

Procedural Justice and the Risks of Consumer Voting

Tami Kim

Leslie K. John

Todd Rogers

Michael I. Norton

Tami Kim is an assistant professor at the Darden School of Business at the University of Virginia (kimt@darden.virginia.edu). Leslie K. John is an Associate Professor of Business Administration at Harvard Business School (ljohn@hbs.edu). Todd Rogers is a Professor at the Harvard Kennedy School (todd_rogers@hks.harvard.edu). Michael I. Norton is the Harold M. Brierley Professor of Business Administration at Harvard Business School (mnorton@hbs.edu).

Correspondence: Tami Kim

Abstract

Firms are increasingly giving consumers the vote. Eight studies demonstrate that when firms empower consumers to vote, consumers infer a series of implicit promises—even in the absence of explicit promises. We identify three implicit promises to which consumers react negatively when violated: representation (Experiments 1A-1C); consistency (Experiment 2), and non-suppression (Experiment 3). However, when firms honor these implicit promises, voting can mitigate the disappointment that arises from receiving an undesired outcome (Experiment 4). Finally, Experiment 5 identifies one instance when suppressing the vote outcome is condoned: when voters believe that the process of voting has resulted in an unacceptable outcome. More generally, we show that procedural justice plays a key mediating role in determining the relative success or failure of various empowerment initiatives—from soliciting feedback to voting. Taken together, we offer insight into how firms can realize the benefits of empowerment strategies while mitigating their risks.

Keywords: Consumer empowerment, voting, procedural justice, promises

1. Introduction

An increasingly popular strategy used by firms in an attempt to strengthen relationships with their stakeholders is to allow customers to vote on decisions once made by managers. For example, Audi allowed consumers to vote on the ending of its 2013 Super Bowl advertisement, a four million dollar investment. Similarly, the movie franchise “Sharknado” created buzz by allowing consumers to vote on whether its main character should live or die in its upcoming movie (fans spared her life). The Cheesecake Factory and Lay’s allowed customers to vote on new flavors, resulting in Stefanie’s Ultimate Red Velvet Cheesecake in 2010 and Southern Biscuits and Gravy chips in 2015. Firms have also begun to routinely let consumers vote on more critical issues: the Seattle Sounders—a Major League Soccer team—allows its season-ticket holders to vote every four years on retaining the team’s general manager; and a popular T-shirt company, Threadless, determines most of its product offerings by consumer vote. The list of such voting initiatives is vast and includes many of the most recognizable brands: Pepsi allowed consumers to vote on charitable initiatives in the Pepsi Refresh Project in 2010; the National Football League has been allowing its fans to vote for the Most Valuable Player since 2001. Given the increasing number of firms that are offering consumers opportunities to vote, we seek to offer insight into the rewards and attendant risks of consumer voting.

Voting is a form of consumer empowerment: when firms involve consumers in decision-making processes. Firms have good reason to believe that empowering consumers will confer benefits. For example, soliciting consumer input can help firms to better align product offerings with consumers’ needs and wants, hence reducing product development costs and increasing speed to market (Ogawa and Piller 2006, Prahalad and Ramaswamy 2000). In addition, involving consumers in the product development process can increase the perceived value of resulting products (Buechel and Janiszewski 2013, Franke et al. 2009, Moreau et al. 2011, Norton et al. 2011, Ramaswamy 2009). Beyond these direct economic benefits, recent research also suggests that consumer empowerment initiatives provide psychological benefits that enhance consumer-firm relationships—which in turn, can translate into greater economic benefits. For example, when consumers are involved in selecting new product offerings, they experience

stronger feelings of ownership over those products (Franke, Keinz and Steger 2009). Moreover, voting in particular has been shown to increase consumers' loyalty toward the firm (Fuchs et al. 2010).

While this previous research suggests that empowering consumers leads to positive consequences, we document the importance of recognizing its potential downfalls. Voting comes with (at least) three risks, derived from a set of implicit promises—practices that consumers expect firms to follow even in the absence of explicit promises—that voting makes. First, introducing voting implies that the firm *will not suppress the outcome* of the popular vote; but what if voters choose options that firms do not prefer? Consider, for example, the negative reactions to the National Environmental Research Council (i.e., NERC) during the naming of the United Kingdom's new polar research ship. The organization allowed the general public to submit name suggestions and to vote on them. To the chagrin of the NERC, the winning vote was "Boaty McBoatface," leading the NERC to promptly override it with the name "Sir David Attenborough." Although the NERC likely thought it well within its rights to override the vote outcome, the "Sir David Attenborough" decision generated a great deal of public backlash (Hyatt 2016)—suggesting that it had violated consumers' expectations of the way voting should be carried out.

A second risk arises from the manner in which some firms implement voting to insure themselves against having to honor unwanted outcomes: weighting customer votes versus managers' preferences differently. For instance, in the National Football League's annual selection of the Super Bowl Most Valued Player, fans' ballots count only 20% toward the final decision, while a professional media panel's ballots have an 80% say. However, voting may instill another implicit expectation in consumers' minds: consumer votes should be heavily weighted or even solely weighted, such that the *outcome is representative* of their preferences. We explore whether this hedging strategy preserves the potential consumer-relationship rewards of voting, or whether it leads to consumer backlash.

Third, allowing consumers to vote may increase their expectations that the firm will now allow consumers to vote *consistently for outcomes*, such as being able to vote in subsequent company decisions. Consumers' expectations are induced by their predictions of what will happen in the future (Miller 1977, Olson and Dover 1979, Westbrook 1987), and these expectations tend to be high—'ideal' expectations

that represent consumers' wants and needs (Boulding et al. 1993). Furthermore, firms are facing increased demands from consumers to offer greater opportunities to participate in company-related matters, revealing a significant change in how active consumers expect their relationship with firms to be (Holt 2002). As a result, consumers may expect to remain empowered once given voice. Such expectations, however, could be problematic for firms hoping to reclaim ownership over their decision-making processes. Consider, for example, the negative reactions to a policy change by Facebook. The company's original governance policy allowed its users to vote on company decisions; their 2012 decision to revoke this policy generated a firestorm of user complaints, such as "You care about user democracy? Hardly" and "Your choice to ignore the clear will of the users will be your downfall" (Facebook user 2012). Note critically that the many firms that never offer users the opportunity to vote are not criticized by consumers for not offering that opportunity; in contrast, we suggest that offering the vote but then removing it can lead to worse perceptions of the firm by consumers than never having offered the vote at all, further evidence of consumers' inferences of the implicit promises made by firms that offer voting, and their rage at those promises being broken.

These implicit promises engendered by voting make it a source of risk, but at the same time meeting those promises may lead to more positive consumer perceptions. How can firms reap the potential consumer-relationship benefits of voting while mitigating its risks? We answer this question by developing a theoretical account that explains when and why consumers react negatively to firm voting initiatives. We argue that allowing consumers to vote elicits a predictable set of beliefs about the way the voting process should unfold, such that when these beliefs are violated, voting can backfire. We derive a number of novel hypotheses from the model, and conduct studies that then show, for example, why overriding consumers' votes generates backlash, why attempting to avoid this problem by giving less weight to consumers' votes is unlikely to be effective, and most surprisingly, why the common concern that instituting voting leads consumers who are not in the majority—who "lose" the vote—to respond negatively may be misplaced. We test this general account as it pertains to the specific empowerment strategy of voting, in part because although voting is an increasingly common consumer empowerment

strategy, its underlying consumer psychology is not yet well-understood. More broadly, our account, which we delineate in the next section, provides insight into when and why a range of empowerment strategies—such as soliciting consumer input—fail versus succeed.

2. Conceptual Development

Empowerment, in the form of granting stakeholders the opportunity to participate in firms' decision-making processes, is an increasingly popular management practice. Previous research has focused on giving employees voice through mechanisms such as discussion groups and surveys (Cotton et al. 1988). Similarly, in the consumer context, research has examined benefits of soliciting customers' input, which can lead to lasting improvements in consumer-firm relationships (Dholakia and Morwitz 2002). For example, merely stating either one's intention to repurchase a product or one's satisfaction with a service can increase the likelihood of repeat purchase and reduce customer defection (Chandon et al. 2004, Morwitz et al. 1993).

However, empowerment strategies are not without risks. Research primarily in the domain of law suggests that giving voice to stakeholders signals that their opinion is valued and that they are "full-fledged member(s) of the group or society mandating the procedures" (Lind et al. 1997). Thus, once empowered, people can develop expectations of how they should be treated as stakeholders, even in the absence of explicit promises by the firm. In the employment context, these implicit promises serve as a psychological contract between the firm and its internal stakeholders (i.e., employees), and play an important role in maintaining their commitment to the company and job satisfaction (Folger and Konovsky 1989, Robinson and Rousseau 1994). For example, in a daily diary study that followed employees over the course of ten days, employees were asked to indicate whether a promise by the firm had been broken that day, and whether that promise was implicit or explicit. Some 41% of broken promises were described by employees as implicit, and these broken promises were associated with feelings of both hurt and betrayal; indeed, the magnitude of a broken promise by the firm was similar in its negative effect in daily mood to arguments with one's spouse (Conway and Briner 2002). Other research in organizations similarly points to the frequency and negative consequences of breaking implicit

(or unwritten) promises, over and above the costs of breaking explicit promises (e.g., Rousseau 1995), while research in psychology suggests that the negative effects of breaking promises are far larger than the positive effects of exceeding promises (Gneezy and Epley 2014).

Because consumer-firm relationships are often not formalized in explicit contracts, we suggest that consumers are also likely to infer implicit promises from firms. Yet, the implicit nature of such promises makes it difficult for firms to honor them, especially because firms often do not realize that they are making such promises. In other words, whether or not consumers are correct in assuming that the firm has made implicit promises may not matter when considering how they will react when the firm violates what consumers perceive as implicit agreements to behave in a certain manner. Thus it is critical that when firms empower consumers, they think carefully not only about the explicit promises they make, but also the implicit promises that consumers believe have been made to them—and what might happen when such promises are broken.

