Generous Paupers and Stingy Princes: Power Drives Consumer Spending on Self versus Others

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This research examines how consumers' spending on themselves versus others can be affected by temporary shifts in their states of power. Five experiments found that individuals experiencing a state of power spent more money on themselves than on others, whereas those experiencing a state of powerlessness spent more money on others than on themselves. This effect was observed using a variety of power manipulations (hierarchical roles, print advertisements, episodic recall, and mental role-playing), across spending intentions and actual dollars spent, and among college and national samples. We propose that this effect occurs because power and powerlessness affect the psychological utility of self versus others, and this in turn affects the monetary worth allocated to spending on self versus others. The research makes novel contributions to appreciating how the spending on the self versus others varies as a function of psychological states and increases our understanding of the role of power in consumer behavior.

Consider the following two Christmas tales. In Charles Dickens's *A Christmas Carol*, the character Scrooge is introduced as a man of extraordinary wealth who hoards his money for himself and scoffs at the thought of spending on others. In stark contrast, O. Henry's *The Tale of the Magi* portrays the story of an impoverished couple, Jim and Della, in which Jim sells his prized pocket watch to purchase combs for Della's beautiful hair, only to learn that she has cut and sold her hair to buy a gold chain for his watch. The characters in these stories vary on many dimensions, but two differences are of particular interest to us. The first is their willingness to spend on themselves versus others. Scrooge hoards his money only for himself, whereas Jim and Della sacrifice their own prized possessions to buy gifts for each other. Second, they differ in terms of their power and wealth. Scrooge is a man of plenty, whereas O'Henry's characters have but a pittance. In this research, we examine whether these two differences are in fact causally related such that one's degree of power can determine the tendency to spend on the self versus others.

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CONSUMER SPENDING ON SELF AND OTHERS

Consider the following situation. You are shopping at a candy store and decide to buy some chocolates. Would the amount of chocolates you buy and, thus, the amount of money you spend be affected by whether you were buying the chocolates for yourself or for a close friend? Or, perhaps a better question to consider, what factors would determine

whether you buy more or fewer chocolates for yourself versus your friend? In this article, we aim to better understand consumer spending on oneself versus others as a function of temporary states of psychological power. Because power is a fundamental and pervasive form of hierarchy involving both the self and other, psychological states of feeling powerful or powerless could hold key insights into understanding consumer spending behavior with respect to purchases for oneself versus others. Furthermore, through the lens of consumption, the present findings might also hold implications for understanding how power affects even the farthest reaches of our psychological and social lives.

POWER AND A FOCUS ON THE SELF VERSUS OTHERS

Power, defined as asymmetric control over other people or valued resources, is a key foundation in the architecture of people's social hierarchy (Magee and Galinsky 2008). In organizations, bosses typically have greater control over both resources and people than do their employees. Similarly, in classrooms, professors have control over students in the form of grades and possess greater resources in the form of knowledge. As power permeates into people's everyday lives, states of power or powerlessness are easily activated by simple shifts in the situation or one's role or even by a reminder of a past instance in which an individual possessed or lacked power (e.g., Galinsky, Gruenfeld, and Magee 2003; Magee, Galinsky, and Gruenfeld 2007).

Power has been shown to have a number of far-reaching effects on how individuals feel about themselves, as well as how they relate to and perceive others. In particular, past research suggests that power affects the extent to which the self or others are focal. For example, having power, as opposed to lacking power, leads to a greater reliance on one's own thoughts (Briñol et al. 2007) and increases expression of one's own opinion in a group discussion (Anderson and Berdahl 2002). Classic behavioral research (e.g., Zimbardo 1973; Zimbardo et al. 1974) also found that individuals in a position of high power (guards) behaved as if they were more important than individuals in a position of low power (prisoners).

In addition to focusing one on the self, having power, relative to lacking it, reduces the focus on others. For example, Galinsky and colleagues (2006) found that high-power individuals were less likely to adopt another's visual perspective and were less accurate in judging others' emotions. Furthermore, Galinsky and colleagues (2008) found that high-power individuals were less affected by the attitudes and expressions of others. Power also reduces accuracy in estimating the interests of other people (Keltner and Robinson 1997) and increases reliance on stereotypes when evaluating others (Goodwin et al. 2000). Because the powerful focus on achieving their own goals, they also see others q1
simply as means to their own personal goals (Gruenfeld et al. 2008).

These results are consistent with the notion that power reduces the importance of others for meeting one's needs (Thibaut and Kelley 1959), whereas lacking power increases individuals' dependence on others. Put differently, the powerless must attend to and incorporate others to achieve their goals and satisfy their needs, whereas the powerful need not. Overall, the powerful seem to care more about themselves than about other people (Fiske 1993).

POWER AND SPENDING ON THE SELF AND OTHERS

How can consumers' spending on the self versus others be informed by states of power and powerlessness? First, because power is based on having resources and control (Magee and Galinsky 2008), having power might foster the perception that they have greater resources to spend and thus can afford to spend more regardless of whether they are buying for themselves or others (i.e., reduced price sensitivity). Indeed, work suggests that an increase in the perception of resources one has can increase the amount one spends (Mandel, Petrova, and Cialdini 2006). A second and opposing prediction is that powerlessness might increase consumer spending, provided that objects are status related (Rucker and Galinsky 2008). For example, Rucker and Galinsky (2008) found that powerlessness increased people's willingness to pay for status objects in an effort to restore their sense of power given the association between power and status (Magee and Galinsky 2008) but had no effect on spending for objects unassociated with status. It is possible that demonstrating one's status could come not only in the form of buying status-related goods for oneself but also from buying status-related goods for others.

Both of these hypotheses suggest that power might produce main effects on spending regardless of whether the self or others enjoy the fruits of consumption. Counter to these hypotheses, we propose that there are reasons to conceptually anticipate differential effects of power on spending on oneself versus others.

FROM PSYCHOLOGICAL UTILITY TO MONETARY WORTH

On the basis of the literature reviewed, which suggested that high power, relative to low power, leads to increased self-focus and decreased other-focus, we suggest that the powerful typically associate greater psychological utility with oneself compared to others. By psychological utility, we mean the subjective assessment of one's own or others' value. Such an assessment might entail viewing the self as both psychologically more valuable and important (i.e., greater self-importance) and others as less valuable or influential (i.e., less dependence on others). Indeed, a meta-analysis by Georgesen and Harris (1998) suggests that as individuals' power level increases in organizational settings, they are more likely to evaluate themselves favorably and to evaluate others unfavorably. Although not tied to the weighting of one's feelings of importance and dependence

q2 on others or to spending behavior, this meta-analysis is consistent with the notion that as power increases, the self is associated with greater psychological utility, and others with less psychological utility.

We propose for the first time that changes in psychological utility in the form of self-importance and dependence on others reverberate and manifest themselves in the amount of money allocated to purchases for oneself and others. We further argue that these spending habits vary as a function of a temporary state of power. Specifically, when people are confronted with a purchase and need to decide how much to spend or buy, we propose that they use the psychological utility of the recipient to answer this question. Because power affects the psychological utility of oneself or others, it should affect the amount spent.

Individuals induced into a high-power state should spend more on themselves than on others; in contrast, individuals induced into a low-power state should spend more on others than on themselves. This hypothesis is consistent with theorizing suggesting that the amount spent on gifts for others is a sign of the importance of one's relationship to those individuals (Sherry 1983). Viewed differently, consumption can be used to understand the different thought processes and psychological utility that emerge from states of power and powerlessness.

