

When money doesn't matter

How moral reactions restrict the use of money

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Abstract

Money is a universal medium of exchange. Yet moral reactions to the use of money in certain situations may limit its use. The current research offers insight into why this might occur. Based on equity theory, we argue that money is not always considered a relevant input for receiving certain types of outcome. We use paying to jump the queue as one context to demonstrate that paying more does not always justify receiving more. We find that more money cannot (morally) buy preferential access to certain hallowed services (healthcare). Interestingly, the amount of money is also unimportant in a more mainstream context (lining up at a theme park).

Background

Fairness perceptions

- Consumers' fairness perceptions important^{1,2,3}
- Applying equity theory⁴ to consumption experience

$$\frac{\text{my outcomes}}{\text{my inputs}} = \frac{\text{other's outcomes}}{\text{other's inputs}}$$

- Consider money as an input
- More inputs should justify more outcomes
- But when is paying more (money) to get more (priority service, i.e., queue-jumping) not fair?

Methods

Study 1: queue-jumping context + impact to self

- 3 (context: airport vs. theme park vs. doctor's office) × 2 (impact to self: queue-jumping in my line vs. other's line); between-subjects
- N = 192; undergraduate student research subject pool; lab study
- Scenario: observing someone paying to cut in my line (other's line) in one of the 3 contexts
- DV = fairness perceptions; seven items on a seven-point scale (fair, justified, reasonable, unfair, unjust, questionable, wrong); $\alpha = .95$