Empowerment strategies share the general property of giving consumers greater involvement in firm decisions. Previous theorizing (Leventhal 1980, Tyler 1984) and research (e.g., Lind et al. 1990, Walker et al. 1974) suggests that people care not only about the outcomes of decisions that affect them—such as the verdict of their trial—but also about the manner in which decisions are made—the legal system—formalized in a set of principles which we review in depth below (Leventhal 1980). For example, the principle of non-suppression captures the expectation that a decision-making process should not override the common will. Relying on this theoretical foundation, we propose that consumer empowerment strategies, by virtue of involving consumers in the decision-making process, activate consumers' expectations about how those decisions should be made. As a result, we suggest that empowerment strategies can lead consumers to believe they have been implicitly promised that those expectations will be met; when these implicit promises are unfulfilled—even when firms have not actually made those promises—we predict that empowerment can backfire and harm consumer-firm relationships.

We use this framework to shed theoretical insight into two of the most common ways that firms involve consumers in decision-making processes: soliciting their feedback (e.g., Dholakia and Morwitz 2002) and letting them vote. We focus primarily on voting both because it is an increasingly common yet relatively understudied marketing action, and because we expect consumers to have particularly strong expectations about how this particular decision-making process should unfold. In most developed countries, political systems are based (at least in part) on providing citizens with the opportunity to vote on policies, and providing such voice often leads citizens to have strong expectations of how governments ought to implement voting—for example, that they abide by the outcome (Banerjee and Somanthan 2001; Lamberton, De Neve, and Norton in press). We posit that allowing consumers to vote can also engender expectations; moreover, although such expectations may also be activated when firms solicit consumers' feedback, this previous research suggests that they are likely to be even stronger for voting initiatives. As a result, the consequences of honoring versus violating the implicit promises that consumers believe firms make by instituting voting may be particularly potent—a proposition we test empirically below. Drawing on Leventhal (1980), we focus on three principles that we hypothesize to be particularly relevant when firms allow consumers to vote: representation, consistency, and non-suppression.

The Principle of Representation. This principle dictates that a decision should reflect the basic concerns and values voiced during the process by which it was generated (Leventhal 1980), and is violated when different voices are seemingly arbitrarily given different weight. Within the context of consumer voting, one way that firms can violate this principle is by giving consumers' votes less weight than other stakeholders. Under such a differential weighting system, while consumer votes count toward the final outcome, the final outcome may not fully represent consumers' preferences. This logic implies that the National Football League's practice of giving fan votes less weight (20%) than members of the media (80%)—though intended as an insurance against having to honor unwanted outcomes—is likely to generate ill will. In fact, our account suggests that a 20% fan weighting can generate more ill will than never offering fans the option to vote for any percentage, because consumers are less sensitive to the principle of representation in the absence of voting.

The Principle of Consistency. This principle dictates that the characteristics of a decision-making process should remain stable across time. This principle is violated when, for example, the implementing authority deviates from a procedure in place, particularly when there is no apparent rationale for the change (Leventhal 1980). We suggest that, given the speed with which people become accustomed to the status quo (Samuelson and Zeckhauser 1988), consumers given the opportunity to vote once are likely to expect to continue to be able to vote on similar issues in the future—even in the absence of explicit promises from the firm. If so, allowing consumers to vote could prove problematic when firms wish to make similar subsequent decisions without allowing consumers to vote. Reverting from a voting process to a firm-controlled process violates the consistency rule and therefore is likely to produce backlash. Consistent with this logic, consumers may be more upset with firms that offer voting and then withdraw it than with firms that never offer voting at all.

The Principle of Non-Suppression. This principle dictates that a decision-making process should prevent the final outcome from being determined by personal self-interest or bias (Leventhal 1980). Applied to consumer voting, non-suppression implies that firms should not be able to override the winner of a consumer vote in favor of an outcome deemed to be more beneficial to the organization. The backlash against NERC for using “Sir David Attenborough” instead of “Boaty McBoatface” offers one example: in overriding the popular vote because it “want(ed) something that fits the mission” (Pantazi 2016), the NERC put its own interests ahead of the preferences of voters—a direct violation of the principle of non-suppression. Although NERC never explicitly promised to honor the outcome of the vote, consumers inferred an implicit promise and were outraged when that promise was not kept.

We argue that a voting process that violates any of these principles—representation, consistency, and non-suppression—will harm the quality of consumer-firm relationships—even in the absence of explicit promises. In fact, our model suggests that violating the implicit promises that voting engenders can leave firms worse off than never instituting voting at all. Formally, we predict:

H1a (violation of representation): Consumers react negatively when their ballots are given less weight relative to the voice of the firm (Experiments 1A-1C)—even more negatively than those

not granted the vote at all (Experiments 1B) and those merely allowed to provide feedback (Experiment 1C).

H1b (violation of consistency): Consumers react negatively to losing the opportunity to vote—even more negatively than those not granted the vote at all (Experiment 2).

H1c (violation of non-suppression): Consumers react negatively when the popular vote outcome is overridden—even more negatively than those not granted the vote at all (Experiment 3).

Thus, Experiments 1A-3 focus on the downside of consumer empowerment strategies, investigating the extent to which consumer-firm relationships suffer when the implicit promises firms make go unfulfilled. Specifically, we suggest that violating these promises will leave companies worse off than never granting the vote in the first place. Conversely, honoring implicit promises should not harm consumer-firm relationships.

What psychological process undergirds the effectiveness—or ineffectiveness—of consumer voting, and consumer empowerment more generally? Previous theorizing (Leventhal 1980, Tyler 1984) and research (e.g., Lind, Kanfer and Early 1990, Walker, LaTour, Lind and Thibaut 1974) suggests that when people's implicit expectations of how decisions should be made are violated, the decision process feels unjust, causing dissatisfaction. This perception—of whether the decision-making process is fair—has been formalized in the construct of procedural justice (Leventhal 1980, Lind and Tyler 1988). Notably, this theorizing centers on decision-making processes as opposed to outcomes, reflecting the notion that people derive utility not only from the outcomes they receive, but also from the process through which they receive those outcomes. For example, perceptions of procedural fairness, compared to perceptions of outcome fairness, can equally—and sometimes more strongly—predict employee reactions such as job satisfaction (Alexander and Ruderman 1987, Folger and Konovsky 1989). Formally:

H2: Perceptions of procedural justice will drive the relationship between abiding by (or violating) the principles of representation, consistency, and non-suppression on consumer-firm relationship quality (Experiments 1B-C, 2-5).

Having focused on the risks of consumer voting, we next turn to possible benefits; in particular,

we suggest that when firms fully honor the implicit promises made by voting, consumers who do not receive their desired outcome may be less upset. Indeed, when consumers “lose the vote” by not obtaining their desired outcome, they cannot derive satisfaction from the final outcome—making them even more sensitive to whether the process followed is procedurally just. We suggest that the satisfaction they derive from the belief that the process was just will narrow the satisfaction gap between obtaining desired versus undesired outcomes. In other words, the disappointment of not obtaining one’s desired outcome will be lessened when firms adhere to the principles of representation, consistency, and non-suppression.

Formally, we predict:

H3: The negative effect of obtaining an undesired outcome will be buffered by a voting process that adheres to the principles of representation, consistency, and non-suppression (Experiment 4).

Whereas Experiment 4 tests a case when adhering to voting’s implicit promises is particularly beneficial (i.e., when consumers get an undesired outcome), Experiment 5 does the opposite, documenting a case when doing so is not beneficial, and may in fact be detrimental. Specifically, we test a case when consumers condone vote suppression. To return to the NERC example, suppose that the general public had voted to name the NERC’s ship after Vladimir Putin or Adolf Hitler. In such a case, the NERC faces a dilemma: should it uphold its implicit promise to abide by the popular vote, or should it instead break its promise and override the vote? Just as consumers have a set of expectations of how a voting process should be implemented, they also have a set of expectations of how authority figures should behave—competently and benevolently—which in turn, can enhance perceptions of fairness (Tepper and Taylor 2003). Because people generally fear a vocal minority exerting undue sway over outcomes which are binding for all (Hardin 2009, Hauser et al. 2014, Levin and Harvey 2000), we argue that when empowered to vote in firm decisions, consumers should prefer that firms overrule a vote outcome that is perceived as unacceptable to the broader universe of voters—in part because ending with an unacceptable outcome can suggest that the process itself was flawed. Therefore, we predict:

H4: Abiding by a popular vote outcome will not improve, and may erode, consumer-firm relationships when the vote outcome is perceived by consumers as unacceptable (Experiment 5).

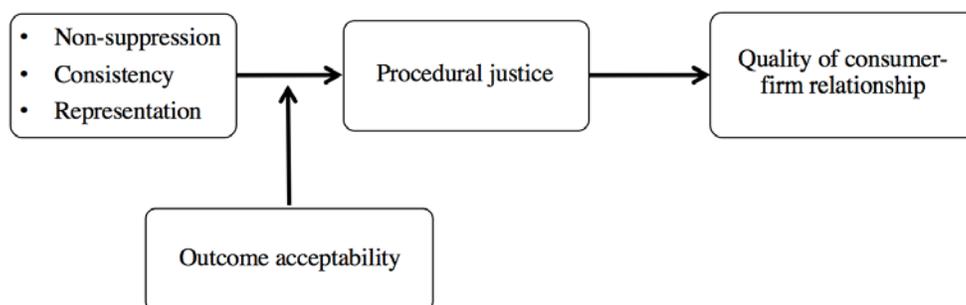


Figure 1: Conceptual model

3. Overview of Experiments

We develop and test an account of when and why consumer empowerment initiatives enhance versus detract from consumer-firm relationships, invoking perceptions of procedural justice as a critical psychological driver. We focus on three antecedents of procedural justice—non-suppression, consistency, and representation—and demonstrate that voting initiatives that violate any one of these principles leave consumers more disgruntled than never granting the vote at all.