Anecdotally, this hypothesis also fits with the behavior observed in the stories at the article's outset. Scrooge, an individual in a position of wealth and power, reserved his resources solely for himself. In contrast, Jim and Della, powerless and living in poverty, spent freely on one another. Of course, these are works of fiction, and whether power produces an actual effect on behavior as a function of who receives the good or service is an open empirical question.

SUMMARY AND OVERVIEW OF EXPERIMENTS

Five experiments investigated how temporarily having or lacking power drives consumers' spending on the self or others. Importantly, we use a variety of power manipulations, including episodic priming (experiments 1 and 3) and mental role-playing (experiment 2), as well as actual hierarchical roles (experiment 4) and mock advertisements (experiment 5). In addition, we use a range of dependent measures that include consumers' intentions to spend (experiment 3), the actual amount of one's own money spent in an experimental auction setting (experiment 1), the amount of candies selected (experiments 2 and 5), and the amount paid for a candy assortment (experiment 4). Experiment 4 explores the underlying mechanism and supports our argument that the observed effects are mediated by differences in psychological utility. Finally, experiment 5 suggests that it is possible to operationalize constructs of power, as well as a focus on oneself or others in advertising executions.

The current work aims to make several contributions to the literature. It is the first article to look at differential spending by consumers on oneself versus others as a function of power. In doing so, it opens up the broader question of how psychological states can differentially affect spending as a function of the intended purchase recipient. Second, it examines how changes in psychological utility affect spending. Third, it provides a demonstration of how power might be manipulated in an everyday manner (i.e., a print advertisement). Finally, through the use of consumption, the present work has the potential to inform our understanding of the psychological forces that accompany states of power and powerlessness and may even hold implications for how consumption contributes to one's sense of power.

EXPERIMENT 1: POWER AND SPENDING ON ONESELF VERSUS OTHERS

Experiment 1 tested our hypothesis that consumers spend more on a purchase for themselves when in a state of high compared to low power but spend more on a purchase for another when in a state of low compared to high power. We modeled some of the features of this experiment after Rucker and Galinsky (2008), who examined the role of low power on status consumption, but we also made several important changes.

First, we focused solely on products that were not associated with status in order to look at spending on oneself versus others when status-signaling motives are unlikely to be triggered by the product. That is, whereas Rucker and Galinsky (2008) studied status compensation of low-power individuals, we intentionally avoided confounding the present research with that motive because we were interested in understanding a different psychological process that might be at play.

Second, we specified that the purchase was for themselves or for others, whereas Rucker and Galinsky (2008) did not specify the recipient. If psychological utility affects the amount people spend, then our predicted effects should be more prone to occur when the recipient is specified and, thus, when his or her psychological utility likely to be activated. If consumers consider the broader consumption situation as opposed to the recipient, the psychological utility might not be as salient and therefore would be unlikely to affect behavior. One could think of these differences in paradigms as related to construal level theory (Trope and Liberman 2003), which suggests that events can be construed in an abstract or concrete fashion. In Rucker and Galinsky (2008), the recipient of the product was left unspecified, which may have led participants to think of the event in a more abstract fashion and reduce their focus on contextual details (e.g., the recipient) while increasing attention to broader motives (e.g., the need for status). As such, even if the recipient were to have been viewed to be the participant by default, participants might have weighed this information less heavily or might not have thought of their own psychological utility given that it represents a contextual detail. Specifying the recipient in the present work should focus participants more on concrete cognitive representations,

such as price as well as the recipient, and should increase the willingness to spend for a worthy recipient but decrease the willingness to spend for an unworthy recipient. Indeed, to test whether specifying the recipient was important, we also included a condition in which we did not explicitly ask participants to tell us who would receive the purchase; we predicted that power would not affect the level of spending when no recipient was specified.

Finally, this experiment also allowed for a test of the competing hypothesis that power might unilaterally increase spending, regardless of target, due to an increase in perceived resources (Mandel et al. 2006).

Participants and Design

One hundred and twenty Northwestern University undergraduates (66 female, 54 male) were randomly assigned to conditions in a 2 (power: low, high) × 3 (recipient: self, other, unspecified) × 2 (object: mug, T-shirt) mixed design with object serving as a within-participants factor. Participants were paid $15.

Procedure

Participants entered the lab in groups of six to eight and were informed that they would participate in different experiments for professors in the communications, psychology, and/or marketing departments. Participants were seated at individual cubicles and completed all materials on the computer. Participants first completed an episodic priming manipulation of power. Specifically, participants were randomly assigned to recall an event during which they felt powerless or powerful, ostensibly as part of a task on understanding language.

Next, participants were given instructions for a separate bidding task described as examining how people bid in different auction formats. They were told they would take part in an auction for a product with an undisclosed reserve price that was known only to the seller. Participants were told that a product was won if a bid was placed at or above the reserve price and that the bidder would pay whatever the amount of the bid price was from their experimental payment. In contrast, if a bid was placed below the unknown reserve price, the bidder would lose the auction but keep his or her money. This procedure encouraged participants to indicate a value corresponding to their actual desire to acquire the product (for discussion, see Wertenbroch and Skiera [2002]). Participants were told that one of the items to be bid on would be selected at random and could be purchased if they bid successfully at or above the item's reserve price.

We manipulated whether the recipient of the winning bid would be the participant, another person selected by the participant, or unspecified. In all conditions, it was made clear that participants who bid above the reserve price would purchase the item at the bid price.

Participants were next shown the products for which they would be bidding. The two products, a mug and a T-shirt, were physically present and situated on a table in the center of the room so that participants could inspect them if they so desired. Importantly, although the products featured the logo of Northwestern University, a private university, they were described as common and readily available at the local bookstore to anyone who wanted them in order to avoid associating them with status (for a similar procedure, see Rucker and Galinsky [2008, experiment 2]). Participants subsequently completed the actual bidding on the computer. The computer instructions reinforced whether the product recipient would be the participants themselves or another person of their choice, or they did not specify the recipient. Participants were next asked to indicate the dollar amount they wished to bid on the object. They were reminded that if their bid amount exceeded the undisclosed reserve price, they would pay the experimenter the amount of their bid and would receive the object in return.

After placing their bids, participants completed manipulation checks for the power manipulation and the recipient of the winning bid. Finally, they were thanked, were told that the reserve price was the retail price of the product and that they could purchase it from the university bookstore, and were debriefed. No participant reported suspecting a relationship between the tasks or guessed the true nature of the experiment.

Independent Variables

Power. Power was manipulated via an episodic prime adapted from Galinsky et al. (2003). In the high-power condition, participants read: "Please recall a particular incident in which you had power over another individual or individuals. By power, we mean a situation in which you controlled the ability of another person or persons to get something they wanted, or were in a position to evaluate those individuals. Please describe this situation in which you had power—what happened, how you felt, etc."

In the low-power condition, participants read: "Please recall a particular incident in which someone else had power over you. By power, we mean a situation in which someone had control over your ability to get something you wanted, or was in a position to evaluate you. Please describe this situation in which you did not have power—what happened, how you felt, etc."

Recipient. Participants assigned to bid on their own behalf were explicitly told that if they won the auction, the product would be for them to keep and that they should think of acquiring the object for themselves. Furthermore, participants were asked, prior to placing their bid, to type in their names as the recipient for record-keeping purposes. In contrast, participants assigned to bid on a product for another person were explicitly instructed to select another person to whom the object would be sent if the participant won the auction. In this condition, participants were told to type in the name of the person they would like to receive the product if the participant placed a winning bid. In the unspecified scenario, as in Rucker and Galinsky (2008), no

effort was made to inform participants of who should receive the product if it was won.

