson et al. 1999) by not reflecting their supposed moral beliefs in their observed actions. For marketers, this puzzle takes a concrete form; it is surprising that products embodying commonly-held values do not perform better in the marketplace. Why, for instance, does furniture made from rainforest (vs. tree farm) wood continue to sell? Why have market forces not eliminated animal testing in the cosmetics industry? Why are corporations able to continue to mistreat workers, often with no obvious market reaction? Ehrich and Irwin (2005) showed that part of the problem is that consumers will not ask for ethical product information even though they would use it if it were available.

For some product categories, however, ethical attribute information is readily available. In those cases, why might there be a discrepancy between values and behavior? Along with the myriad of other possibilities, such as hypocrisy (Batson et al. 1999), there may be contextual elements of the decision that guide consumers toward (or away from) considering the ethical possibilities. In this set of four studies, we establish that “exclusion” versus “inclusion” (Heller et al. 2002) results in greater weighting of ethical attributes in consideration set formation, even though normatively which task is used should not have any systematic influence.

In our first two studies, we demonstrate that ethical attributes are weighted more in exclusion than in inclusion because the goal of exclusion tasks is to indicate which alternatives one does not want to further consider. Although, normatively, both modes make a statement about one’s values, we argue that the expression of moral values feels more natural in exclusion than in inclusion: ethical issues are compatible with the goal of indicating what you do not want. Explicitly rejecting the “bad” items (the items unattractive on the ethical attribute) allows for an indication of adherence to the ethical principle. This explicit rejection seems to match the reaction people have to values that are protected (or at least strongly held); the typical response to a particularly egregious ethical violation is to reject everything about it (Lichtenstein, Gregory, and Irwin 2007). In our first two studies, we also test another proposition based on our compatibility argument; namely that there should be no difference in weighting for attributes without direct ethical implications. As predicted, we find no differences in the weighting of nonethical attributes such as price and performance across response mode.
Although we theorize that compatibility is driving our expected result, there are two alternate explanations for this finding, which we rule out in our studies. First, attribute framing could induce our results, making them redundant with past research (e.g., Shafir 1993). Ethical attributes often are expressed negatively (i.e., in terms of the number of exploited children, the amount of wasted environmental resources, etc.). To establish that it is the ethicality of these attributes, not their frame, driving our results, in Study 2 we demonstrate that manipulating the framing of the ethical attribute to be positive or negative does not affect the weighting of the ethical attribute across response modes. Second, differential weighting across the two modes might also be influenced by increased emotion in the exclusion mode that leads to avoidance of the ethical attribute. Loss modes, which may include exclusion contexts, induce negative emotion and concomitant coping strategies, such as avoidance (Luce et al. 2000). It is possible that the increased emotion of exclusion and/or adding an ethical attribute to the decision process causes participants to avoid making tradeoffs and to simply not act on the ethically attractive options, resulting in their being left in the consideration set. This possibility would be interesting, but not particularly new given the literature on loss and coping. The explanation we propose is not driven by how emotionally involved participants are with a given ethical issue but rather by differential compatibility between ethical attributes and response modes. To address this possible affect-based explanation, in our first two studies we provide statistical evidence that affect does not drive our effects.

In our third study, we provide direct evidence that consumers use the principle of compatibility when evaluating an ethical decision by demonstrating that consumers judge others’ behavior more negatively if they exclude ethical products (as opposed to not including ethical products). Finally, in our fourth study, we demonstrate that ethical attributes are given greater weight in exclusion than in inclusion in a laboratory study involving real (vs. hypothetical) consideration set formation and an actual monetary decision.

Together, the results of these four studies suggest that consumer consideration of ethical products is driven not only by motivational issues such as hypocrisy and guilt, but also by simple cognitive issues such as how context guides the decision in one direction versus another. Our results therefore have important implications for the marketing of ethical products, both specifically (e.g., it is important to encourage exclusion modes) and generally (e.g., the failure to consider ethical products may reflect seemingly minor contextual issues guiding the decision process and not consumer disinterest in ethical issues).