We begin by establishing that voting indeed activates a stronger set of implicit promises than another popular empowerment strategy: soliciting feedback (Pilot). Next, we document the negative consequences of violating these expectations, considering each—non-suppression, consistency, and representation—in turn (Experiments 1A-3). After demonstrating the negative consequences of violating three implicit promises of voting, we examine a positive impact of honoring these promises: voting can buffer against the disappointment of receiving an undesired outcome (Experiment 4). Finally, we document a case when abiding by the voting outcome is not beneficial: when the winning outcome is unacceptable (Experiment 5).

Across eight studies, we provide converging evidence of the risks of voting by measuring the health of consumer-firm relationships using a variety of indicators, including consumer engagement (Experiments 1C and 2) and overall satisfaction (Experiments 1A-5). We show these effects across several experimental paradigms employing consequential dependent measures.

4.1. Pilot: Voting and soliciting feedback invoke implicit promises

4.1.1. Pilot Procedure

The experiment was a 3 condition, between-subjects design manipulating empowerment strategy: no voice (which served as the control), voting, and feedback. Participants ($N = 150$, 41.7% male; $M_{age} = 37.4$, $SD = 11.9$) were recruited from Amazon's mTurk. Those in the no voice condition simply read: "A local ice cream shop you frequent announces that it will select the '2017 Flavor of the Year.' The winning flavor will be featured throughout 2018." Participants in the vote and feedback conditions were also given the same introduction; in addition, those in the vote [feedback] condition read: "As part of the decision-making process, the ice cream shop will let its customers vote [fill out a feedback form]."

Participants then indicated their agreement with three statements (1 = Strongly disagree; 7 = Strongly agree), presented in random order: The decision-making system described above makes an implicit promise to customers that... 1) the customers' voice will be given more weight than that of the ice cream shop's management staff, 2) the ice cream shop will give voice to its customers in the future, and 3) the ice cream shop should not be able to override the outcome most preferred by customers in favor of an outcome that the shop prefers; these three statements assess the principles of representation, consistency, and non-suppression, respectively.

In this and all other studies, we report all independent and dependent variables and data exclusions. We recruited participants by following the minimum threshold of 50 participants per cell. We did not analyze data until we finished collecting the pre-specified number of participants.

4.1.2. Pilot Results

We conducted a series of one-way ANOVAs, which revealed a significant effect of condition on all three statements.

Representation. A one-way ANOVA revealed a significant main effect, $F(2, 149) = 23.85$; $p < .001$, $\eta_p^2 = .25$. Compared to those in the no voice condition ($M = 2.98$ $SD = 2.15$), those in the vote condition ($M = 5.59$, $SD = 1.64$; $t(99) = 6.83$, $p < .001$, $d = 1.37$) and those in the feedback condition ($M = 4.51$, $SD = 1.89$; $t(96) = 3.01$, $p < .01$, $d = .61$) were more likely to think that the firm had implicitly promised to abide by the representation principle (i.e., consumers' voice should be weighted more heavily

than that of the firm). Furthermore, ratings for the vote condition were significantly higher than the ratings for the feedback condition, $t(96) = 3.79, p < .001, d = .77$.

Consistency. There also was a significant main effect for the consistency statement, $F(2, 149) = 10.02; p < .001, \eta_p^2 = .12$. Compared to those in the no voice condition ($M = 2.98, SD = 2.15$), those in the vote condition ($M = 3.86, SD = 1.59; t(99) = 3.69, p < .001, d = .74$) and in the feedback condition ($M = 4.08, SD = 1.96; t(99) = 3.95, p < .001, d = .79$) were more likely to think that the firm had implicitly promised to abide by the consistency principle (i.e., continuing to give voice to consumers). Agreement ratings amongst those in the feedback and no voice conditions did not differ, suggesting that expectations for the firm to abide by the consistency principle are equally activated for both types of empowerment strategies $t(96) = -.62, p = .54, d = .13$.

Non-suppression. Agreement ratings for the non-suppression principle followed the same pattern as the representation principle, $F(2, 149) = 14.24; p < .001, \eta_p^2 = .16$. Compared to those in the no voice condition ($M = 3.17, SD = 2.13$), those in the vote condition ($M = 5.22, SD = 1.70; t(99) = 5.33, p < .001, d = 1.07$) and those in the feedback condition ($M = 4.22, SD = 1.93; t(99) = 2.60, p = .01, d = .52$) were more likely to think that the firm had implicitly promised to uphold the non-suppression principle. Furthermore, agreement ratings for the vote condition were significantly higher than the ratings for the feedback condition, $t(96) = 2.72, p = .01, d = .56$.

In sum, these findings show that both types of empowerment—voting and soliciting feedback—activate expectations for representation, consistency, and non-suppression within consumers. Importantly, they also support our theorizing that voting on average tends to activate a stronger set of expectations in consumers compared to soliciting feedback. We primarily test our proposed account using the specific empowerment strategy of voting, examining the consequences and underlying psychology of making implicit promises to consumers by allowing them to vote, using soliciting feedback as a comparison condition. We use a range of paradigms tailored to testing specific principles and specific aspects of our model.

4.2. Experiments 1A-1C: Violating Representation

Experiments 1A-1C explored the role of representation, examining whether consumers expect their ballots to be given as much or more weight relative to the voice of the firm even without an explicit promise, while documenting the consequences of and mechanism underlying these implicit promises. We first show that the negative consequences of breaking an implicit promise are as bad as breaking an explicit promise (Experiment 1A). Experiment 1B benchmarked the consequences of voting against not granting any vote at all and also against another form of empowerment strategy (i.e., soliciting feedback) (H1a). Experiment 1C tested perceptions of procedural justice as a psychological driver of empowerment strategies (i.e., voting, soliciting feedback) on consumer-firm relationships (H2).

4.2.1. Experiment 1A Procedure

The experiment was a 2 (between-subjects: implicit, explicit promise) x 2 (within-subjects: keep, break) mixed design. Participants ($N = 300$, 41.7% male; $M_{age} = 37.4$, $SD = 11.9$) were recruited from Amazon's mTurk. Participants in the implicit promise condition read: "A local ice cream shop you frequent announces that it will select '2017 Flavor of the Year.' The winning flavor will be featured throughout 2018. As part of the decision-making process, the ice cream shop will let its customers vote. Participants in the explicit promise condition then also read, "The ice cream shop explicitly promises that the customers' voice will be given more weight than that of the ice cream shop's management staff." Then, participants were given two scenarios in random order. In the keep [break] condition, participants were asked to "suppose that the customers' voice will be given more [less] weight than that of the ice cream shop's management staff." Participants rated how each scenario made them feel (1 = Very upset; 7 = Very pleased).

4.2.2. Experiment 1A Results

We conducted a repeated measures ANOVA with one two-level within-subjects factor (firm behavior: keep, break), one two-level between-subjects factor (promise type: implicit, explicit) and their interaction. There was a main effect of firm behavior, $F(1, 298) = 624.71$, $p < .001$, $\eta_p^2 = .68$: not surprisingly, participants were significantly more pleased when they saw that the firm had decided to give more weight to the voice of consumers compared to that of the firm ($M_{keep} = 5.75$, $SD = 1.14$; $M_{break} =$

3.11, $SD = 1.18$; $t(299) = -25.04$, $p < .001$, $d = 2.90$). Importantly, there was no main effect of promise type, ($F(1, 298) = .62$, $p = .43$, $\eta_p^2 = .002$), nor was there a significant interaction, $F(1, 298) = .03$, $p = .86$, $\eta_p^2 < .001$. Specifically, participants found it equally upsetting whether the promise broken was implicitly ($M = 3.07$, $SD = 1.14$) or explicit ($M = 3.15$, $SD = 1.21$; $t(298) = -.61$, $p = .54$, $d = .07$). Similarly, they found it equally pleasing whether the promise kept was implicit ($M = 5.72$, $SD = 1.22$) or explicit ($M = 5.77$, $SD = 1.05$; $t(298) = -.35$, $p = .72$, $d = .04$; Figure 2). These results corroborate the results from Pilot that voting makes an implicit promise to consumers that firms will abide by the representation principle. Furthermore, the study results suggest that breaking this implicit promise is as bad as breaking an explicit promise. Based on these results, Experiments 1B and 1C demonstrate specific ways in which violating the representation principle can damage consumer-firm relationships and the mediating role of procedural justice in inducing that damage.

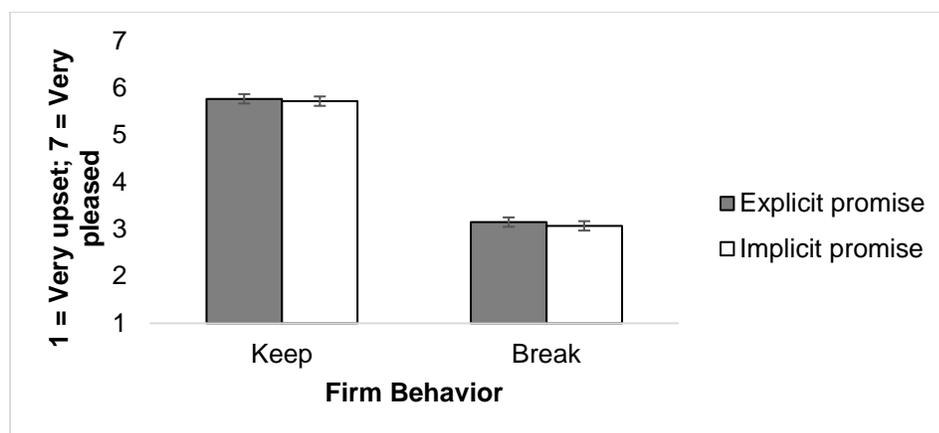


Figure 2: Reactions to firm behavior (Experiment 1A)

*Error bars represent standard errors.