Dependent Measures

Manipulation Check. In order to ensure that our manipulation of power induced different states of power, participants were asked immediately after the manipulation the extent to which they felt powerful on a 7-point scale (1 = not powerful, 7 = powerful).

Amount Spent. For each product, participants were asked to report the actual dollar amount they wished to bid for the product.

Perceived Recipient. Participants were asked who they were thinking of as the recipient of the product, were they to win the bid. They could indicate that they were bidding for themselves, bidding for another person, or were not thinking about who would receive the product.

Results and Discussion

Manipulation Check. As expected, there was a significant main effect of power on reported feelings of power ($F(1, 114) = 71.88$, $p < .001$, $\eta^2 = .49$), such that participants reported feeling more powerful in the high-power condition ($M = 5.83$, SD = 1.26) than in the low-power condition ($M = 3.40$, SD = 1.28). There were no other main effects or interactions with this measure ($p > .30$.

Amount Spent. Prior to analysis, given the open-ended response nature of the measure, the data were examined for outliers. All data points fell within 3 standard deviations and thus were retained for analyses. The amount spent was submitted to a 2 (power: low, high) × 3 (recipient: self, other, unspecified) ANOVA × 2 (object: mug, T-shirt) repeated-measures ANOVA, with object serving as a within-participants factor. There was a main effect of object such that participants had a higher reserve price for the T-shirt ($M = \$10.07$, SD = \$5.54) than for the mug ($M = \$7.85$, SD = \$4.67; $F(1, 114) = 26.52$, $p < .001$, $\eta^2 = .19$).

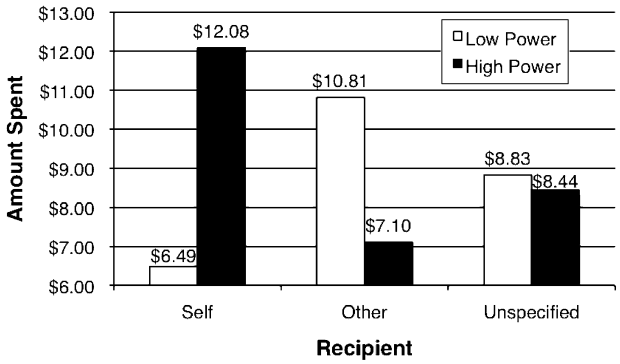
Of greater interest, there was a significant power × recipient interaction on the amount participants bid on the object ($F(2, 114) = 12.54$, $p < .001$, $\eta^2 = .18$; see fig. 1). When it came to spending on themselves, participants in the high-power condition spent more to acquire the items ($M = \$12.08$, SD = \$4.35) compared to low-power participants ($M = \$6.49$, SD = \$5.03; $F(1, 114) = 17.63$, $p < .001$, $\eta^2 = .13$). In contrast, when it came to spending on others, participants in the low-power condition spent more to acquire the items for others ($M = \$10.81$, SD = \$3.39) than did participants in the high-power condition ($M = \$7.10$, SD = \$4.30; $F(1, 114) = 7.77$, $p < .01$, $\eta^2 = .06$). Furthermore, in these conditions, the item measuring the perceived recipient of the product perfectly matched the experimental manipulation.

Finally, when the recipient of the purchase was not made explicit, as in the work of Rucker and Galinsky (2008), there was no difference in bidding between participants in the low-power ($M = \$8.83$, SD = \$3.21) and high-power ($M = \$8.44$, SD = \$4.68) conditions ($F < 1$, $\eta^2 = .00$). There were no other main effects or interactions ($F < 1$). In addition, in this condition the majority of both low-power participants (85%) and high-power participants (80%) reported that they had not thought about the recipient when bidding. Among low-power participants, 15% reported thinking of another person as the recipient, and 0% reported thinking of themselves. Among high-power participants, 5% reported thinking of another person as the recipient, and 15% reported thinking about themselves, although these differences did not reach significance ($p > .10$). These results suggest that the lack of an effect is due not to some people choosing the self and others choosing another person but to people not even thinking of the recipient when bidding.

These findings provide initial support for the notion that consumer spending on oneself and others can be significantly affected by current psychological states of power. These results are inconsistent with a general resource perspective of power, as we observed an interaction rather than a main effect. This experiment also provides an initial bridge to the findings of Rucker and Galinsky (2008). That is, although Rucker and Galinsky (2008) did not find any differences in power for products not associated with status, they used a more abstract scenario that did not specify who the recipient of the product would be. As a consequence, even if participants had viewed themselves as the recipient, if this was not focal in their construal of the task, it seems completely reasonable that they would not have obtained any effects, as in the unspecified condition of the present experiment. In such a case, participants may not have thought about the psychological utility of the self, leaving their spending unaffected. Had Rucker and Galinsky (2008) made it clear that participants should think about purchasing the products for the self, we anticipate that high-power participants, relative to low-power participants, would have been willing to pay more for the low-status products.

FIGURE 1

AMOUNT SPENT AS A FUNCTION OF POWER AND RECIPIENT, EXPERIMENT 1



Finally, we intentionally focused on products that were not associated with status. Although exploring the role of product status and self versus other purchasing is beyond the aims and objectives of this article, it is a potentially useful direction for future research. For example, when low-power people are presented with a status object, they tend to value it more (Rucker and Galinsky 2008), and the relevance of the status might make them think of themselves as the recipient, even if the recipient is unspecified. In such cases, the compensatory motive may highlight the potential psychological utility for the self. If status is consumed to increase the value of the self in the eyes of others (Dubois, Rucker, and Galinsky 2010; Rucker and Galinsky 2009), when objects are bought for others, low power may not increase spending when the objects are high status. Future research should explore these possibilities.

EXPERIMENT 2: A MATTER OF MOOD REGULATION?

As noted in our introduction, we believe the differences in spending observed in experiment 1 occur because states of high and low power affect one's self-importance and dependence on others. These underlying differences in psychological utility, in turn, transfer to the monetary worth or amount spent on purchases for oneself and others. However, an alternative perspective is that our effects are due to mood regulation. For example, Dunn, Aknin, and Norton (2008) suggest that people experience greater happiness when giving to others as opposed to themselves. Similarly, Cryder and colleagues (2008) find that a negative mood leads to an increase in spending.

To the extent that low power is associated with negative mood, one might view the differential spending as a mood-regulating effort. According to such a perspective, low-power individuals, compared to the powerful, should derive greater happiness from spending on others. Conversely, low-power individuals might not view spending on oneself as an effective means of mood regulation, which would lead to less spending on the self. Although prior research has not shown manipulations of power to affect global mood (e.g., Galinsky et al. 2003; Rucker and Galinsky 2008; Smith et al. 2008), experiment 2 empirically tested the possibility of affect regulation by measuring whether power affected the levels of happiness derived from giving to oneself versus another, as well as participants' global mood.

Finally, to increase the generalizability of our findings, we used a new dependent measure and a new power manipulation and added a no-power-manipulation baseline condition.

Participants and Design

Eighty Northwestern University undergraduates (36 females, 44 males; $M_{Age} = 20.53$, $SD_{Age} = 1.82$) were paid \$15 for their participation. Participants were randomly assigned to conditions in a 3 (power: low, high, baseline) × 2 (recipient: self, other) between-participants design.

Procedure

Participants entered the lab in groups of six to eight and first completed the power manipulation, which consisted of imagining themselves in the role of a boss or employee (see Dubois et al. 2010). Participants in the baseline condition did not complete the task at all. Next, all participants individually took part in a task ostensibly interested in how people create assortments of different products. In particular, they were asked to put together an assortment of Hershey's Kisses for themselves or for another person of their choice. Four varieties (Milk Chocolate with Almonds, Milk Chocolate, Special Dark, and Hugs) were provided, from which they could select any number. They were told that each Hershey's Kiss would cost 5 cents. Participants were asked to indicate the number they wanted and were told that the cost would be deducted from their experimental payment. The total number of Hershey's Kisses selected served as the dependent measure. Finally, participants were thanked, debriefed, and given the requested number of candies free of charge. No participant suspected the true nature of the experiment.

