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Celebrity Contagion and the Value of Objects

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Why do people value objects that were once owned or touched by well-liked individuals, such as film stars or politicians, and by despised individuals, such as serial killers and notorious dictators? Following a conceptual strategy developed by Nemeroff and Rozin (1994) in which various hypothetical transformations are described, we find that valuation of objects previously owned by liked people is best accounted for by a contagion model. These objects are believed to hold some physical remnant of their previous owner, and people are willing to pay money to have contact with such remnants. In contrast, objects previously owned by negative figures were valued solely for their presumed marketability.

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SPECIAL SESSION SUMMARY

Effects of Social Influence on Consumer Spending Decisions

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SESSION OVERVIEW

The majority of research on the effects of social influence in the marketplace has documented the impact of the simple presence or absence of others in a given consumer choice situation (e.g., choice under public versus private settings). Less is known about the impact of the source of the influence and the process of transmission of the influence from the source to the receiver. Although the importance of some sources of influence is readily apparent (e.g., salespersons), consumers may be subject to the social influence stemming from more subtle, unexpected sources as well. This session focuses on these subtle, but powerful, sources of social influence on consumer decisions. For instance, how does the presence of an accompanying friend influence the amount spent? What happens when the influencer is not physically present at the time purchase, but is instead physically associate with the object of purchase (e.g., deciding on how much to pay for objects that were once owned by well-liked or despised individuals)? And finally, how does subtle physical contact by another person influence the type of decisions that a consumer makes? The goal of this session is to present papers that address these subtle, incidental sources of social influence on consumer decision-making.

The three presentations also look at different degrees of connectedness between the consumers and the influencer. The first paper (by Kurt, Inman, and Argo) examines whether the presence of a friend can create an unintentional financial cost to the consumer when in the marketplace. They show that consumers spend more when they shop with a friend compared to when they shop alone and that individual differences in consumers' agency-communion orientation and self-monitoring moderate the relation between an accompanying friend and consumers' spending. The second paper (by Argo and Levav) examines how a gentle, open-palmed touch affects individuals' feeling of security and financial risk-taking propensity. They find that such a touch on the shoulder generate higher risk-seeking. Finally, the third paper (by Newman, Diesendruck, and Bloom) focuses on the case where the influence is transmitted through the object considered to be purchased by the consumer rather than a direct connection between the influencer and the consumer. Specifically, they examine why celebrity objects are valued and whether consumers value the items once owned by disliked figures for the same reasons that they value those previously owned by liked figures. They find that a contagion model can better explain the valuation of objects previously owned by liked people, whereas presumed marketability of items previously owned by disliked people is the sole driver of their valuation.

Collectively, the three papers in this session will provide new insights regarding psychological mechanisms underlying the process of social influence shaping consumers' decision making. The set of papers should lead to an interesting discussion regarding subtle and unexpected social influence in the market place (e.g., negative and unintended consequences of shopping with a friend). In addition, we believe that the variation in the degree of connection between the influencer and the consumer examined in the papers will lead to a lively session. We expect this session to generate considerable interest among ACR members because the papers draw upon a variety of theoretical perspectives (agency-communion theory, law of contagion) and the studies range from lab experiments (Newman et al., Argo and Levav) to field studies (Kurt et al.) to analysis of secondary data sets (Kurt et al.).

EXTENDED ABSTRACTS

"How Friends Promote Consumer Spending"

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It is well-established in the literature that social influences play a pervasive role in shaping consumers' affect and behaviors (e.g., Argo, Dahl, and Manchanda 2005; Dahl, Manchanda, and Argo 2001). For instance, while high levels of attractiveness and persuasiveness of a salesperson have been shown to enhance the effectiveness of an influence attempt (e.g., Argo, Dahl, and Morales 2008; Doney and Cannon 1997), high levels of persuasion knowledge and cognitive capacity of consumers have been shown to inoculate them from such an influence (e.g., Campbell and Kirmani 2000). However, not all occurrences of influence may be intentionally inflicted, and as such, it seems likely that consumers may not always be prepared to draw from their repertoire of protective strategies to shield themselves from the influence. An example of such an occurrence may be when the social influence arises from an unexpected source such as the presence of individuals for whom the consumer cares about (i.e., our friends). The goal of this research is to examine whether an accompanying friend in the marketplace can create an unintentional cost to the consumer.

Previous research has shown that friends can be influential, serving as not only sources of product information (e.g., Urbany, Dickson, and Wilkie 1989) but also through their activation of impression management concerns on the part of the consumers (e.g., Childers and Rao 1992). For instance, Ratner and Kahn (2002) demonstrate that consumers seek more variety in public (versus private) contexts as they expect others to evaluate a varied set as more interesting. Thus, we predict that consumers spend more when they shop with a friend as compared to when they shop alone.