4.2.3. Experiment 1B Procedure

The experiment was a 13 condition within-subjects design (11 vote conditions, one feedback, and one no voice condition). Participants ($N = 405$, 44.7% male; $M_{age} = 36.2$, $SD = 11.23$) were recruited from Amazon's mTurk. Participants were first told: "The Super Bowl Most Valuable Player Award, or Super Bowl MVP, is presented annually to the most valuable player in the Super Bowl, the National Football League's (NFL) championship game." Participants then responded to 13 scenarios in random order (there was no order effect).

Each scenario described a decision-making procedure. The no voice condition read: “The winner is chosen by a panel of 16 American football writers and broadcasters.” The feedback condition read the same intro and in addition, were told: “The panel also conducts a separate opinion poll for fans.” In the vote conditions, participants were told that the winner is chosen by the professional panel and by fan vote. Furthermore, we informed participants of the weight their (i.e., the customers’) ballots would carry compared to those of the media panel. The weighting system varied in 10% increments, ranging from 0% to 100%; thus, there were 11 vote conditions, in which customers’ ballots would be counted for 0%, 10%, 20%, 30%, 40%, 50%, 60%, 70%, 80%, 90%, or 100% (i.e., full representation). For example, those in the 20% condition—the actual current weighting system in use by the NFL—read: “The media panel’s ballots count for 80 percent of the vote tally. The fans’ ballots count for 20 percent of the vote tally.”

For each scenario, we asked participants to indicate how satisfied they were with the NFL (1 = Not at all; 10 = Very much).

4.2.4. Experiment 1B Results

We first examined the effect of ballot weight among the 11 vote conditions. A linear regression revealed that as consumers’ ballot weight increased, so did their satisfaction ($B = .17$, $SE = .01$, $p < 0.001$). For example, satisfaction was higher when ballots were weighted 100% ($M = 6.50$, $SD = 2.75$) compared to 70% ($M = 6.20$, $SD = 2.31$, $t(402) = 2.22$, $p = .03$, $d = .12$) as well as to 60% ($M = 6.03$, $SD = 2.12$, $t(401) = 3.64$, $p < .001$, $d = .19$). Similarly, participants were more satisfied when their ballots were weighted 40% ($M = 4.82$, $SD = 2.57$) compared to when their ballots were weighted 10% ($M = 4.04$, $SD = 2.70$, $t(403) = 12.15$, $p < .001$, $d = .30$), indicating that people are sensitive to the impact of their ballots on the final decision.

We then compared vote conditions to the feedback condition. Satisfaction in the feedback condition ($M = 5.68$, $SD = 2.41$) was higher than that in the 0%, 10%, 20%, 30%, and 40% conditions, $ps < .01$. In other words, voting was actually less effective than feedback when consumers’ ballots were given less weight than that of the firm. This is particularly noteworthy because the current NFL practice is to give fan votes 20% of the weight in the final decision, which these results suggest harms consumer

perceptions more than simply administering a feedback poll. In addition, we compared the vote conditions to the no voice condition. Satisfaction in the no voice condition was higher than that in the 40%, 30%, 20%, 10%, and 0% conditions, $ps < .001$, suggesting that violating the non-representation principle is more damaging for consumer-firm relationships than never giving any voice at all (Figure 3).

However and consistent with our account, voting, given sufficient weight, can be more effective than merely providing feedback: satisfaction ratings from the 50% to 100% conditions were all higher than in the feedback condition, $ps \leq .05$. At the same time and consistent with previous research, merely providing feedback has benefits: satisfaction for the feedback was marginally higher than in the no voice condition ($M = 5.47$, $SD = 2.65$, $t(402) = 1.75$, $p = .08$, $d = .08$).

Finally, the slope for underweighting (i.e., 0% to 40%) was steeper than the slope for overweighting (i.e., 50% and above; $p < .001$), suggesting that the negative impact on participation from underweighting consumer ballots is stronger than the positive impact on participation from overweighting consumer ballots. This pattern is indeed consistent with the past literature on positive-negative asymmetry effect, which suggests that negatively-valenced information is a stronger influence on individuals than positively-valenced information (e.g., Baumeister et al. 2001).

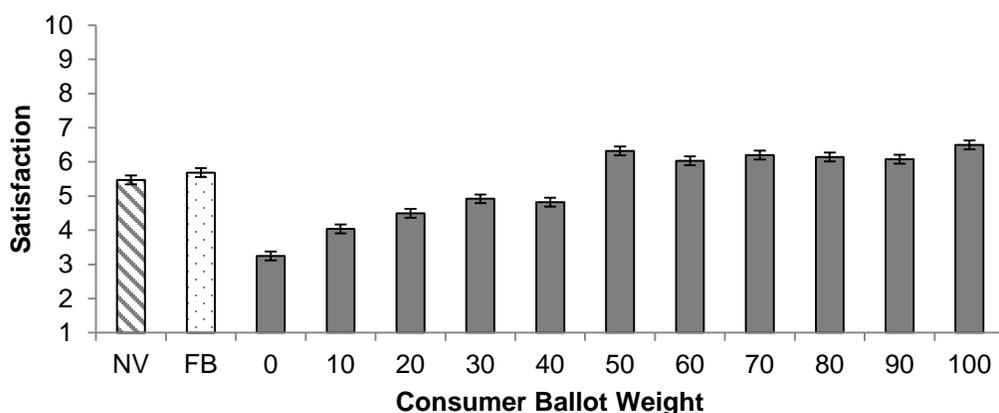


Figure 3: Satisfaction with Firm (Experiment 1B)

*“FB”: Feedback; “NV”: No Voice

*Error bars represent standard errors of binomial. Grey bars are $p < .01$ compared to the no voice condition, and $p \leq .05$ compared to the feedback condition.

4.2.5. Experiment 1C Procedure

Experiment 1C had three primary goals: provide process evidence for our model by showing that the effect of ballot weighting on participation is mediated by perceptions of procedural justice, provide converging evidence for H1a using a between-subjects design, and use a consequential dependent measure by asking participants to give up their personal contact information. Furthermore, to provide discriminant validity for the proposed process model, we measured other psychological constructs using previously validated measures, such as perceived ownership, trust, closeness to the firm, feelings of arousal, feeling connected to the firm, and self-brand overlap.

The experiment was a three condition, between-subjects design: 10%, 90%, and feedback. Participants ($N = 451$, 46.8% male; $M_{age} = 36.26$, $SD = 10.85$) were recruited from Amazon's mTurk. The study used a similar design as Experiment 1B, in which participants were informed about an MVP award. When consumers' ballot weight—compared to that of the media panel's—was 10%, participants read: “The media panel's ballots count for 90 percent of the vote tally. The fans' ballots count for 10 percent of the vote tally.” When consumers' ballot weight was 90%, participants read: “The media panel's ballots count for 10 percent of the vote tally. The fans' ballots count for 90 percent of the vote tally” Those in the feedback condition were informed that the panel conducts a separate opinion poll for fans. Participants were then asked whether they would participate by indicating “yes” or “no,” and were further informed: “If you indicate yes, you will be asked to give us your contact information at the end of this survey, and you will be contacted after February 1, 2018.”

Participants also answered how satisfied they were with the NFL (1 = Not at all; 7 = Very much). In addition, we measured our proposed mediator, procedural justice: 1) “To what extent did the NFL fulfill implicit or explicit promises it has made to you regarding the way it is making the organization decision (1 = Very poorly fulfilled, 7 = Very well fulfilled)” (Robinson 1996) and 2) “How fair is the way the NFL is making the next company decision?” (1 = Not at all, 7 = Very fair) (Lind, Kanfer and Early 1990). To provide discriminant validity for our predicted account which invokes procedural justice, we also assessed perceived ownership (Van Dyne and Pierce 2004), trust (Chaudhuri and Holbrook 2001), closeness to the firm (Ward and Broniarczyk 2011), feelings of arousal (Mano and Oliver 1993), feeling

connectedness to the firm (Escalas 2004), and self-brand overlap (Aron et al. 1992). See Supplemental Materials for a full list of scale items.

Finally, those who indicated “yes” to participating were asked to give their contact information at the end of the survey.

4.2.6. Experiment 1C Results

Choice. There was a significant effect of condition on participants’ willingness to participate ($\chi^2(2) = 30.13, p < .001$). The percentage of participants in the 90% condition choosing to participate even when it entailed giving up their personal contact information was significantly higher (60.3%) than in the 10% condition (29.9%; $\chi^2(1) = 28.47, p < .001$) and the feedback condition (39.0%; $\chi^2(1) = 13.38, p < .001$). Furthermore, consistent with our findings in Experiment 1B, those in the feedback condition trended toward being more willing to participate than those in the 10% condition ($\chi^2(1) = 2.80, p = .095$).

Satisfaction with firm. A one-way ANOVA revealed a significant main effect, $F(2, 448) = 8.22; p < .001, \eta_p^2 = .04$. Those in the 90% condition ($M = 4.23, SD = 1.47$) were more satisfied with the firm than those in the 10% condition ($M = 3.45, SD = 1.65; t(303) = 13.09, p < .001, d = 1.50$) and marginally more compared to those in the feedback condition ($M = 3.88, SD = 1.93; t(295) = 1.79, p = .08, d = .21$). Furthermore, those in the feedback condition reported higher satisfaction with the firm than those in the 10% condition, $t(298) = -2.07, p = .04, d = .24$.

Procedural justice. A one-way ANOVA revealed a significant main effect, $F(2, 448) = 77.38; p < .001, \eta_p^2 = .26$. Those in the 90% condition ($M = 5.03, SD = 1.02$) felt the process was more procedurally just than those in the 10% condition ($M = 3.08, SD = 1.53; t(297) = 12.33, p < .001, d = 1.43$) as well as the feedback condition ($M = 4.14, SD = 1.51; t(295) = 5.98, p < .001, d = .70$). Those in the feedback condition felt that the process was more procedurally just than those in the 10% condition, $t(298) = -6.05, p < .001, d = .70$.