Independent Variables

Power. For the manipulation of power, participants were asked to imagine how they would feel, think, and act in a particular role associated with low or high power. In the high- (low-) power condition, participants were told: "We would like you to imagine you are a BOSS [EMPLOYEE] at a company. Read about the role below and try to vividly imagine what it would be like to be in this role (i.e., how you would feel, think, and act)."

Participants in the high-power condition then read: "As a boss, you are in charge of directing your subordinates in creating different products and managing work teams. You decide how to structure the process of creating products and the standards by which the work done by your employees is to be evaluated. As the boss, you have complete control over the instructions you give your employees. In addition, you also evaluate the employees at the end of each month in a private questionnaire—that is, the employees never see your evaluation. The employees have no opportunity to evaluate you."

In contrast, participants in the low-power condition read: "As an employee, you are responsible for carrying out the orders of the boss in creating different products. The boss decides how to structure the process of creating these products and the standards by which your work is to be evaluated. As the employee, you must follow the instructions of the boss. In addition, you are evaluated by the boss each month, and this evaluation will be private, that is, you will not see your boss's evaluation of you. This evaluation will help determine the bonus reward you get. You have no opportunity to evaluate your boss."

Recipient. Participants were told that once they had

completed the assortment, it either would be packaged and given to them or would be sent to a person of their choice.

Dependent Variables

Amount Purchased. The total number of chocolates agreed to be purchased by the participant served as the primary dependent measure.

Happiness Derived from Giving. To assess the happiness derived from purchasing the candies, we asked participants how happy and content they felt giving the candy assortment to themselves or to others, depending on their condition. Both items were assessed on 7-point scales (1 = extremely unhappy/discontent; 7 = extremely happy/content). These items were highly correlated and were combined to form a measure of happiness ($r = .80$, $p < .001$).

Global Mood. We also included a global mood measure by asking participants how positive or negative they were feeling at the time of the experiment on a 7-point scale (1 = negative, 7 = positive).

Results and Discussion

Prior to analysis, given the open-ended response nature of the number of candies selected, we examined the data for outliers. All data points fell within 3 standard deviations and thus were retained for analyses.

Amount Purchased. We found a significant power × recipient interaction ($F(2, 74) = 8.46$, $p < .001$, $\eta^2 = .18$). When buying chocolates for themselves, individuals purchased more chocolates when in a state of high power ($M = 31.60$, SD = 28.88) than when in a state of low power ($M = 14.13$, SD = 16.40; $F(1, 74) = 4.85$, $p = .03$, $\eta^2 = .08$). In contrast, when buying for another person, individuals purchased more chocolates when low ($M = 36.67$, SD = 25.99) versus high ($M = 11.20$, SD = 10.46) in power ($F(1, 74) = 10.30$ $p < .005$, $\eta^2 = .16$). In our baseline condition, there were no differences as a function of whether individuals were purchasing for themselves ($M = 22.60$, SD = 14.34) or others ($M = 19.60$, SD = 14.83; $t(74) = .98$, $p = .92$).

Mood Measures. There was a main effect on happiness such that all participants reported being happier after having bought candy for another person ($M = 4.84$, SD = 1.39) than for themselves ($M = 3.98$, SD = 1.15; $F(1, 74) = 9.34$, $p < .001$, $\eta^2 = .11$), which conceptually replicates Dunn et al. (2008). There was neither a main effect of power nor a power × recipient interaction ($F < 1$). Similarly, on the global measure of mood completed at the end of the experiment, participants reported feeling more positive after having bought candy for another person ($M = 5.23$, SD = 1.40) than for themselves ($M = 4.30$, SD = 1.08; $F(1, 74) = 11.99$, $p < .01$, $\eta^2 = .14$), but there were no further effects ($F < 1$). Consequently, as neither happiness nor global mood varies as a function of power, they cannot explain the overall effects of power on spending.

One might wonder whether, among low-power participants, spending on others is driven by the perceived happiness they would obtain. Within low-power participants, although recipient (self versus other) produced a significant result on spending ($\beta = .54$, $t(74) = 3.38$, $p < .01$), neither happiness ($\beta = .17$, $t(74) = .91$, $p = .37$) nor global mood ($\beta = .06$, $t(74) = .25$, $p = .80$) predicted spending and thus could not mediate the observed effect. This suggests that people are not spending as a means to feel better, as the amount spent did not affect mood. Rather, it seems that the mere act of giving to others, regardless of amount, makes one feel good.

Experiment 2 replicated our initial findings using another manipulation of power and a new dependent measure, the actual number of chocolates selected. In addition, although our mood measures were sensitive to spending on the self versus others, they were not affected by power and could not explain the overall results or the results within low-power participants. This former finding is consistent with findings by Dunn et al. (2008) that people feel happier when spending on others. At the same time, the latter finding is consistent with past work suggesting that simple manipulations of power, as used in the present research, affect a sense of power specifically and not global mood (e.g., Galinsky et al. 2003; Rucker and Galinsky 2008; Smith et al. 2008). Thus, the present findings do not seem to be a result of mood regulation.

EXPERIMENT 3: DO THE POWERLESS DESIRE POWER OVER OTHERS?

An unanswered question from the prior experiments is whether low-power individuals spend more on others because they associate others with greater psychological utility, as our perspective suggests, or whether they do so in the hope of restoring their own loss of power by gaining dominion or influence over another individual. Specifically, one might argue that spending more on another person would lead the recipient to be more indebted to the spender, which would give the low-power individual greater power over the receiver of the gift and could improve a giver's place in the social hierarchy. Although this would not challenge the basic contention that low power leads to greater spending on others, it would suggest a very different process at play. That is, the powerless strategically seek to make others indebted to them as opposed to associating others with greater psychological utility.

Although it seems unlikely that simple gifts like chocolate would lead another person to feel indebted, experiment 3 was designed to explore this possibility by making their gifts anonymous with no possibility of reciprocation. Specifically, we created two new conditions in which participants were asked to spend on an individual who would never know their identity as a gift giver (i.e., they would be completely anonymous) or on an individual for whom there was no

expectation of reciprocation (i.e., there was no indebtedness to be had from the gift). If low power increases the psychological utility or value of others, low-power participants should spend more on others even when they do not expect reciprocation or when reciprocation is not possible due to anonymity. In contrast, if low-power participants' greater spending on others is due solely to a desire to have others indebted to them (i.e., elevating their power relative to another person), the effects of power on spending on others should be reduced or even eliminated when the identity of the gift giver is anonymous or there is no reciprocation expected on the part of the receiver.

Participants and Design

One hundred and sixty participants (88 females, 72 males; $M_{Age} = 32.45$, $SD_{Age} = 11.45$) were drawn from a national online pool maintained by Northwestern University and were offered an opportunity to win a gift certificate in return for their participation. Participants were randomly assigned to conditions in a 2 (power: low, high) × 4 (recipient: self, other; other: giver anonymous, no reciprocation) × 3 (scenario: restaurant voucher, chocolate, gift exchange) mixed design with scenario serving as a within-participants factor.

Procedure

Participants first completed the episodic priming task used in experiment 1 under the guise of a task examining the language people use in describing past events. Subsequently, participants read a series of vignettes that asked them to make a purchase. Participants were informed that the researchers were interested in how much people spend on purchases in different situations. Upon completion, participants received a written thank-you, read a debriefing, and were given contact information if they wanted to learn more about the experiment.