“Screening from Large Assortments: The Use of Include and Exclude Strategies in Consideration Set Construction”

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Decision making research shows that there are two ways to narrow down a set of options an include and an exclude strategy—and that they can have systematic consequences on consideration set construction and choice. The research has argued that an exclude strategy is the default strategy and is more likely to be used in consideration set construction (Ordoñez et al. 1999; Heller et al. 2002). Consideration set construction strategies, or screening strategies, are particularly important as assortment size and choice difficulty increase because a consideration set is more likely to be formed as the choice set size increases (Lussier and Olshavsky 1979). Thus, an important question is whether assortment size can lead consumers to use a different strategy to narrow down the set of options given that they use a consideration set. Could this influence what attributes and options are considered, and ultimately influence decision difficulty and regret? If consumers faced with a large assortments are more likely to use an include strategy, then an include strategy may be the more common strategy overall.

Though little attention has been given to how assortment size may affect the decision strategy, there is evidence that strategy choice may affect the consideration set. Prior research shows that compared to an exclude strategy, an include strategy can decrease the size of the consideration set (Heller et al. 2002). There is evidence from the binary choice literature (Meloy and Russo 2004; Shafir 1993) that the use of include strategy will lead consumers to weight positive attributes more and negative attributes less (see also Irwin and Naylor in this symposium). Thus, we propose that consumers faced with larger assortment will be more likely to use an include strategy and that this strategy choice will lead consumers to have more positive thoughts and fewer negative thoughts when constructing consideration sets.

Across three studies we show how assortment affects the use of an include versus exclude strategy in consideration set construction and its consequences on consideration sets and final choice. In the first study we manipulate the size of the assortment by presenting participants with either a small assortment (6) or large assortment (30) of gourmet chocolates. Participants are instructed to either select an include strategy or an exclude strategy and narrow down the set of options to those that they “would actually consider buying” (adapted from Heller et al. 2002). They then respond to questions measuring decision difficulty and anticipated regret. The results show that contrary to previous research, an exclude strategy is not always the “default” strategy, and that participants are more likely to use an include (vs. exclude) consideration set strategy in large (65%) compared to small assortments (31%). The results also indicate that consideration sets are significantly smaller when participants choose an include compared to an exclude strategy, and this is especially true as the assortment size increases. Lastly, the study shows that consumer’s experience heightened decision difficulty and anticipated regret when they use an include strategy in large assortments compared to an exclude strategy.

In the second study we test whether the use of an include strategy changes the thought process of consumers during consideration set formation. We collect written protocols during the consideration set formation process and have two independent judges code their thoughts. In addition, we use two product replicates to extend our results to a new category, backpacks, and we investigate an important moderator to strategy selection, maximization. Maximizers tend to seek out the best options in choice whereas satisfiers simply seek acceptable options (Schwartz 2004); likewise, maximizers will likely seek the best strategy (i.e., switch to an include strategy) depending on the assortment. The results show that compared to satisfiers, maximizers are especially likely to show a difference in strategy in large versus small assortments. In addition, we demonstrate that an include (vs. exclude) strategy leads consumers to focus more (less) on positive (negative) attributes, express more (fewer) positive (negative) thoughts in the consideration set construction process, compose smaller consideration sets, and focus more (less) of their thoughts on options (not in the consideration set).

Since studies 1 and 2 allow participants to choose which strategy to use when forming their consideration set, it is possible that the results are due to self selection. Study 3 manipulates which strategy consumers use and finds consistent results with the previous studies.

This research suggest that an include strategy may be the “default” strategy in small assortments, but when consumers are faced with large assortments they are more likely to use an include strategy to form their consideration set. Marketers and consumers...
should be aware that not only will their strategy change as the size of the choice set increases, but that it can systematically influence the composition of final consideration set and final choice.

“Choosing by Selecting or Rejecting: How Decision Strategy Influences Consumer Satisfaction”
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Two moviegoers face a choice between caramel and buttered popcorn. One selects an alternative (“Mmm, caramel popcorn”) while the other rejects an alternative (“Yuck, buttered popcorn”). Both eat the same popcorn. But who is more satisfied? Prior research suggests that selection and rejection are not complementary strategies and can have different and non-trivial effects on which options are chosen (e.g. Shafir 1993). There are occasions, however, when there will be no systematic difference in choice between selectors and rejecters — for example, choices among functionally equivalent options (Levin, Jasper, and Forbes 1998) or choices with a clearly superior option (Shafir 1993). This begs the question of whether decision strategy matters when there are no systematic differences in choice. There is currently little understanding of the down-stream, post-choice consequences of decision strategy. The present research addresses this gap focusing specifically on consumption satisfaction. Over four studies I provide evidence for the novel proposition that using a rejection-based decision strategy (“Yuck, buttered popcorn”) can lead to greater consumption satisfaction compared to a selection-based decision strategy (“Mmm caramel popcorn”).