There was no significant effect of condition on any of the supplementary measures ($ps \geq .52$).

Mediation. We examined whether procedural justice drove the effects of ballot weight on consumer-firm relationship quality following the Hayes and Preacher (2013) approach for mediation with

multi-categorical independent variables. We used indicator coding with the 90% condition as the reference group.

The analysis for participation choice revealed a significant mediation path for procedural justice. Conducting a 5,000 sample bootstrap analysis revealed that the 95% bias corrected confidence interval for the size of the indirect effect excluded zero for the difference between the 90% condition and the 10% condition (.38, 1.03) and for the difference between the 90% condition and the feedback condition (.10, .39), suggesting a significant indirect effect (Preacher and Hayes 2004).

Consistently, the analysis for satisfaction revealed a significant mediation path for procedural justice. A 5,000 sample bootstrap analysis revealed that the 95% bias corrected confidence interval for the size of the indirect effect excluded zero for the difference between the 90% condition and the 10% condition (-1.61, -1.00) and for the difference between the 90% condition and the feedback condition (-.83, -.38), again suggesting a significant indirect effect (Preacher and Hayes 2004).

4.2.7. Experiments 1A-1C Discussion

Three experiments showed that when allowed to vote, consumers expect firms to afford their ballots more weight relative to the voice of the firm even when no explicit promise has been made. Violating this implicit promise left consumers more dissatisfied than merely soliciting their feedback (Experiments 1B-1C) and even than not granting them the vote at all (Experiment 1B). Experiment 1C also provided evidence of the process underlying these findings—perceptions of procedural justice—and addressed other psychological constructs as alternative explanations. We also showed that our process model is not unique to voting but plays a role in another popular empowerment strategy, soliciting feedback. Finally, we benchmarked the negative consequences of violating the representation principle when allowing consumers to vote to soliciting feedback. When providing their feedback, consumers do not expect firms to weight their voice as much as when voting; as a result, the negative impact of violating the representation principle for opinion polls is smaller than it is for voting.

4.3. Experiment 2: Violating Consistency

Experiment 2 tested whether violating the principle of consistency makes consumers more upset relative to not being able to vote in the first place (H1b). The study also featured a consequential outcome measure.

4.3.1. Procedure

The experiment was a between-subjects design with three conditions: retain vote, lose vote, and no voice. Participants ($N = 300$, 50.7% male; $M_{age} = 35.8$, $SD = 11.3$) from Amazon's mTurk read about a food products company called Ozzie's Organics, based on a campaign from the crowdfunding website Kickstarter.

First, all participants were informed, "We are a group of marketing researchers working on behalf of a food products company called Ozzie's Organics" and read a brief company description. Participants in the keep [lose] vote condition were informed that the company will allow its customers to vote on a company issue, then voted on which three of seven product lines to retain (e.g., hummus and dips, organic condiments). After waiting for four seconds while their votes were being submitted, participants were then informed the following: "Ozzie's Organics will be making similar decisions in the near future. It has decided that the company will no longer [continue to] let customers vote on subsequent company decisions."

Participants in the no voice condition were simply informed about the same issue that Ozzie's will be making (they waited 4 seconds after being told this information to hold constant the amount of time participants in the no voice and the two vote conditions spent waiting) and that Ozzie's will continue to make similar decisions in the future.

We administered two measures—willingness to contribute and perceived value—to assess how revoking the ability to vote will affect consumer-firm relationship quality. To measure willingness to contribute, we asked participants to indicate how much they wanted to contribute (between 0 and 1 dollar) in the company's efforts to maintain the top three product lines that they would keep. To make this measure consequential, we informed participants that they would have a 50:50 chance in receiving one dollar minus the amount they indicate (Gneezy et al. 2014). To measure perceived value, we administered

a four-item measure adapted from Sweeney and Soutar (2001): “This is a company I want to use”, “This is a high quality company”, “Other people would approve of this company”, and “I am willing to purchase products from this company” (1= Not at all; 7 = Very much). Procedural justice was measured using the following items: 1) “Organizations often make implicit promises to customers which obligate them to do things in a certain way. Companies vary in the degree to which they subsequently fulfill those promises to their customers. To what extent did Ozzie’s fulfill implicit or explicit promises it has made to you regarding the way it is making the organization decision?” (1 = Very poorly fulfilled, 7 = Very well fulfilled”; Robinson 1996) and 2) “How fair is the way Ozzie’s is making the next company decision?” (1 = Not at all, 7 = Very fair; Lind, Kanfer and Early 1990).

4.3.2. Results

Contribution amount. A one-way ANOVA revealed a marginally significant effect of condition on contribution, $F(2, 297) = 22.73, p = .07, \eta_p^2 = .02$. Specifically, participants in the lose vote condition ($M = .16; SD = .29$) were willing to contribute significantly less relative to those in the retain vote condition ($M = .24, SD = .29, t(200) = 1.99, p = .05, d = .28$) and the no vote condition ($M = .24, SD = .28, t(195) = -2.07, p = .04, d = .30$). Contribution amount in the retain vote condition did not differ from the no voice condition ($t(199) = -.07, p = .95, d < .01$).

Perceived value. Results were similar for perceived value, $F(2, 297) = 64.61; p < .001, \eta_p^2 = .30$. Participants in the lose vote reported a significant lower perceived value ($M = 4.03, SD = 1.44$) than those in the no voice condition ($M = 5.42; SD = 1.06, t(195) = -7.72, p < .001, d = 1.11$) and the retain vote condition ($M = 5.83; SD = .99; t(200) = 10.44, p < .001, d = 1.48$). Perceived value was significantly higher in the retain vote than in the no voice condition ($t(199) = 2.85, p = .01, d = .40$).

Procedural justice. Procedural justice followed the same pattern, $F(2, 299) = 101.69; p < .001, \eta_p^2 = .41$. Perceptions of procedural justice were significantly lower for those in the lose vote condition ($M = 3.39, SD = 1.57$) than those in the no voice condition ($M = 5.20; SD = 1.06; t(195) = -9.47, p < .001, d = 1.36$) and the retain vote condition ($M = 5.80; SD = 1.04; t(200) = 12.91, p < .001, d = 1.83$). Those in

the retain vote condition reported significantly higher procedural justice ratings than those in the no voice condition, $t(199) = 4.07, p < .001, d = .58$.

Mediation. A series of mediation analyses examined whether the decrease in perceived procedural justice mediated the relationship between condition and the two dependent measures (i.e., contribution amount and perceived value), following the Hayes and Preacher (2014) approach for mediation with multi-categorical independent variables. We used indicator coding with the no voice condition as the reference group.

The analysis of contribution amount revealed a significant mediation path for consumers' perceived procedural justice. Conducting a 5,000 sample bootstrap analysis revealed that the 95% bias corrected confidence interval for the size of the indirect effect excluded zero for the difference between the no voice condition and the lose vote condition (.002, .04) and for the difference between the no voice condition and the retain vote condition (-.11, -.002), suggesting a significant indirect effect (Preacher and Hayes 2004).

Similarly, the analysis of the firm perceived value revealed a significant mediation path for procedural justice. The 95% bias-corrected confidence intervals for the size of the indirect effect excluded zero for the difference between the no voice condition and the lose vote condition (.19, .59) and for the difference between the no voice condition and the retain vote condition (-1.50, -.90).

4.3.3. Discussion

Experiment 2 revealed that violating the consistency principle—by revoking consumers' ability to vote—can damage consumer-firm relationships even when no such promise had been explicitly made, such that allowing consumers to vote can leave companies worse off than not granting them the vote in the first place.

4.4. Experiment 3: Violating Non-suppression

Experiment 3 tested whether violating the principle of non-suppression makes consumers more dissatisfied relative to not being allowed to vote (H1c). The experiment was designed based on the Boaty

McBoatface incident, in which the United Kingdom's Natural Environment Research Council (NERC) solicited ideas and votes to name a new ship—with the winning name being Boaty McBoatface.

4.4.1. Experiment 3 Procedure

The experiment was a between-subjects design with three conditions: no vote, abide, and override. Participants ($N = 455$, 50.3% male; $M_{age} = 34.69$, $SD = 11.32$) from Amazon's mTurk read about how the NERC would determine the name of its new research polar ship. We restricted the sample to participants who had never heard about the actual event. To do so, participants were asked, "Recently the United Kingdom held a vote on several issues. What were these issues about? Please check all that apply to the best of your knowledge. You have 20 seconds to answer this question." Participants were given four issues: 1) whether to exit the European Union; 2) what to name its new research ship; 3) who the new prime minister should be; and 4) whether or not to offer free college education. Those who failed to click the option "what to name its new research ship" were allowed to proceed with the rest of the survey.

All participants began by reading the following description: "Recently, the United Kingdom's Natural Environment Research Council (NERC) was trying to decide on the name of its new royal research polar ship, which will carry out a variety of research expeditions to both Antarctica and the Arctic." Next, participants were randomized to one of three conditions.

Those in the no vote condition were simply informed: "The NERC decided on the name 'Sir David Attenborough.'" Those in the abide condition were informed about the vote breakdown, "Sir David Attenborough: 124,109 votes; Boaty McBoatface: 11,000 votes", and that "abiding by the results of the popular vote, the NERC decided on the name 'Sir David Attenborough.'" Finally, those in the override condition were informed about the vote breakdown, "Sir David Attenborough: 11,000 votes; Boaty McBoatface: 124,109 votes", and that "instead of abiding by the results of the popular vote, the NERC decided instead on the name 'Sir David Attenborough.'" Note that the final outcome—the name Sir David Attenborough—was held constant across all three conditions.