Independent Variables

Power. Power, low versus high, was manipulated with the recall task from experiment 1.

Scenario. Participants read three scenarios. The first one involved buying vouchers for a casual restaurant, the second involved buying chocolates from a candy store, and the third involved buying a gift.

Recipient. In the self condition, participants were asked how many vouchers (scenario 1) they would buy, how many chocolates they would buy (scenario 2), and how much they would spend on a gift for themselves (scenario 3). In the other condition, participants were asked to instead make the purchase for another person. In the other/anonymous condition, participants were asked to make a purchase for another person anonymously (i.e., the recipient would not know the identity of the giver). In the other/no reciprocation condition, participants were told that they did not expect to receive anything in return. An example of the different conditions for one of the scenarios is provided in the appendix.

Dependent Variables

The dependent variable consisted of the number of vouchers (scenario 1), the number of chocolates (scenario 2), or the dollar amount spent on a gift (scenario 3) reported by participants. Because these scenarios involved different units, we standardized all dependent measures prior to analysis. This allowed us to create an index where higher numbers yielded more spending compared to the overall mean and negative numbers yielded relatively less spending.

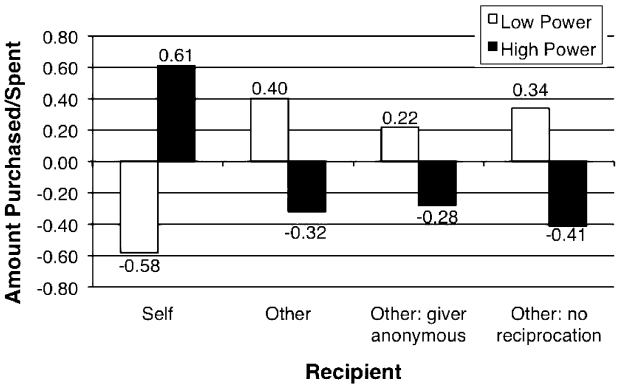
Results and Discussion

There were no two-way or three-way interactions of scenario with power or recipient using the standardized measures (p's $> .2$). Consequently, we collapsed across scenarios.

There was a significant power × recipient interaction ($F(3, 152) = 26.31$, $p < .001$, $\eta^2 = .34$; see fig. 2). When the scenario focused on buying an item for oneself, high-power participants indicated purchasing or spending more ($M = .61$, $SD = .53$) than low-power participants ($M = -.58$, $SD = .55$; $t(152) = 6.51$, $p < .001$, $\eta^2 = .55$), which replicates our prior experiments. When it came to spending on others, low-power participants purchased or spent more on others than did high-power participants in the other condition ($M = .43$, $SD = .65$ vs. $M = -.32$, $SD = .51$; $t(152) = 4.24$, $p < .001$, $\eta^2 = .29$). Low-power participants ($M = .22$, $SD = .58$) also spent more than high-power participants ($M = -.28$, $SD = .64$) when the giver was anonymous ($t(152) = 2.78$, $p < .001$, $\eta^2 = .15$). Finally,

FIGURE 2

AMOUNT PURCHASED/SPENT AS A FUNCTION OF POWER AND RECIPIENT, EXPERIMENT 3



NOTE.—Numbers reflect standardized scores across scenarios, with positive numbers indicating a greater propensity to spend.

low-power participants ($M = .34$, SD $= .65$) spent more than high-power participants ($M = -.41$, SD $= .41$) even when the other would not reciprocate ($t(152) = 4.23$, $p < .001$, $\eta^2 = .33$). Put differently, among the conditions in which the recipient was another person, power exerted only a main effect ($F(1, 119) = 39.22$, $p < .001$, $\eta^2 = .26$) and did not interact as a function of the gift giver's anonymity or expectations ($F < 1$).

Regardless of whether the giver was anonymous and whether the other could reciprocate, the powerless spent more than the powerful on other people. This finding is consistent with our proposition that low power increases the general psychological utility or value of others as opposed to a motive to make another person indebted to the individual. In addition, we had some secondary measures of individuals' desire to indebt others to themselves, and we found no effect of power on these measures. This, of course, does not mean that such motives could not sometimes be present, only that they are not responsible for the present results.

EXPERIMENT 4: FROM PSYCHOLOGICAL UTILITY TO MONETARY WORTH

In experiment 4, we sought direct evidence for our proposition that power fundamentally alters the psychological utility of self and others and that this accounts for differences in the amount spent on oneself versus others. To test our hypothesis, we measured the effects of power on self-importance and dependence on others. Although states of low and high power have been described with respect to both one's own self-importance and one's dependence on others, it is unclear from the power literature whether a manipulation of power affects both constructs simultaneously. That is, one possibility is that high power, relative to low power, increases the value of oneself and decreases the value of others. However, another possibility is that high power increases the value of oneself but does not decrease the value of others, whereas low power increases the value of others but does not decrease the value of oneself.

We first conducted a pretest as an initial test of this hypothesis. Subsequently, in our main experiment we test whether these variables can differentially explain the effects of having versus lacking power on spending for oneself versus others. For example, when determining how much to spend on a gift for oneself, one's self-importance might be a better means of assessing one's own value than one's dependence on others. Conversely, when deciding how much to spend on a gift for another person, one's dependence on others might be a better means of assessing the value of others than one's own self-importance. Finally, in experiment 4 we manipulated power using an actual hierarchical role manipulation to further generalize our results.

Pretest

Ninety participants (42 males, 48 females; $M_{Age} = 31.11$, $SD_{Age} = 10.43$) from a national online participant pool maintained by Northwestern University were randomly assigned to one of three conditions (power: baseline, low, high). Participants were e-mailed to participate in the study in exchange for a chance to win an Amazon.com gift certificate. Participants in the experimental conditions were first exposed to the episodic recall power manipulation described in experiment 1. In the baseline condition, participants did not complete a recall task.

Subsequently, participants were informed that the study required background information regarding both demographics and psychographics. In reality, this task allowed us to measure any difference in self-importance and dependence on others across conditions. Specifically, self-importance (i.e., how much psychological utility or worth people attached to themselves) was assessed by asking participants to respond to questions on two 8-point scales: "How important are you as an individual?" (1 = not important at all, 8 = very important) and "I am a person of worth" (1 = totally disagree, 8 = totally agree). These two items were correlated ($r = .84$, $p < .01$) and were combined to form a measure of self-importance such that higher numbers equated to greater self-importance. Dependence on others (i.e., the relative dependence and psychological utility placed on others) was assessed by asking individuals to respond to the questions, "When it comes to getting things done, do you depend more on yourself or others?" (1 = completely on myself, 8 = completely on others) and "How much do you value people's opinions versus your own when making a decision?" (1 = my opinion matters most, 8 = others' opinions matters most). These items were correlated ($r = .60$, $p < .01$) and were combined to form a measure of dependence on others, with higher numbers indicating greater dependence on others.

The constructs of self-importance and dependence on others were not correlated ($r = -.12$, $p = .26$) and, as such, were analyzed separately. There was a significant effect of power on self-importance ($F(2, 87) = 9.25$, $p < .001$, $\eta^2 = .17$). Participants in the high-power condition ($M = 5.83$, SD $= 1.39$) viewed themselves as more important compared to low-power participants ($M = 4.43$, SD $= 1.44$; $t(87) = 3.90$, $p < .001$, $\eta^2 = .201$) and baseline conditions ($M = 4.56$, SD $= 1.33$; $t(59) = 3.51$, $p < .01$, $\eta^2 = .18$), which did not differ from one another ($t(87) = .37$, $p = .71$, $\eta^2 = .01$).