Furthermore, we argue that the direction of consumer spending is moderated by consumers' agency-communion orientation (i.e., the tendency to focus on the self or others; Bakan 1966). Specifically, we predict that agentic consumers (i.e., males) spend more when they shop with a friend than when they shop alone, whereas communion consumers (i.e., females) are more likely to control their shopping in the presence of a friend. This prediction is consistent with "feminine modesty effect" (e.g., Heatherington et al. 1993) suggesting that in response to normative pressures, females are more likely to be modest in public versus private contexts. In contrast, society deems it acceptable for males to engage in self-promotion (Griskevicius et al. 2007). Finally, given that consumers differ in their responsiveness to interpersonal cues of situationally appropriate behavior (Gangestad and Snyder 2000), we argue that this interactive effect is moderated by self-monitoring such that friends are especially influential for consumers who are high in self-monitoring despite their orientation, albeit the effects occur in opposite directions (i.e., agentic (communion) consumers spend more (less) in the presence of a friend).

In Study 1, we use the data provided by the Point of Purchase Advertising Institute (POPAI). In-store intercept interviews were conducted at 14 mass merchandise stores. Consumers were intercepted randomly as they entered the store and were asked several questions, including how much they planned to spend in the store. After respondents finished shopping, they returned for the exit

interview. Agency-communion orientation was operationalized as gender (78% of 1,208 respondents were female). We estimated a model with OLS regression where the dependent variable was the amount spent and the main independent variables were the amount planned to be spent, social influence categories (indicator variables for being accompanied by friend, spouse, etc.), gender and social influence*gender interactions. We found a significant main effect for friend ($\beta_2=0.12$, $p<.05$) and a significant friend x gender interaction ($\beta_{18}=0.15$, $p<.01$). Specifically, male (i.e., agentic) consumers spend 56% more when they shop with a friend than when they shop alone, while female (i.e., communion) consumers spend 4% less when they shop with a friend than when they shop alone, albeit this latter difference is not statistically significant.

Study 2 employs a 2 (orientation: agency vs. communion) x 2 (social presence: alone vs. accompanying friend) between-subjects design. 87 students (51% female) completed the study. Orientation was operationalized as gender. We manipulated the friend's presence via a trained confederate assuming the role of a friend that is present during the shopping trip. Participants were given \$5.00 and asked to purchase a package of four AA batteries at the bookstore. After categorizing the brands into three groups based on price level, we ran an ordered logistic regression with price level as the dependent variable. We found a significant main effect for friend ($\beta=0.81$, $\chi^2=11.64$, $p<.01$). Importantly, the analysis revealed a significant friend x gender interaction ($\beta=0.65$, $\chi^2=7.58$, $p<.01$), suggesting that the probability of a male (female) consumer choosing a more expensive brand is greater (attenuated) when a friend is present as compared to when the consumer is alone.

Finally, in Study 3, we conducted a field study where customers were intercepted as they entered a shopping mall in Turkey. Only customers who were either shopping alone or accompanied by a single friend were invited to participate in the study (52% of 126 respondents were female). In this study, the exit survey also included scales measuring agency/communion and self-monitoring individual differences. By conducting OLS regression where the dependent variable was the amount spent, we found a significant main effect for friend ($\delta_2=0.14$, $p<.05$). The interaction between friend and ACDIF (difference between a respondent's agency and communion scores) was also significant ($\delta_{13}=0.27$, $p<.05$). Furthermore, there was a significant three-way interaction between friend, ACDIF, and self-monitoring ($\delta_{16}=0.30$, $p<.05$). The results support our prediction that agentic (communion) consumers who are high in self-monitoring spend significantly more (less) in the presence of a friend.

Our findings suggest that the friend effect has the greatest implications for agentic consumers (i.e., males) because shopping with a friend is likely to have negative ramifications for their pocketbook—they spend more and tend to buy the most expensive brand with an accompanying friend. However, this caveat does not appear to hold for communion consumers (i.e., females). In fact, communion consumers who are high in self-monitoring spend significantly less when they shop with a friend than when they shop alone.

“Once More, With Feeling: The Effect of Touch on Risk-Taking”

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Physical contact is a fundamental aspect of both the human and other mammalian experience. It is the cornerstone of the connection between mother and infant, and is the most primitive form of interpersonal expression. Among its many effects, touch can increase people's likelihood of accepting requests (Kleinke 1977)

and can be used to communicate status (Mehrabian 1970). In this paper we focus on an aspect of touch whose effect originates in the earliest moments of life: touch as a source of security.