We measured two different types of satisfaction: “how satisfied are you with the name of the new polar ship?” and “how satisfied are you with the NERC?” We also assessed procedural justice using the same two items as in Experiment 2.

4.4.2. Experiment 3 Results

Satisfaction with outcome. A one-way ANOVA revealed a significant main effect on outcome satisfaction, $F(2, 451) = 19.51; p < .001, \eta_p^2 = .08$. Participants in the override condition were significantly less satisfied with the name of the ship relative to those in the abide condition ($M_{abide} = 4.80, SD = 1.29; t(302) = 5.86, p < .001, d = .67$), and most importantly for our account, relative to those in the no vote condition ($M_{override} = 3.63; SD = 1.82; M_{no_vote} = 4.58, SD = 1.74; t(302) = -4.66, p < .001, d = .54$)—despite the fact that the product name was identical cross conditions. There was no difference between those in the abide and no vote conditions ($t(298) = 1.12, p = NS$).

Satisfaction with firm. Results were similar for satisfaction with the firm, $F(2, 451) = 45.12; p < .001, \eta_p^2 = .17$. Participants in the override condition ($M_{override} = 3.26; SD = 1.66$) were significantly less satisfied with the firm relative to those in the no vote condition ($M_{no_vote} = 4.38, SD = 1.42; t(302) = -6.33, p < .001, d = .73$) and the abide condition ($M_{abide} = 4.80, SD = 1.29; t(303) = 9.03, p < .001, d = 1.04$). Those in the abide condition reported higher levels of satisfaction with the firm than those in the no vote condition ($t(297) = 2.66, p = .01, d = .31$).

Procedural justice. There was a significant main effect on perceptions of procedural justice, $F(2, 452) = 144.25; p < .001, \eta_p^2 = .39$. Participants in the override condition reported significantly lower perceptions of procedural justice compared to those in the no vote condition ($M_{override} = 2.72; SD = 1.55; M_{no_vote} = 4.42, SD = 1.34; t(303) = -10.28, p < .001, d = 1.18$) and the abide condition ($M_{abide} = 5.36, SD = 1.22; t(195) = 16.48, p < .001, d = 2.36$). Further, those in the abide condition perceived higher levels of procedural justice than those in the no vote condition ($t(298) = 6.32, p < .001, d = .73$).

Mediation. A series of mediation analyses examined whether the decrease in perceived procedural justice mediated the relationship between the type of decision-making process and the two dependent measures (i.e., satisfaction with the final outcome and with the firm), following the Hayes and

Preacher (2013) approach for mediation with multi-categorical independent variables. We used indicator coding with the override condition as the reference group.

The analysis for satisfaction with the final outcome revealed a significant mediation path for consumers' perceived procedural justice. Conducting a 5,000 sample bootstrap analysis revealed that the 95% bias corrected confidence interval for the size of the indirect effect excluded zero for the difference between the override condition and the abide condition (1.29, 1.97) and for the difference between the override vote condition and the no vote condition (.80, 1.31), suggesting a significant indirect effect (Preacher and Hayes 2004).

Similarly, the analysis for satisfaction with the organization variable revealed a significant mediation path for consumers' perceived procedural justice. The 95% bias-corrected confidence intervals for the size of the indirect effect excluded zero for the difference between the override condition and the abide condition (.85, 1.38) and for the difference between the override condition and the no vote condition (.19, .31).

4.4.3. Discussion

Experiment 3 revealed that violating the non-suppression principle—by overriding the winning vote outcome—can damage consumer-firm relationships, such that allowing them to vote leaves companies worse off than not granting them the vote in the first place.

4.5. Experiment 4: The benefits of honoring implicit promises

Whereas the experiments thus far tested the extent to which violating non-suppression, consistency, and representation—antecedents of procedural justice—damages customer-firm relationships, Experiment 4 examined the impact of upholding the three promises on consumer-firm relationships. We predicted that abiding by all three principles will improve consumer-firm relationships regardless of outcome desirability, such that voting can dampen the negative impact of receiving an undesired outcome (H3). We tested this hypothesis by manipulating both the process by which the decision was made (vote vs. no vote) as well as the outcome (preferred vs. non-preferred).

4.5.1. Experiment 4 Procedure

The experiment was a 2 (voting status: vote, no vote) by 2 (outcome: preferred, non-preferred) between-subjects design. Participants ($N = 404$, 43.1% male; $M_{age} = 36.7$, $SD = 11.94$) were recruited from Amazon's mTurk and read about a new research fund being set up to support young academic researchers. Appendix A depicts the experiment flow.

Voting status manipulation: Participants in the vote condition began by reading the following cover story: “As academic researchers studying consumer behavior, your participation in our surveys is essential to advance our research efforts—thus, we very much value and appreciate your efforts. We will be establishing a research fund to support young and rising academic researchers who frequently use mTurk to conduct their research. We have not yet named what this research fund will be called. We have come up with two names, and to determine the final name of this fund, we are conducting a vote amongst this session's participants. That is, you and other participants in this session will have a 100% say on what to name this research fund.” Participants were then asked to cast their votes between the following two options: Dimes to Discoveries and Modern Research Fund. After submitting their votes, participants were told that they would be answering a few demographic questions while other participants in the session finish casting their votes. Once they had finished answering these questions, they were taken to another page that asked them to wait for the rest of the votes to come in. Participants in the no vote condition were told that a group of senior academic researchers would be voting on this issue. As those in the vote condition, participants in the no vote condition also answered a few demographic questions while votes were being collected; once they finished answering the demographic questions, they waited the same amount of time as those in the vote condition for the rest of the votes to come in. Thus, we held constant the amount of time participants in the vote and no vote conditions spent waiting for the votes to come in. After, being informed that the decision had been made, participants in the no vote condition were asked to indicate their preference between the two name options. To control for potential order effects, between-subjects, we varied whether no vote participants indicated their preference before or after they were informed of which name had been chosen--order had no effect. (Note that whether they indicated their preference before or after they found out about the final outcome, all participants in the no vote condition

were aware that the decision had already been made when indicating their preference. In other words, there was an understanding that their indication will make no impact on the final outcome, making this condition more similar to previous experiments' no vote conditions than feedback conditions.)

Outcome manipulation: Next, participants were told the vote outcome, which we randomized to be either “Dimes and Discoveries” or “Modern Research Fund.” Hence half of participants were randomized to see that their preferred outcome had been selected versus not selected. For those in the vote conditions, this meant that the name for which they had voted had either won or not won the vote. For those in the no vote conditions, this meant that the name for which they reported having a preference had either won or not won the senior researchers' vote.

Dependent measures. As a proxy for satisfaction with the firm, we asked participants how satisfied they were with the researchers implementing this research fund (1 = Not at all; 10 = Very satisfied). For procedural justice, we adapted items from the previous studies for this context: “To what extent did we fulfill implicit or explicit promises we have made to you regarding the way we decided on the name of the new research fund?” and “How fair was the way we decided on the name of the new research fund?” on 10-point scales.

4.5.2. Experiment 4 Results

Satisfaction. A 2 x 2 ANOVA using voting status and obtained outcome as the independent variables revealed two main effects and a marginally significant interaction. Not surprisingly, satisfaction was higher among those randomized to receive their desired outcome ($M = 7.88$, $SD = 2.02$) relative to those receiving their undesired outcome ($M = 5.82$, $SD = 2.54$; $F(1, 400) = 67.46$, $p < .001$, $\eta_p^2 = .12$). In addition, voters ($M = 7.43$, $SD = 2.23$) were more satisfied than non-voters ($M = 6.53$, $SD = 2.60$; $F(1, 400) = 16.86$, $p < .001$, $\eta_p^2 = .04$), suggesting the general benefits of voting. There was a marginally significant interaction ($F(1, 400) = 3.58$, $p = .06$, $\eta_p^2 = .01$); specifically, among those obtaining their desired outcome, satisfaction was marginally higher among voters ($M = 8.24$, $SD = 1.60$) than non-voters ($M = 7.71$, $SD = 2.17$; $t(197) = -1.71$, $p = .09$, $d = .24$). Critically, this difference was bigger among those who did not obtain their desired outcome: voters ($M = 6.74$, $SD = 2.47$) were significantly more satisfied

than non-voters ($M = 5.32$, $SD = 2.45$; $t(203) = -3.97$, $p < .001$, $d = .56$): the benefits of voting accrue particularly when consumers' experience an unwanted outcome, where a procedurally just process is even more critical (Figure 4).

Procedural justice. The same analysis revealed two main effects. Those randomized to receive their desired outcome ($M = 7.87$, $SD = 1.74$) perceived the process to be more just relative to those receiving their undesired outcome ($M = 6.89$, $SD = 2.22$; $F(1, 400) = 23.37$, $p < .001$, $\eta_p^2 = .06$). In addition, voters ($M = 7.43$, $SD = 2.23$) were more satisfied than non-voters ($M = 6.53$, $SD = 2.60$; $F(1, 400) = 16.86$, $p < .001$, $\eta_p^2 = .02$). Importantly, voters perceived the decision-making process to be more procedurally just than non-voters, regardless of outcome desirability. Among those obtaining their desired outcome, procedural justice ratings were significantly higher among voters ($M = 8.29$, $SD = 1.53$) than non-voters ($M = 7.68$, $SD = 1.81$; $t(197) = -2.35$, $p = .02$, $d = .33$). Consistently, among those not obtaining their desired outcome, procedural justice ratings were marginally higher among voters ($M = 7.25$, $SD = 2.42$) than non-voters ($M = 6.69$, $SD = 2.08$; $t(203) = -1.74$, $p = .08$, $d = .24$).

Mediation. We examined whether procedural justice mediated the relationship between voting and satisfaction. Conducting a 5,000 sample bootstrap analysis revealed that the 95% bias corrected confidence interval for the size of the indirect effect excluded zero (.10, .72), suggesting a significant mediation path for procedural justice (Preacher and Hayes 2004).