For dependence on others' ratings, there was also a significant effect ($F(1, 87) = 11.53$, $p < .001$, $\eta^2 = .21$), but this took a very different form. Participants in the low-power condition ($M = 5.55$, SD $= 1.26$) reported being more dependent on others compared to high-power participants ($M = 4.26$, SD $= 1.18$; $t(87) = 3.92$, $p < .001$, $\eta^2 = .22$) and baseline conditions ($M = 4.13$, SD $= 1.32$; $t(87) = 4.32$, $p < .001$, $\eta^2 = .23$), which did not differ from one another ($t(87) = .19$, $p = .68$, $\eta^2 = .01$).

The results of this pretest suggest that self-importance

and dependence on others are uniquely affected by states of high power and low power, respectively. Indeed, these constructs appear conceptually distinct as well. A hermit might shun the opinions and company of others (i.e., low dependence on others) but view himself as either important or unimportant. Likewise, a firefighter might view himself as important or unimportant but nonetheless be very close and dependent on his fellow firefighters (i.e., high dependence on others).

Main Study: Participants and Design

Ninety-six Northwestern University undergraduates (42 males, 54 females) were paid $15 for their participation and were randomly assigned to conditions in a 2 (power: low, high) × 2 (recipient: self, other) between-participants design.

Procedure

The experiment took place in a multiroom laboratory. Participants in groups of four to six were greeted in the main room by two experimenters. Participants were told that they would complete a study for each of the experimenters. Then, the first experimenter proceeded to explain that participants would take part in a study on group decision making and that they would be assigned to the role of a boss or an employee for a later group task involving the construction q7 of tangrams out of blocks. After being assigned to the role of boss or employee, participants were then told that while the first experimenter was preparing the materials for the group task, participants would complete the materials for the second experimenter. To further increase the perceived independence of the two tasks, the second experimenter took each participant to another room, where they completed an ostensibly unrelated study on purchasing behavior. In this study, participants indicated the amount they would spend for a small bowl of candy for either themselves or another person and completed items related to the proposed mediators. After completing this task, participants were thanked and debriefed. No participant correctly guessed the hypothesis or true nature of the experiment.

Independent Variables

Power. Participants completed a leadership questionnaire and were told they would be assigned to a role for the group task based on the results of the questionnaire, as well as the experimenter's observation of their nonverbal behavior. Participants were then led to an individual cubicle, each in a different room, where they shortly received instructions with regard to their role in the upcoming group task. These instructions, adapted from prior research (for detailed instructions, see Anderson and Berdahl [2002], Galinsky et al. [2003], and Rucker and Galinsky [2009]), assigned participants to the role of an employee (i.e., low power) or a boss (i.e., high power). Importantly, the feedback did not tell participants whether they performed well or poorly, and this manipulation of power has been shown not to affect mood (e.g., Galinsky et al. 2003). It was then made clear to participants that employees would follow the directions of the boss (i.e., bosses had power over employees). Thus, rather than having participants simply imagine themselves as an employee or boss, as in experiment 2, participants were assigned to the actual role.

Recipient. Participants were presented with a picture of a small bowl of assorted candy and were asked the dollar amount they would pay to buy the bowl of candy for either themselves or a significant other.

Dependent Variables

Amount Spent. The primary dependent variable was the dollar amount participants were willing to pay for the candy assortment.

Self-importance. Self-importance was assessed using the same two items as in the pretest, which were highly correlated ($r = .76$, $p < .001$) and were combined to form a single measure.

Dependence on Others. Dependence on others was assessed with the two items from the pretest, which were highly correlated ($r = .89$, $p < .001$) and were combined into a single measure.

Results and Discussion

Given the open-ended response nature of the measure of amount spent, we first examined the data for outliers. All data points fell within 3 standard deviations and thus were retained for analyses. As in the pretest, self-importance and dependence on others were not significantly correlated in the experiment ($r = .17$, $p = .11$). We thus treated them separately in our analyses.

Amount Spent. We found a significant power × recipient interaction ($F(1, 92) = 17.70$, $p < .001$, $\eta^2 = .16$). When buying the candy assortment for themselves, high-power individuals spent more ($M = \$1.73$, SD = $1.07) than low-power individuals ($M = \$0.88$, SD = $0.63; $F(1, 92) = 11.09, p = .001, \eta^2 = .11$). In contrast, when buying for another person, individuals spent more when low in power ($M = \$1.61$, SD = $0.90) versus high in power ($M = \$0.94$, SD = $0.88; $F(1, 92) = 6.86$ $p = .01$, $\eta^2 = .07$).

Self-importance. There was a main effect of power on self-importance such that high-power individuals reported viewing themselves as more important ($M = 4.09$, SD = 1.59) compared to low-power individuals ($M = 3.11$, SD = 1.07; $F(1, 92) = 12.82, p < .001, \eta^2 = .12$). Interestingly, there was also a main effect of purchase recipient such that individuals viewed themselves as more important after purchasing for themselves ($M = 3.87$, SD = 1.20) versus another ($M = 3.33$, SD = 1.61; $F(1, 92) = 3.92$, $p =$

.05, $\eta^2 = .04$). Importantly, however, there was no power × recipient interaction ($F < 1$).

Dependence on Others. There was only a main effect of power on dependence on others such that low-power individuals ($M = 4.27$, SD = 1.75) expressed more dependence on others than high-power individuals did ($M = 3.57$, SD = 1.16; $F(1, 92) = 5.25$, $p = .02$, $\eta^2 = .05$). There was no effect of the purchase recipient or a power × recipient interaction ($p > .26$).

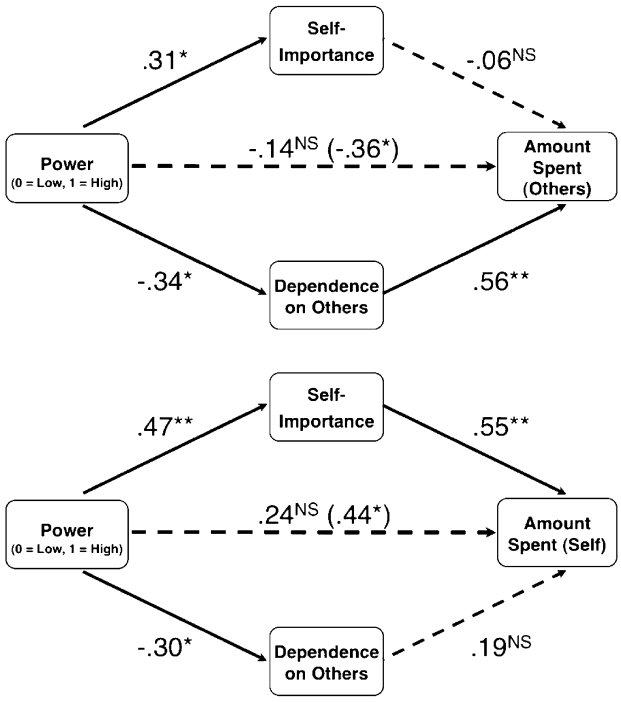
Mediation Analyses. We tested whether the differences in spending on the self versus others as a function of power were jointly or differentially mediated by self-importance and dependence on others, using a series of regression procedures that allowed us to look at the role of both self-importance and dependence on others simultaneously and independently. Given that willingness to spend on the self and willingness to spend on others are psychologically distinct variables, we conducted two regression models, one in which we looked at spending on others as our dependent variable and another in which we looked at spending on the self as our dependent variable.