Study 1 demonstrates that rejecters experience greater satisfaction compared to selectors when they have a relatively negative experience, such as eating stale popcorn. Differences in counterfactual thought direction (Roeser 1993) mediate the relationship between decision strategy and satisfaction. Compared to selectors I find that rejecters generate more downward focused counterfactuals (“things could have been worse”) when the experience is negative. I demonstrate in study 3 that this difference in counterfactual thought direction occurs because of a divergence in information focus during the decision process. A rejection-based decision strategy not only focuses attention on more negative information in general, but focuses attention specifically on negative aspects of the foregone alternative. When a rejecter later reflects upon what might have been, thoughts about how the outcome could have been worse are more easily generated because the initial decision focused on the negative aspects of that alternative outcome. Consistent with the principal of affective contrast (Markman et al. 1993) rejecters then recruit these thoughts to mitigate dissatisfaction with the negative experience. Satisfaction does not differ when the consumption experience is positive, since positive experiences do not prompt counterfactual thinking (Landman and Petty 2000). Evidence for mediated moderation is presented.

Using a multi-alternative (rather than binary) choice set and a new choice context, study 2 provides additional evidence that using a rejection-based decision strategy increases satisfaction after a negative consumption experience. Study 2 also introduces a second moderator: salience of the foregone alternative. In study 1, the foregone alternative was visible to all participants when they consumed the chosen item. Since salience of the foregone alternative is important in the ability to generate any counterfactual thoughts (van Dijk and Zeelenberg 2005), decision strategy should only influence satisfaction if the foregone alternative is salient at the time of consumption. As predicted, study 2 finds that, compared to a selection-based decision strategy, a rejection-based decision strategy generates more downward focused counterfactual thoughts, which mitigate satisfaction, only when participants are reminded of the foregone alternative and the consumption experience is sufficiently negative.

Study 3 provides more direct evidence of the psychological processes that lead to the difference in counterfactual thought direction. Participants’ thoughts while making their decision were coded for the number of positive, negative, and neutral thoughts about the chosen and foregone alternatives. Analysis reveals that rejecters have more negative thoughts about the foregone alternative compared to selectors (both in absolute terms and when compared to the number of positive thoughts). A multi-step mediated moderation process demonstrates that (1) thoughts during the decision process mediate the relationship between decision strategy and counterfactual direction and that (2) counterfactual direction mediates the relationship between decision thoughts and satisfaction. Combined, decision thoughts and counterfactual thought direction fully mediate the relationship between decision strategy and satisfaction.

Study 4 replicates the basic finding using participants’ self-generated decision strategy, thus providing some real world validity. Participants who spontaneously use a rejection-based decision strategy to make their choice are more satisfied with their consumption experience compared to participants who spontaneously use a selection-based decision strategy, when the consumption experience is negative and the foregone alternative is salient. Counterfactual thought direction again mediates the relationship between decision strategy and satisfaction.

Together, these studies demonstrate that how a decision is reached has implications beyond the actual choice. Compared to a selection-based decision strategy, a rejection-based decision strategy leads to greater satisfaction when the consumption experience is negative and the foregone alternatives are salient. Thoughts at the time of the decision and counterfactual direction after the consumption process play mediating roles. The studies find either no difference in expectations and/or supportive results for a relative satisfaction measure that controls for initial expectations helping to rule this out as an alternative explanation. There are also no differences in perceived ease of strategy or perceived amount of choice.

Inasmuch as consumers may not be perfectly satisfied once a product is consumed, my research suggests that marketing managers may wish to encourage consumers to adopt a rejection-based decision strategy. Subsequent reminders of the foregone options would mitigate dissatisfaction and could prevent further downstream consequences, such as brand switching. From the consumer’s perspective, my research suggests it would be better to use a rejection-based decision strategy whenever a negative consumption experience is possible.

REFERENCES