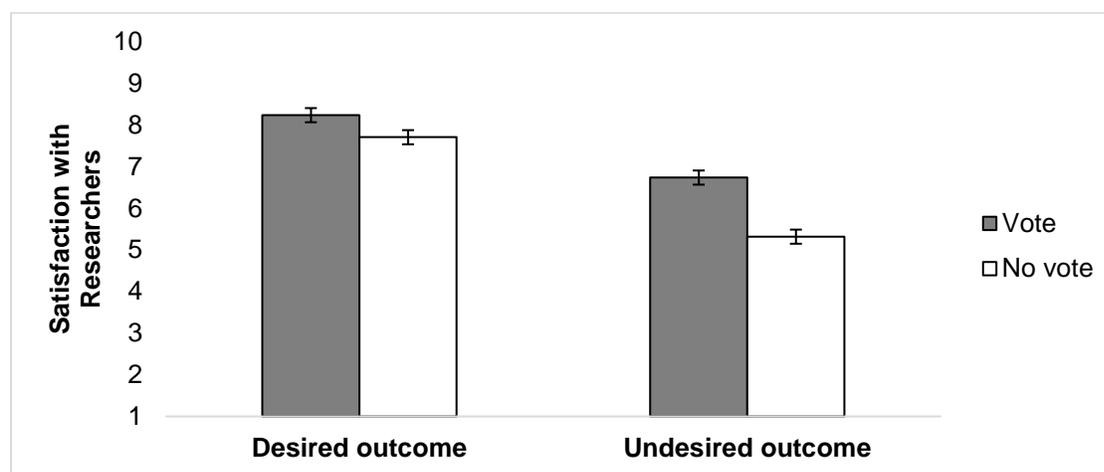


Figure 4: Satisfaction with researchers (Experiment 4)

*Error bars represent standard errors.

4.6. Experiment 5

Whereas Experiment 4 tested a condition under which the benefit of adhering to voting's implicit promises is dampened, Experiment 5 tests another implication of our model: a case when violating an implicit promise is condoned by consumers. Specifically, we examined whether firms can avoid provoking negative reactions after violating the non-suppression principle if the winning outcome is deemed unacceptable by the general public (H4).

4.6.1. Experiment 5 Procedure

The experiment was a 3 (vote outcome: Margaret Thatcher, Boaty McBoatface, Vladimir Putin) x 2 (action: abide, override) between-subjects design. Participants ($N = 601$ mTurkers, 46.8% male; $M_{age} = 35.5$, $SD = 10.87$) read about how the NERC would determine the name of its new research polar ship by popular vote. We restricted the sample to participants who had never heard about the event, following the same filtering procedure described in Experiment 3.

Depending on condition, participants learned that the majority of participants voted for one of the following three names: Margaret Thatcher, Boaty McBoatface, and Vladimir Putin. Then, those in the abide condition learned that the NERC had decided to go with the winning name. For instance, those in the Margaret Thatcher condition were informed: "The majority of participants voted for the name, 'Margaret Thatcher.' Abiding by the results of the popular vote, the NERC decided on the name, 'Margaret Thatcher.'" Those in the override condition learned that the NERC had decided to go with the name Sir David Attenborough instead of the winning name (which varied by which vote outcome condition they were assigned to). For instance, those in the Margaret Thatcher condition learned: "The majority of participants voted for the name, 'Margaret Thatcher.' Instead of abiding by the results of the popular vote, the NERC decided instead on the name 'Sir David Attenborough.'"

We measured participant's satisfaction with the organization (NERC) as in Experiment 3 and perceptions of procedural justice using the same two questions as in Experiment 4.

4.6.2. Experiment 5 Pretest

To ensure that outcome acceptability varied across the three winning names (i.e., Margaret Thatcher, Boaty McBoatface, Vladimir Putin), we recruited a separate group of participants ($N = 150$ mTurkers, 39.3% male, $M_{age} = 36.3$, $SD = 11.1$) and informed them that “Recently, the United Kingdom’s Natural Environment Research Council (NERC) was trying to decide on the name of its new royal research polar ship, which will carry out a variety of research expeditions to both Antarctica and the Arctic. The NERC allowed the general public vote to determine the name of the ship.” Participants were randomly assigned to suppose that the majority of voters had indicated the name of the ship should be Margaret Thatcher, Boaty McBoatface, or Vladimir Putin. Then, participants were asked, considering the interests of the general public, to choose whether they thought the winning name is: absolutely unacceptable, somewhat acceptable, or absolutely acceptable. As intended, the percent of participants deeming the winning name to be absolutely unacceptable was significantly higher when it was Vladimir Putin (68.6%) relative to when it was Margaret Thatcher (14.3%; $\chi^2(1) = 30.29$, $p < .001$) or Boaty McBoatface (28%; $\chi^2(1) = 16.68$, $p < .001$). Although perceived acceptability was marginally higher for Margaret Thatcher than Boaty McBoatface, $\chi^2(1) = 2.79$, $p = .095$, critically, in both conditions, most (i.e., > 70% of) participants deemed the name to be at least somewhat acceptable.

4.6.3. Experiment 5 Results

Satisfaction with firm. Conducting a 3 x 2 ANOVA using vote outcome and firm action as the independent variables revealed two main effects and an interaction. First, there was a main effect of vote outcome, $F(1, 595) = 3.33$, $p = .04$, $\eta_p^2 = .01$, such that satisfaction was significantly lower when the winning name was Vladimir Putin ($M = 3.54$, $SD = 1.90$) than when it was Margaret Thatcher ($M = 3.97$, $SD = 2.02$) or Boaty McBoatface ($M = 3.97$, $SD = 2.05$). There also was a main effect of firm action, $F(1, 595) = 15.19$, $p < .001$, $\eta_p^2 = .03$: satisfaction with the firm was significantly higher when the firm abided by the outcome ($M = 4.12$, $SD = 2.05$) than when it overrode the outcome ($M = 3.53$, $SD = 1.89$). Critically, these main effects were qualified by a significant interaction, $F(1, 595) = 22.74$, $p < .001$, $\eta_p^2 = .07$. We decomposed this interaction by examining the simple effect of abiding versus overriding the outcome at each of the three possible outcomes. Results revealed that when the outcome was acceptable

(i.e., when it was either Margaret Thatcher or Boaty McBoatface) satisfaction was higher when the firm abided by the outcome than when it overrode the outcome (Margaret Thatcher: $M_{abide} = 4.79$, $SD = 1.75$; $M_{override} = 3.13$, $SD = 1.93$; $t(193) = 6.31$, $p < .001$, $d = .91$; Boaty McBoatface: $M_{abide} = 4.46$, $SD = 2.14$; $M_{override} = 3.49$, $SD = 1.84$; $t(202) = 3.48$, $p = .001$, $d = .49$). This pattern, however, flipped when the outcome was unacceptable (i.e., when it was Vladimir Putin) such that satisfaction was higher when the firm overrode the outcome ($M_{abide} = 3.13$, $SD = 1.87$; $M_{override} = 3.95$, $SD = 1.85$; $t(200) = -3.14$, $p = .002$, $d = .44$). See Figure 5.

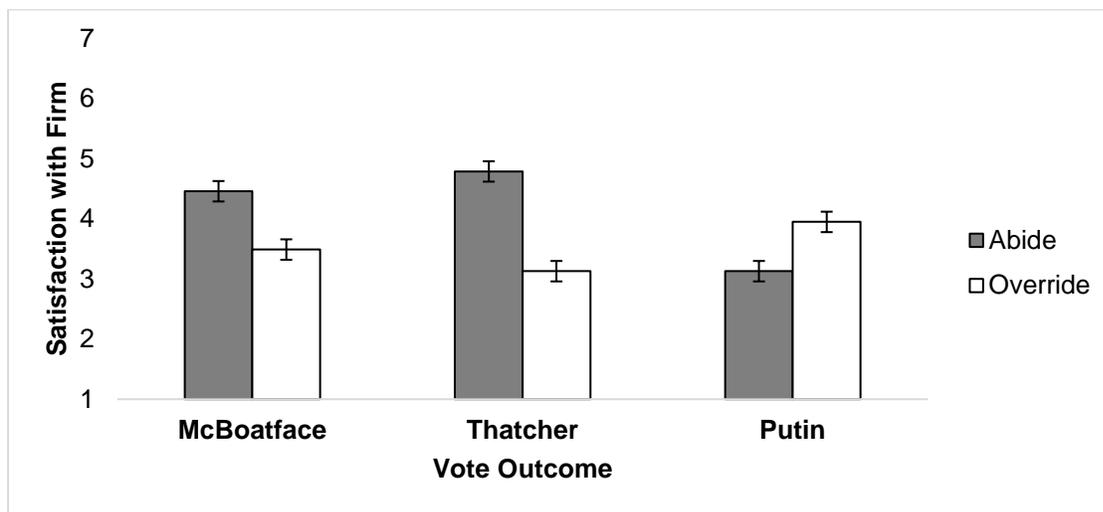


Figure 5: Satisfaction with firm (Experiment 5)

*Error bars represent standard errors.