We first tested whether self-importance and dependence on others mediated the effect of power on spending on others. This analysis first revealed that power both predicted dependence on others ($\beta = -.34$, $t(44) = 2.46$, $p = .02$) and self-importance ($\beta = .31$, $t(44) = 2.24$, $p = .03$). In addition, consistent with our proposition, only the direct effect of dependence on others significantly predicted the amount spent on others ($\beta = .56$, $t(44) = 4.60$, $p < .001$), whereas self-importance did not significantly predict the amount spent on others ($\beta = -.06$, $t(44) = -.47$, $p > .64$). Last, this analysis revealed that power no longer predicted spending on others ($\beta = -.14$, $t(44) = 1.16$, $p = .25$). Furthermore, we also formally tested whether the indirect effects (i.e., the path through the mediator) were significant, using bootstrapping procedures (see Preacher, Rucker, and Hayes 2007) for multiple mediator models (Preacher and Hayes 2008). These procedures generate a 95% confidence interval around the indirect effect where mediation is said to occur if zero falls outside that confidence interval. The indirect effect involving dependence on others was significant (95% CI = −.371 to −.049), indicating successful mediation through this path, whereas the indirect effect involving self-importance was not significant (95% CI = −.130 to .050; see fig. 3, top panel).

Second, we looked at whether the difference in the amount spent on the self as a function of power could be accounted for by each of the proposed mediators. Power predicted both dependence on others ($\beta = -.30$, $t(44) = 2.16$, $p = .03$) and self-importance ($\beta = .47$, $t(44) = 3.59$, $p < .001$). In addition, consistent with our proposition, only the direct effect of self-importance on the amount spent on oneself was significant ($\beta = .55$, $t(44) = 4.45$, $p < .001$), and dependence on others did not significantly predict the amount spent on oneself ($\beta = .19$, $t(44) = 1.69$, $p = .10$). Last, this analysis revealed that the effect of power on spending on oneself was reduced and no longer statistically significant ($\beta = .24$, $t(44) = 1.9$, $p = .06$). Furthermore, we again formally tested whether the indirect effects (i.e., the path through the mediator) was significant, using bootstrapping procedures for multiple mediator models (Preacher and Hayes 2008). The indirect effect involving self-importance was significant (95% CI = .098–.467), indicating successful mediation through this path, whereas the indirect effect involving dependence on others was not significant (95% CI = −.186 to .001; see fig. 3, bottom panel).

FIGURE 3

MEDIATION VIA SELF-IMPORTANCE AND DEPENDENCE ON OTHERS AS A FUNCTION OF POWER OF AMOUNT SPENT ON OTHERS (*TOP*) OR SELF (*BOTTOM*), EXPERIMENT 4.



NOTE.—One asterisk indicates $p < .05$; two asterisks indicate $p < .01$.

Experiment 4 provided evidence for mediation consistent with our proposed perspective that differences in spending can be linked to psychological utility. In addition, our power manipulation affected both self-importance and dependence on others, but these items differentially mediated the effect of power on spending for oneself versus another person, respectively.

Experiment 4 is also important, as it better delineates the relationship between self-importance and dependence on others as measures of psychological utility. Both concepts can be understood as assessments of psychological utility since both reflect subjective assessments of value or worth.

However, the fact that the constructs were uniquely affected by states of high and low power, were not significantly correlated, and uniquely mediated effects of spending on oneself versus others speaks to the independence of the constructs. Not only are people able to report these assessments independently, but each construct also has unique consequences when it comes to spending on oneself versus others. Rather than psychological utility being a continuum, with greater value of oneself leading to less value of others and vice versa, the present findings suggest that one can place either little or great value on the self and independently place little or great value on others.

EXPERIMENT 5: PRIMING POWER THROUGH ADVERTISING

Although we have operationalized power using widely established manipulations of power, one might wonder how often consumers' states of power or powerlessness can actually be predicted or manipulated in the real world. Although there are strategies that can be used to segment a market based on consumers' power (e.g., those occupying positions of management vs. interns), we believe that the construct of power is so pervasive that feelings of power can easily and unobtrusively be activated in the real world. A psychological state of power can be induced by being exposed to words related to power (Smith et al. 2008), sitting in a powerful chair (Chen, Lee-Chai, and Bargh 2001), or even having an upright posture (Carney, Cuddy, and Yap, forthcoming; Huang et al. 2010). As one illustration of relevance to marketers, we propose that communications, such as advertisements, can provide a means of momentarily shifting people's current state of power in everyday life. We tested this proposition in the next experiment.

Pretest

A separate pretest with a sample of 80 Northwestern undergraduates (47 females, 33 males) was conducted to verify the effectiveness of the manipulations. Four advertisements were created to manipulate power and salience of the recipient. Each advertisement featured a picture of Hershey's Kisses, but we varied the accompanying copy.

Power. Power, low versus high, was manipulated via one of two frames at the outset of the advertising execution. Specifically, participants in the low-power condition were lured into the ad with the question, "Remember a time you felt powerless?" In contrast, participants in the high-power condition were lured into the ad with the question, "Remember a time you felt powerful?"

Salience. We manipulated the salience of self versus others by including a tagline at the bottom of the advertisement. In the other-focused condition it read, "It's time for Chocolate. A perfect gift to give to Others." In the self-focused condition it read, "It's time for Chocolate. A perfect gift to give to Yourself."

Pretest participants were asked how powerful they felt after reading the advertisement (1 = not powerful, 8 = powerful). Participants reported feeling more powerful in response to the advertisement that asked people to consider a time when they had power ($M = 5.72$, SD = 1.66) versus the one that asked the powerless question ($M = 3.37$, SD = 1.75; $F(1, 76) = 37.9$, $p < .001$). The pretest also confirmed that the other condition led people to think about purchasing the product for others (78%), whereas the self condition primarily led people to think about purchasing the product for themselves (80%).

Main Study: Participants and Design

A total of 80 participants (48 females, 32 males; $M_{Age} = 29.11$, $SD_{Age} = 12.66$) were drawn from an online pool maintained by Northwestern University and were offered an opportunity to win an Amazon.com gift card in return for their participation. Participants were randomly assigned to conditions in a 2 (power: low, high) × 2 (salience: self, other) between-participants design.

Procedure

Participants were told that they would evaluate advertising executions as part of a study interested in consumer preferences. Participants all received the advertisement for Hershey's Kisses described in the pretest. Upon completion of the experiment, participants were thanked, debriefed, and given contact information if they were interested further in the experiment.

Independent Variables

Power. Power was manipulated as described in the pretest.

Salience. Salience was manipulated as described in the pretest.

Dependent Variables

Participants were asked to indicate how many Hershey's Kisses they would be willing to buy at the moment if given the opportunity. Participants were told the cost would be 5 cents a chocolate and were asked to indicate the total number they would like to buy.

Results and Discussion

There was a significant power × salience interaction ($F(1,76) = 9.8$, $p < .005$, $\eta^2 = .11$). When the ad focused people on themselves, participants indicated that they were willing to buy a greater number of chocolates when the ad featured the powerful frame ($M = 15.6$, SD = 10.4) compared to the powerless frame ($M = 9.0$, SD = 6.61; $t(76) = 2.29$, $p = .02$, $\eta^2 = .13$. In contrast, when the ad focused people on others, the effects reversed. Participants indicated a willingness to buy a greater number of chocolates when

the ad featured the powerless frame ($M = 16.25$, SD = 11.34) compared to the powerful frame ($M = 10.1$, SD = 7.2; $t(76) = 2.14$, $p = .04$, $\eta^2 = .11$).

