Fairness in Joint Consumption Decision-Making

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Introduction

Companies are investing in platforms that allow sharing experiences. Tools like Spotify’s Group Sessions and streaming service Tellypops (formerly Netflix Party) make sharing more accessible. This research examines the decision-making process for these shared experiences. Consumers frequently make decisions for shared experiences independently—buying groceries to share, choosing restaurants to dine at with colleagues, picking travel locations. Will consumers ever choose options that are preferred less by both parties? Consumers make joint consumption decisions independently.

Background Knowledge

- Consumers frequently make single consumption and joint consumption decisions—those with one decision but with an outcome that will be shared (Khalil & Fließ, 2012).
- Consumers focus on the relationship and act to balance their own preferences with others’ preferences when making decisions (Tan, et al. 2019).

Consumers have various decision rules when making joint consumption decisions.

- Consumer want to get maximum benefit when making joint consumption decisions for close connections (Ma & Wu, 2018).
- Consumers prefer experiences where they and the recipient have similar attitudes (Bhagat & Judd, 2014).
- When consuming together, consumers prefer experiences that require the recipient’s engagement over those that require little (Gilbert & Fazio, 2010).

Consumers have a motivation to appear fair and avoid appearing selfish.

- Children read more fairly when watching object comparison when in private (Ryan et al. 2014).
- Children prefer a scenario allocation who was fair compared to one who benefited more (Ryan et al. 2012).

Selfishness and generosity are evaluated on relative, versus absolute, gains.

- Consumers react to preference accuracy better than their behavior (Kanmaz et al. 2020).
- Consumers react relative to judge their own preferences better (Taneja et al. 2019).

Research Goals

Research Question: How does one’s concern to avoid appearing selfish impact the decisions consumers make for joint consumption decisions based on the attitude information focused on?

Choose Options Preferred Less by Both Individuals

H1: Individuals concerned about appearing fair will avoid choosing the favorably unequal option, even if that option is preferred by both parties.

H2: Individuals will judge others who choose the preferred yet favorably unequal option as being more selfish.

H3: The effect will be moderated by consumers focusing more on relative benefit when evaluating choices for fairer appearances rather than focusing on absolute benefit.

Choose Preferred Option When Other’s Preferences Are Ambiguous

H4: Individuals concerned about appearing fair will avoid choosing options that are likely to lead to a favorably unequal outcome, even when recipient’s preferences are ambiguous.

Five studies (n=1784) were conducted to test the above hypotheses.

Study 1 (n=220): Evaluating Selfishness of Choices Options for Joint Consumption

Q: How do consumers evaluate selfishness of others who choose different joint consumption options?

Manipulation 1: Scenario either had individual gaining more than friend in both choices or in neither choices

Manipulation 2: Scenario either had individual choose the unequal option or choose the equal less preferred option

DV: Participants rated how selfish they thought the decider was.

Results: The interaction was significant. Participants rated the decider as being more selfish after choosing the 9—5 instead of 6—4. Yet, participants thought it was more selfish to choose the 4—6 option over the 5—5 option.

Study 2 (n=352): Concern for Fairness Increases Avoidance of Preferred but Unequal Option

Q: How does a concern to appear fair impact one’s choice for joint consumptions?

Manipulation: Participants imagined planning a vacation with a new friend or close friend.

DV: Participants chose between two equally priced vacation packages:

- 5 Star Hotel Package—VIP room for you; Regular room for friend
- 3 Star Hotel Package—Regular room for you; Regular room for friend

Results: When concern to appear fair was heightened, participants were more likely to choose 3 Star Package (equal; less preferred) than 5 Star Package (unequal; more preferred).

Study Overview + Results

Pilot Study (n=307): Examining Choice Between Equal Less Preferred Option and Unequal Preferred Option

Q. Do consumers ever pick the less ‘preferred’ item when choosing for joint consumption?

Manipulation: Participants either were asked to choose for themselves, for the other, or for a shared experience with self and other.

DV: Participants chose between two bakery options (pie or cookie)

Results: Participants chose the less preferred options for joint consumption.

- Self—When they preferred pie, almost 100% chose regular pie over regular cookie
- Other—When other preferred pie, almost 100% chose regular pie over regular cookie
- Joint—When self + other preferred pie, 59% chose cookie box (equal) over pie box (decider gets larger slice).

Sample Open-End Quotes

The following are some open-end quotes that helped the research team build the theory and hypotheses:

“I would have chosen option 2 because I wanted to be fair even though I’m the main person who is benefitting from it. Choosing the other option would’ve made me feel like I was doing something wrong just because I wanted the better option. I wanted to be fair, and not appear unfair.”

“Choosing a joint experience with my friend, I wanted to be sure they were happy with my choice. I would have chosen a different option if I thought they preferred the other.”

“When you share something with a close friend, you want to make sure they are happy with your choice. I would have chosen option 1 because I wanted to make sure my friend was happy with my choice.”

Study 3

Examining main effect

ANOVA: F (1, 350) = 5.7, p < .02

Median test: p < .001

Study 4

Examining main effect

ANOVA: F (1, 350) = 5.9, p < .001

Median test: p < .02

Study 5

Examining main effect

ANOVA: F (1, 350) = 5.9, p < .001

Median test: p < .02

Conclusion

When consumers want to avoid appearing selfish…

✓ They will focus on the relative benefit that others will get rather than absolute benefit [Study 4]

✓ Instead of maximizing others’ benefit, they will focus on decreasing the amount they benefit more than the other.

Future Directions

Real Life Choices—Does this occur in the real world?

- Showing the effect in real-world scenarios where consumers are making choices.

Ambiguous Information—What happens when others’ benefit distribution between self and other is unknown?

- Currently, data suggest consumers will avoid choosing options they love when friends’ preferences are ambiguous due to the inferences they are making about others’ preferences.

Varied Context—What situations do we see this occurring in?

- Currently, we blame liaise experiences (e.g., music, movies, restaurants) that consumers jointly consume.

- Would like to understand how this theory would hold in other contexts:
  - Referral programs and loyalty programs
  - Shared products (e.g., housing, cars)
  - Gift bundles

Societal Impact—How does punishing unfair behavior impact choices consumers make for groups?

- Currently, our data suggests consumers may avoid choosing options that provide greater benefit to all in order to avoid appearing fair. How might this impact public policy and other governmental programs?

References