Procedural justice. Conducting a 3 x 2 ANOVA using vote outcome and firm action as the independent variables revealed two main effects and an interaction. There was a main effect of vote outcome, $F(1, 597) = 3.41$, $p = .03$, $\eta_p^2 = .01$ such that perceptions of procedural justice were significantly higher when the winning name was Boaty McBoatface ($M = 4.37$, $SD = 1.96$) than when it was Margaret Thatcher ($M = 4.05$, $SD = 2.05$) or Vladimir Putin ($M = 4.03$, $SD = 1.81$). There also was a main effect of firm action, $F(1, 597) = 332.63$, $p < .001$, $\eta_p^2 = .36$, such that procedural justice perceptions were significantly higher when the firm abided by the outcome ($M = 5.30$, $SD = 1.53$) than when it overrode the outcome ($M = 3.01$, $SD = 1.61$). Importantly, these effects were qualified by a significant interaction, $F(1, 597) = 5.67$, $p = .004$, $\eta_p^2 = .02$. We decomposed this interaction by examining the simple effect of abiding versus overriding the winning outcome at each of the three possible outcomes. Doing so revealed

that when the outcome was acceptable (i.e., when it was either Margaret Thatcher or Boaty McBoatface), procedural justice perceptions were higher when the firm abided by the outcome than when it overrode the outcome (Margaret Thatcher: $M_{abide} = 5.37$, $SD = 1.33$; $M_{override} = 2.68$, $SD = 1.75$; $t(194) = 12.14$, $p < .001$, $d = 1.74$; Boaty McBoatface: $M_{abide} = 5.64$, $SD = 1.50$; $M_{override} = 3.12$, $SD = 1.52$; $t(202) = 11.98$, $p < .001$, $d = 1.69$). The increase in procedural justice ratings from abiding by the winning outcome was smaller when the outcome was unacceptable (i.e., when it was Vladimir Putin) ($M_{abide} = 4.90$, $SD = 1.67$; $M_{override} = 3.19$, $SD = 1.54$; $t(201) = 7.61$, $p < .001$, $d = 1.07$).

Moderated mediation. We conducted a moderated mediation analysis to simultaneously test moderation by vote outcome acceptability and mediation by procedural justice. A 5,000 sample bootstrap analysis showed that the 95% bias-corrected confidence interval for the size of the indirect effect excluded zero (95% CI = [.24, 1.08]), suggesting a significant indirect effect (Preacher & Hayes, 2004).

4.6.4. Discussion

Consistent with H4, Experiment 5 demonstrated an instance in which violating an implicit promise is condoned by consumers: when the winning outcome is so unacceptable that consumers see the procedurally just process as rejecting the vote.

5. General Discussion

Firms are increasingly incorporating the voice of consumers to generate interest and increase customer engagement. We explored the attendant risks by examining when and why allowing consumers to vote can not only fail to improve consumer-firm relationships, but actually provoke consumer backlash. We theorized that empowering consumers by allowing them to participate in company decision-making processes will lead consumers to hold a set of expectations regarding the manner in which decisions are made—even in the absence of explicit promises. We identified a set of principles—non-suppression, consistency, and representation—comprising these expectations, and predicted that an empowerment strategy's success or failure will depend on whether it honors the implicit promises it makes, an effect mediated by consumer perceptions of procedural justice.

First, we showed that when determining the final outcome, customers are sensitive to the extent

to which their ballots are represented, such that insufficiently weighting consumer ballots can leave companies worse off than not granting the vote or merely allowing consumers to provide feedback through a poll (Experiments 1A-1C). Similarly, violating the consistency rule by revoking the ability to vote (Experiment 2) or violating the non-suppression principle by overriding the popular vote (Experiment 3) can be more damaging to consumer-firm relationships than not granting the vote. However, when all three principles are honored, allowing customers to vote mitigated the negative impact of receiving a non-preferred outcome (Experiment 4). Finally, we examined a boundary condition under which violating voting's implicit promises helps consumer-firm relationships: overriding a popular vote outcome can strengthen customer-firm relationships when the vote outcome is perceived as unacceptable (Experiment 5).

Our theoretical account and experimental findings contribute to the literature on consumer voice and empowerment in three ways. First, existing research has mainly focused on the benefits of giving consumers voice, making a compelling case for firms to empower stakeholders (for notable exceptions, see Fuchs, Prandelli and Schreier (2010) and Schreier et al. (2012)). However, highly publicized recent events such as the NERC's Boaty McBoatface incident suggest that empowerment strategies are not without risks, making it critical to understand when and why empowerment initiatives fail. Our account not only allows us to identify the potential pitfalls of empowerment previously unaddressed by existing research, but also shows the extent to which these pitfalls can damage consumer-firm relationships: companies that fail to uphold implicit promises that consumers believe have been made to them can end up worse off than never empowering consumers at all.

Second, no existing literature on consumer empowerment, to our knowledge, has examined the unique underpinnings critical to the success of empowerment strategies. By experimentally manipulating representation, consistency, and non-suppression, we demonstrate the crucial ingredients necessary to preempt pitfalls of consumer empowerment. Our exploration of each of these principles also sheds further insight into existing research. For instance, Schreier, Fuchs and Dahl (2012) found that consumers are dissatisfied when companies only allow a select group of consumers to participate in their decision-

making process. Our conceptual framework offers a clear explanation for this result: this negative impact is driven by the fact that the representation principle is violated.

Third, by demonstrating that perceptions of procedural justice not only undergird the effectiveness of voting but also of soliciting feedback, we provide a previously unidentified process model that can comprehensively capture the impact of empowerment strategies in general on consumer-firm relationships.

Our findings also contribute to the literature on procedural justice. While much of the procedural justice literature has been explored in legal and employment contexts, we examine its role in a novel domain, by demonstrating that even consumers whose relationships with firms are not formalized in explicit contracts care about the process by which decisions are made, once they have been empowered. We also expand the current understanding of procedural justice by formally testing three of its antecedents: representativeness, consistency, and non-suppression. These principles have been theorized but to our knowledge, never empirically examined. Our findings demonstrate that these principles are key components of implicit contracts between consumers and firms, and that upholding these principles is critical not only for the success of empowerment initiatives, but also for firms to maintain good relationships with consumers.

Our findings provide managerial insights for firms who seek to engage consumers by using democratic empowerment strategies. First, managers can avoid facing risks of violating implicit expectations by setting consumer expectations prior to implementing an empowerment strategy. For example, when Amazon in November 2008 let its customers vote on which products to put on discount, it was clear that the event was just a special promotion for the upcoming Thanksgiving season, which prevented the firm from seeding any expectations for the future. Second, it may behoove firms to not offer voting at all, if consumer ballots will not be fully counted toward the final outcome (as the National Football League currently does): in Experiments 1B and 1C, underweighting consumer ballots left firms worse off than never granting any vote or merely allowing them to provide feedback, suggesting that firms may be wiser by simply conducting an opinion poll. Third, we note that firms can use voting as a

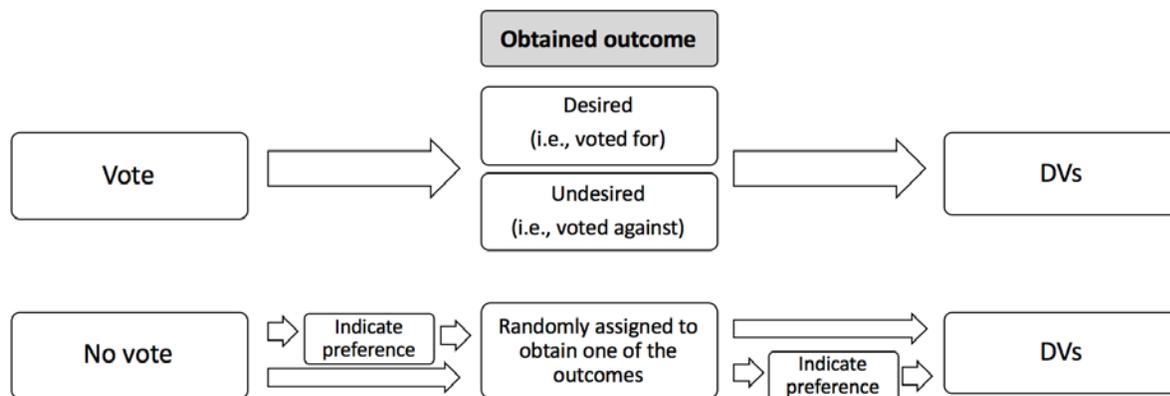
buffer when they risk announcing unpalatable decisions; in Experiment 4, when customers knew that their ballots would be the sole determinants of the final outcome, they were less disgruntled when the final outcome was not their preferred option. These results suggest that firms can use consumer voting to mitigate the impact of unpopular decisions.

While we focused on three principles in particular, future research could examine other ways that empowerment strategies can backfire. One such factor might be individual ballot weight. For example, being one of 100 customers to vote feels very different from being one of 10,000 customers: while collective ballot weight (i.e., how much weight consumer ballots, as a whole, count toward the final outcome) is an important factor in inducing perceptions of procedural justice, how much an individual ballot counts may be another such factor. Similar to when consumers' collective vote is given less weight than that of the firm, low individual ballot weight could induce feelings of procedural justice, causing such a voting initiative to backfire. Similarly, the number of winning options could also be consequential: while we found that the negative impact of not receiving one's outcome could be mitigated by voting, this buffering may be weaker when there are multiple winning options (which would suggest to the voter that one's desired outcome was especially unpopular). The nature of the issue being voted upon could also induce negative affect from consumers. For example, asking consumers to vote on difficult issues (e.g., which product line to discontinue) could damage consumer-firm relationships; indeed Fuchs, Prandelli and Schreier (2010) shows the risks of asking consumers for feedback on products for which they lack expertise. Conversely, future research could examine ways to moderate the negative impact of violating voting's implicit promises.

We opened by noting the many cases in which companies are adopting voting to improve consumer engagement and satisfaction. Although research suggests that empowerment can be beneficial, our results show that this is not always the case: allowing consumers to vote without understanding how best to uphold its implicit promises can open a Pandora's box of unintended consequences. These voting opportunities may cause negative reactions if consumer ballots are insufficiently represented and when consumers lose the ability to vote. As a result, firms that introduce voting should be aware that while

voting has some positive effects, these effects could turn negative if implemented incorrectly. In sum, our findings provide a complementary perspective to research on the consequences of consumer empowerment, offering insight into both the risks and rewards of consumer empowerment.

APPENDIX A
EXPERIMENT 4: STUDY FLOW



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