In his classic experiments on the nature of love, Harlow (1958) shows that infant monkeys can become attached to a “mother” made of soft cloth that the infant monkey likes to touch, but not to a “mother” made of wire that he does not. According to Harlow, infant monkeys placed in a room with the soft mother use “her” as a base of operations and source a source of security, and are more likely to explore stimuli around the room. This is not the case for the untouched, wire mother. The connection between touch and security at infancy and exploratory behavior is even more apparent in Ainsworth's (1978) strange situation paradigm, wherein young children are placed in a room with strange stimuli and are left to explore on their own. Children with stronger attachment patterns—physical and otherwise—are more likely to engage in exploratory behavior.

In this paper we argue that certain forms of touch can similarly increase consumers' sense of security and in turn lead them to engage in similar form of exploratory behavior. Specifically, we study how touch affects financial risk tasking. Our prediction is partially drawn from work by Hsee and Weber (1999) that shows that Chinese are more willing to take financial risks because of their strongly interdependent culture provides a measure of security should their risk fail. Hsee and Weber call this “the cushion hypothesis,” as the potential fall is cushioned by the tight social network that is characteristic of Eastern cultures. Although in the Hsee and Weber studies the sense of security experienced by Chinese participants is real, in our study the sense of security is perceived, rather than actual (more below).

The touch that we focus on in our studies is an open-palmed, comforting light pat on the shoulder. We present three experiments with both hypothetical as well as real payoffs.

In our first study participants are greeted by an experimenter and are either verbally ushered to a table where the experimental task awaits or are verbally ushered and touched lightly (not pushed!) on the shoulder. The experiment was run individually for each participant; this was the case for the next two studies as well. The experimenter was a mildly attractive female. The experimental task was taken directly from Hsee and Weber (1999) and consisted of a series of choices between sure, low payoffs and risky, higher payoff gambles. We find that participants in the touch condition were significantly more likely to accept the riskier gambles (i.e., they showed greater risk tolerance). We find no interaction with gender; both male and female participants were equally influenced by the experimenter's touch (this was a consistent finding in all three studies and will not be discussed further).

In our second study we contrasted different security-evoking and non-security-evoking forms of touch and tested whether a measure of sense of security could mediate our effect. To this end, in addition to our no touch and shoulder touch conditions, we also added a handshake condition wherein the experimenter greeted the participants with a handshake also prior to presenting the experimental task. Based on previous research, we reasoned that a handshake would not provide the same perceived sense of security as a touch on the shoulder, and that as a result we would not see elevated levels of risk taking in the handshake condition. The task this time was an investment decision wherein participants were given \$10 in cash and received financial data about an unnamed publicly-traded company. They were then given a choice between investing all or some of the \$10 in the company's stock (to make matters more realistic, each \$1 in cash was made equivalent to \$100) and investing the money in a government bond with a fixed

payoff. The payoff for the stock investment was probabilistic and was based on the company's financial performance. Participants kept their winnings. Having completed the investment task, participants then completed a battery of measures to assess their mood and feelings of security. We find that participants were significantly more likely to invest their money in the riskier equity in the shoulder touch condition than in either the no touch or handshake conditions. There were no differences in mood between conditions, suggesting that affect does not drive our effect. Importantly, however, we do find that feelings of security mediate people's propensity to take risk and invest in the risk equity.

Finally, in the third study we further probed the role of perceived security using a manipulation approach. Participants were either asked to write about a situation in their past where they felt insecure or a situation where they felt secure. They were then sent to a different room, where a mildly attractive female experimenter either touched them on the shoulder or not as in the previous two studies. The task was the same investment decision as in study, again with a real monetary payoff. We find that participants in the insecure essay conditions made riskier choices if they were touched versus not touched. The levels of risk taking in the insecure essay/touch condition were equally high to those in either of the secure essay conditions. The interaction is significant. In other words, touching participants in the insecure essay condition reversed the effect of insecurity on people's risky choices, making them more risk-seeking.

"Celebrity Contagion and the Value of Objects"

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Artifacts are usually valued because of their utility—a watch tells time, a coat provides warmth, and so on. But, in some cases, they also get value by dint of their histories. People have paid large sums of money for a tape measure owned by President Kennedy, an autograph by astronaut Neil Armstrong, and the pop star Britney Spears' chewed-up bubble gum (see Bloom and Gelman 2008; Hood and Bloom 2007). Curiously, there is also a substantial market for items once belonging to despised individuals, such as Charles Manson's hair, a painting by John Wayne Gacy, and the personal effects of Saddam Hussein (Stone 2007). Why are these celebrity objects valued? And, do people value 'negative' celebrity items for the same reasons that they value 'positive' ones?

One explanation is that these objects are valued because of their associations. Objects that were owned or touched by specific people remind us of those people. This captures the fact that objects associated with admired individuals are positively valued, however it predicts as well that objects belonging to individuals that are explicitly disliked should carry no value at all.