The present experiment provides a new means of manipulating power that could be used by advertisers. Specifically, both power and recipient salience were effectively manipulated in the copy of a mock advertisement, and both exerted direct effects on consumers' behavior. Although we recognize this finding is not the same as testing the efficacy of such an approach in the wild among competitors, we believe it offers a first step in showing that both power and recipient can be operationalized within print executions.

GENERAL DISCUSSION

Across multiple experiments, the present findings converge to suggest that how much consumers spend on themselves versus others is affected by their momentary state of power. Differential spending occurred regardless of whether power was induced via recalling their own experiences (experiments 1 and 3), via mental role-playing (experiment 2), via actual hierarchical differences (experiment 4), or within an advertisement (experiment 5). These effects also occurred both for spending intentions and when participants spent their own money. Thus, on the whole, there appears to be robust evidence for a relationship between power and how much people choose to spend on the self versus others.

Contributions to Understanding Consumer Spending

In seeking to understand consumers' spending behavior, the present research introduces the importance of attending to the recipient or intended receiver of a purchase. Most prior research has appeared to focus primarily on people making purchases for themselves. Far less research has explored people making purchases for others (for discussion, see Sherry [1983]). One acceptable reason for such a focus could have been the argument that the psychological processes governing purchases for oneself and others are largely the same. The present research challenges such an assumption. In fact, experiment 4 suggests that self-importance is more proximal in deciding how much to spend on oneself, whereas dependence on others is more proximal in deciding how much to spend on others.

Furthermore, the present work demonstrates that one must consider not only the recipient of a purchase but also potential interactions with consumers' specific psychological states, such as power. This opens a door for future researchers to consider the interplay between other psychological states and the recipient of a purchase.

Contributions to Understanding the Psychological Dynamics of Power

We believe the present work also offers important contributions to the power literature. The present research suggests that power can affect the psychological utility individuals associate with themselves and others and that this psychological utility, in turn, can affect spending behavior. This finding represents a new process in the power literature and elucidates the dynamic effects of power on spending. Furthermore, this raises an important question for future research in the power literature. Specifically, little research has studied how chronic states of power are shaped and formed. However, an interesting possibility is that observation of one's own behavior, in terms of spending on oneself or others, may ultimately contribute and shape people's sense of their own power. That is, as individuals spend more on themselves, they might feel as if they have greater resources or that they are more important, which in turn may shape their sense of power. Examining this reverse flow of consumption on power seems an interesting direction for future research.

Furthermore, although the power literature has alluded to power affecting both self-importance and dependence on others, the present research is, to our knowledge, the first to demonstrate that these constructs can be uniquely affected by states of high power and low power, respectively. That is, a high-power manipulation did not simultaneously affect both self-importance and dependence on others. Rather, as seen in the pretest of experiment 4, compared to a baseline condition, high power increased self-importance but did not decrease dependence on others, whereas low power increased dependence on others but did not decrease self-importance.

Additional Implications and Future Research

The present findings may also have implications for system justification theory (Cutright et al. 2010; Kay and Jost 2003). For example, Kay and Jost (2003) found that individuals scored higher on a general measure of system justification when exposed to representations of "poor but happy" or "rich but miserable" stereotypes. One implication of their work is that the poor might often accept their station in life because they believe that they are happier than their rich counterparts. The present research suggests that this finding might arise not simply out of a belief that they are happier but as a result of them actually feeling happier. Specifically, to the extent poverty is sometimes associated with less power, this might lead those who are poor to spend more on others, which would increase their happiness. Indeed, research by Banerjee and Duflo (2007) suggests that the poor spend a higher proportion of their resources on socially consumed goods such as weddings or small presents to the community, relative to wealthier individuals.

Second, this research also has potential implications for people's subjective well-being. Although low- and high-power participants showed a consistently divergent pattern of spending for themselves versus others, they showed a similar response when it came to the happiness they derived from spending. Specifically, as shown in experiment 2, both low- and high-power participants reported being happier after giving to someone else than after giving to themselves. The implication is that having power might sometimes pro-

duce suboptimal strategies when it comes to maximizing happiness and subjective well-being. The powerful might spend on themselves despite the fact that they would actually be happier spending on others. The current results could have potential clinical applications for dealing with those who are powerful yet unhappy.

Finally, this work might have implications for cross-cultural differences in gift giving. Specifically, gift giving is much more important and prevalent in Eastern interdependent cultures than in Western independent cultures (see Annamma 2001; Wang, Piron, and Xuan 2001). Indeed, by definition, interdependent cultures are focused on mutual dependence, and, as we found in experiment 4, a sense of dependence on others drives spending on others. Future research should explore whether differences in psychological power may also play a role in explaining cultural differences in the propensity for gift giving.

CONCLUSION

We started with two stories, *A Christmas Carol* and *The Tale of the Magi*, which differ drastically in the behavior of their lead characters: the stingy prince and the generous paupers. The present research suggests that these works of fiction have captured something true about the world—that such asymmetrical consumer spending does indeed occur and can be easily activated by one's immediate place in the social hierarchy. Our research suggests that if Scrooge had somehow lost the bulk of his precious fortune, he might have become a generous man without requiring the prodding of apparitions. Similarly, if Jim and Della had somehow acquired a sense of power, they may have never sold their prized possessions to please their partners and may instead have opted to spend lavishly on themselves.

APPENDIX

SAMPLE SCENARIOS FROM EXPERIMENT 3

PURCHASE FOR SELF

Imagine that you are approached with an opportunity to buy vouchers for dining at a casual restaurant. The vouchers cost $10, and each is worth $15 in credit at the restaurant. You think you would enjoy the restaurant, so you decide to purchase some vouchers for yourself. How many vouchers would you buy?

PURCHASE FOR ANOTHER

Imagine that you are approached with an opportunity to buy vouchers for dining at a casual restaurant. The vouchers cost $10, and each is worth $15 in credit at the restaurant. You think a friend would enjoy the restaurant, so you decide to purchase some vouchers for your friend. How many vouchers would you buy?

PURCHASE FOR ANOTHER (ANONYMOUS)

Imagine that you are approached with an opportunity to buy vouchers for dining at a casual restaurant. The vouchers cost $10, and each is worth $15 in credit at the restaurant. You think a friend would enjoy the restaurant, so you decide to purchase some vouchers for your friend. You plan to make this an anonymous gift so that your friend will not know that you are the purchaser. How many vouchers would you buy?

PURCHASE FOR ANOTHER (NO RECIPROCATION)

Imagine that you are approached with an opportunity to buy vouchers for dining at a casual restaurant. The vouchers cost $10, and each is worth $15 in credit at the restaurant. You think a friend would enjoy the restaurant, so you decide to purchase some vouchers for your friend. You don't expect anything in return. How many vouchers would you buy?

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QUERIES TO THE AUTHOR

q1. Au: Is "Because the powerful . . . they also see others simply as means to their own personal goals" OK?

q2. Au: Is it correct that "not tied to the weighting of one's feelings . . . or to spending behavior" modifies "meta-analysis" (i.e., the meta-analysis is not tied to the weighting of one's feelings . . .)? If not, please clarify or suggest alternate wording.

q3. Should this first "ANOVA" be deleted here?

q4. Au: I changed the varieties to the names used by Hershey's; correct?

q5. Au: Is the following correct? "Participants were asked to indicate the number they wanted and were told that the cost would be deducted from their experimental payment. The total number of Hershey's Kisses selected served as the dependent measure." I replaced "amount" with "number."

q6. Is "other: giver anonymous, no reciprocation" correct?

q7. Au: Correct you mean "tangrams"?

q8. Au: Is this paper forthcoming with a particular journal yet? If so, please give the name of the journal.