A second account has to do with intuitions about how these objects are valued by others. For instance, we might value objects that belonged to celebrities because we believe that there are other people who would later purchase them from us at higher prices, or because others would be impressed that we own such things.

A third account is rooted in "the law of contagion" (Frazer 1959; Mauss 1972; Rozin et al. 1986). This is the belief that through physical contact, a person's immaterial qualities or 'essence' can be transferred to an object. For example, people are reluctant to purchase a t-shirt if it was just tried on by someone else (Argo, Dahl, and Morales 2006), but they are more likely to purchase a product if it came into contact with someone attractive (Argo, Dahl, and Morales 2008). This provides a potential explanation for why people value objects that have been touched by admired people,

though it fails to explain the appeal of objects that have been in contact with despised individuals.

The goal of the present studies was to explore these alternative accounts. Experiment 1 recruited 219 adult participants ($M_{\text{age}}=35$). Using a method similar to Nemeroff and Rozin (1994), participants first were asked to list the name of either a person that they deeply admired or a person that they despised. Participants were then asked report the maximum amount of money they would be willing to bid on an item that belonged to the person they had just listed. After reporting this initial amount, participants in both conditions were asked on subsequent pages to imagine that the object was "transformed" in several different ways. The transformations included sterilizing the object such that no physical traces of the previous owner remained, purchasing the object with the stipulation that they could never resell it, purchasing the object with the stipulation that they could never tell anyone that they owned it, and increasing the number of such objects in existence. Participants again reported their willingness-to-pay for the item in light of each transformation, which was repeated for all four transformations.

Experiment 1 revealed an interaction between the valence of an object, and the effectiveness of a transformation in changing its perceived value ($p<.01$). For items owned by a positive target, sterilizing the object was the only transformation that significantly impacted judgments value ($M=-29.5\%$), $p<.001$. The effects of "can't resell", "can't tell others" and "increase number" were comparatively minimal ($M_s=+10.4\%$, $+0.7\%$, and -9.8% , respectively, all $ps>.2$, except for a marginal effect of "increase number," which was $p=.064$). In contrast, only the "can't resell" transformation had a significant impact on the negative items ($M=-31.5\%$), $p<.001$, while the effects of "sterilization", "can't tell others", and "increase number" were comparatively minimal (-10.1% , -16.0% , and $+6.3\%$, respectively, all $ps>.2$). This result suggests a contagion account best explains the value of positive objects, while a market account best explains the value of negative objects. The effect of sterilization, as well as the fact that at least some participants said they would pay money for negative objects, rules out a strict version of the association account.

In Experiment 2 we assessed the interaction between object valence and transformation type more directly by making two changes in the design. First, we included only the two transformations that proved most effective in Experiment 1: sterilization and can't resell. Second, we manipulated these transformations between-, rather than within- subjects. We also included an additional measure regarding participants' willingness to have contact with the object.

Results from 310 new participants ($M_{\text{age}}=33.4$) indicated a significant interaction between valence (positive vs. negative) and transformation type (sterilization vs. can't resell), $p<.001$. Consistent with the results of the previous experiment, sterilizing the "positive" object decreased its value, significantly more than did limiting the ability to resell it ($p<.05$). Conversely, limiting the ability to resell the negative object decreased its value significantly more than did sterilizing it ($p<.05$).

Analysis of willingness-to-wear, however, revealed a different pattern. Sterilizing the 'positive' sweater made participants want to wear it significantly less than did limiting the ability to resell it ($p<.05$). However, sterilizing the 'negative' sweater made participants want to wear it significantly more than did limiting the ability to resell it ($p<.01$).

These experiments suggest that people value objects that have come into contact with famous vs. infamous individuals for different reasons. Valuation of positive objects is best accounted for by a contagion model—these objects are believed to hold some physi-

cal remnant of their previous owner, and people are willing to pay money for the possibility to have contact with such remnants. Objects previously owned by negative figures, in contrast, were valued for their presumed marketability. In cases where negative objects were valued, prohibiting participants from reselling the object significantly decreased the amount of money they were willing to pay for it. Interestingly, while sterilization did not affect participants' willingness to pay, it did affect their willingness to wear a negative object. This finding suggests that while people seem to believe that negative objects contain possibly contagious remnants of their previous owners, these beliefs do not affect people's monetary valuation of objects (also see Rozin et al. 2007).

Previous work on contagion has demonstrated that the belief in a physical transmission of 'essence' is arguably pervasive across cultures (Frazer 1959; Mauss 1972). The present studies offer a new perspective on this phenomenon as they illustrate the ways in which contagion and monetary valuations of objects may either converge, or diverge, depending on the valence of the individual who touched them and the market demands surrounding them.

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