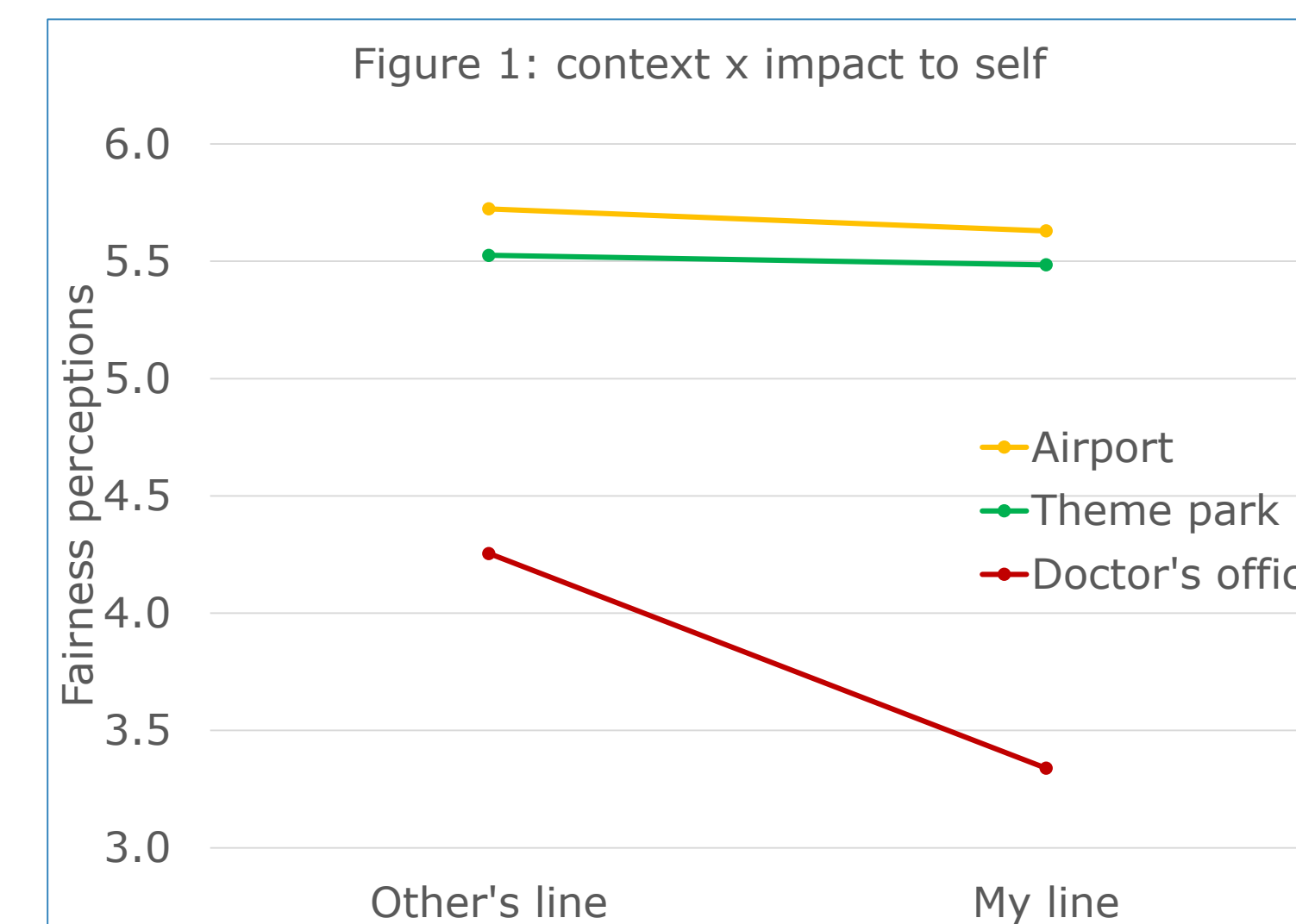
Study 2: + price for queue-jumping

- 2 (context: theme park vs. doctor's office) × 2 (impact to self: queue-jumping in my line vs. other's line) × 2 (price: \$60 vs. \$600); between-subjects
- N = 556; undergraduate student research subject pool; online study
- Scenario: observing someone paying to cut in my line (other's line) for \$60 (\$600) in one of the 2 contexts
- DV = fairness perceptions; three items on a seven-point scale (fair, just, reasonable); $\alpha = .95$

Results – Study 1

ANOVA results

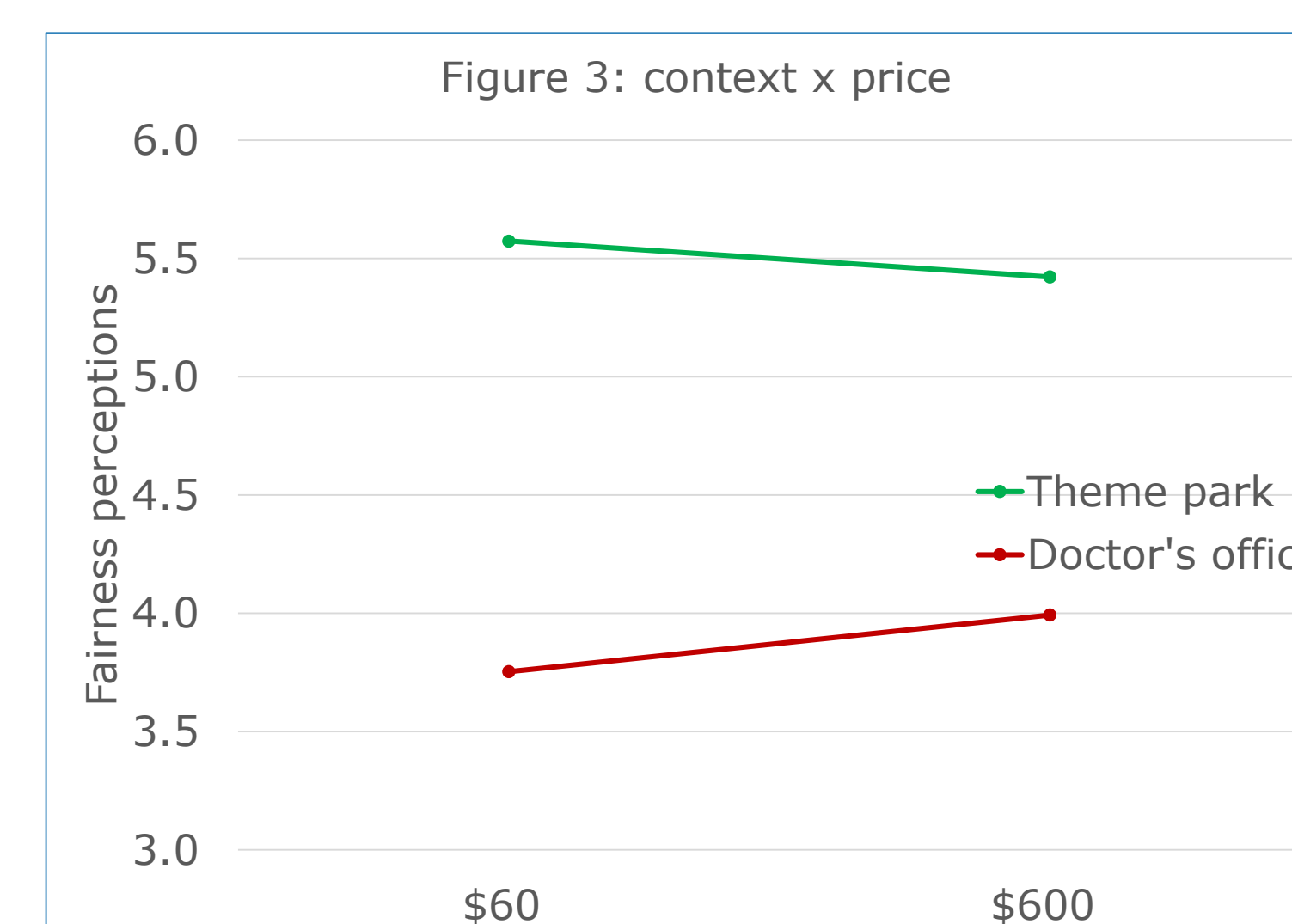
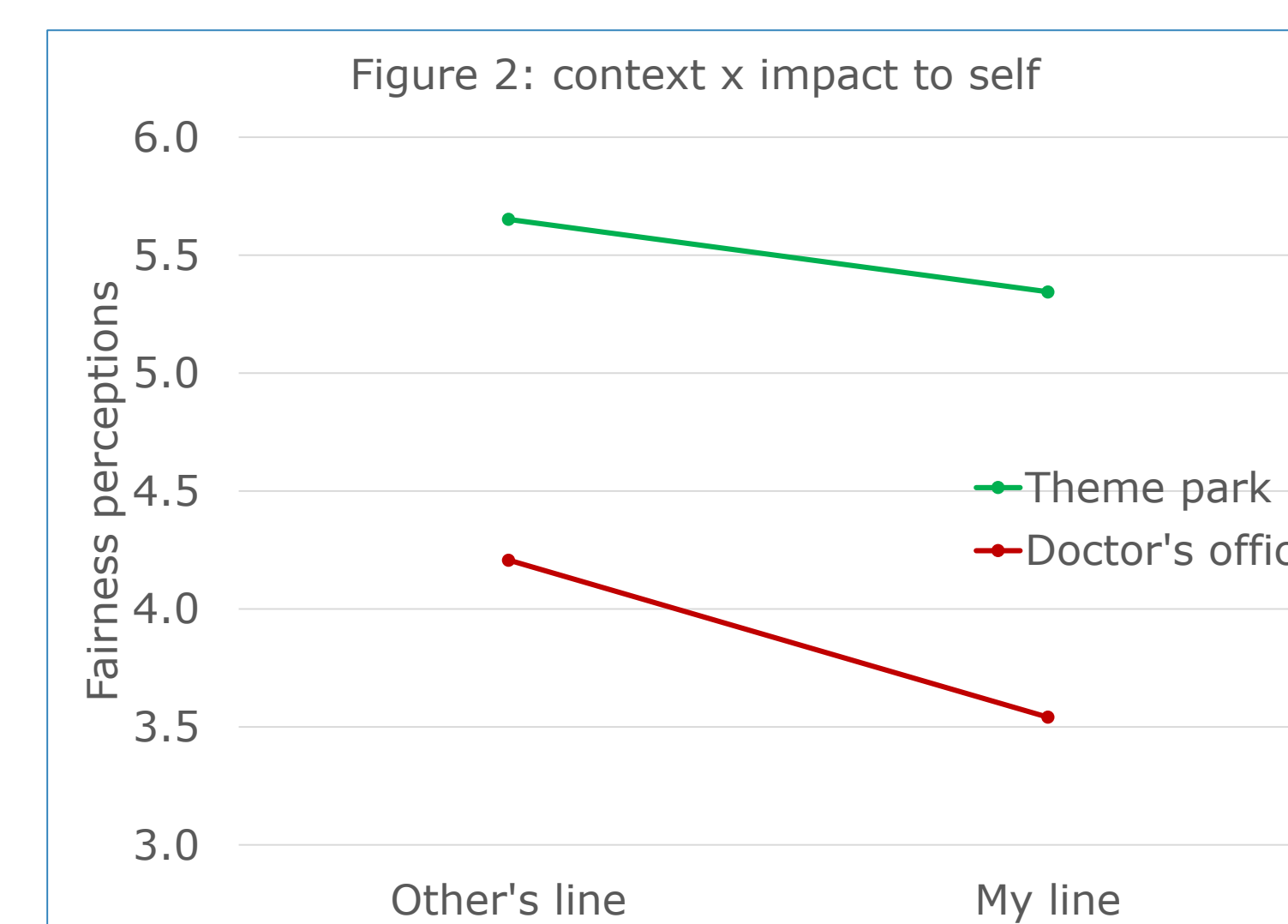
- Context: $F(2, 186) = 49.07, p < .001$
- Impact to self: $F(1, 186) = 4.17, p = .043$
- Context x impact to self: $F(2, 186) = 2.73, p = .068$



Results – Study 2

ANOVA results

- Context: $F(1, 548) = 111.61, p < .001$
- Impact to self: $F(1, 548) = 10.01, p = .002$
- Price + all interactions: $F(1, 548) < 1, n.s.$
- Pairwise comparisons of impact to self by context ($p = .240$)
 - Theme park: $M_s = 5.65$ (other's line) vs. 5.35 (my line); $F(1, 548) = 1.99, p = .159$
 - Doctor's office: $M_s = 4.21$ (other's line) vs. 3.54 (my line); $F(1, 548) = 9.38, p = .002$



Discussion

- Context effect due to moral outrage⁵ based on the belief in the value of equality
- Impact to self effect due to self-interest motivation⁶
- Context x impact to self effect due to social norms
- Why does price not matter? Why does paying more does not get you more?
- Biased assessment of inputs and outcomes for oneself and for the other (queue-jumper)
 - Decreased outcomes of oneself (service delay due to queue-jumping) matter
 - Increased inputs of the other (paying to money jump the queue) do not matter
- When money isn't the most relevant factor, what other factors matter in fairness evaluations?

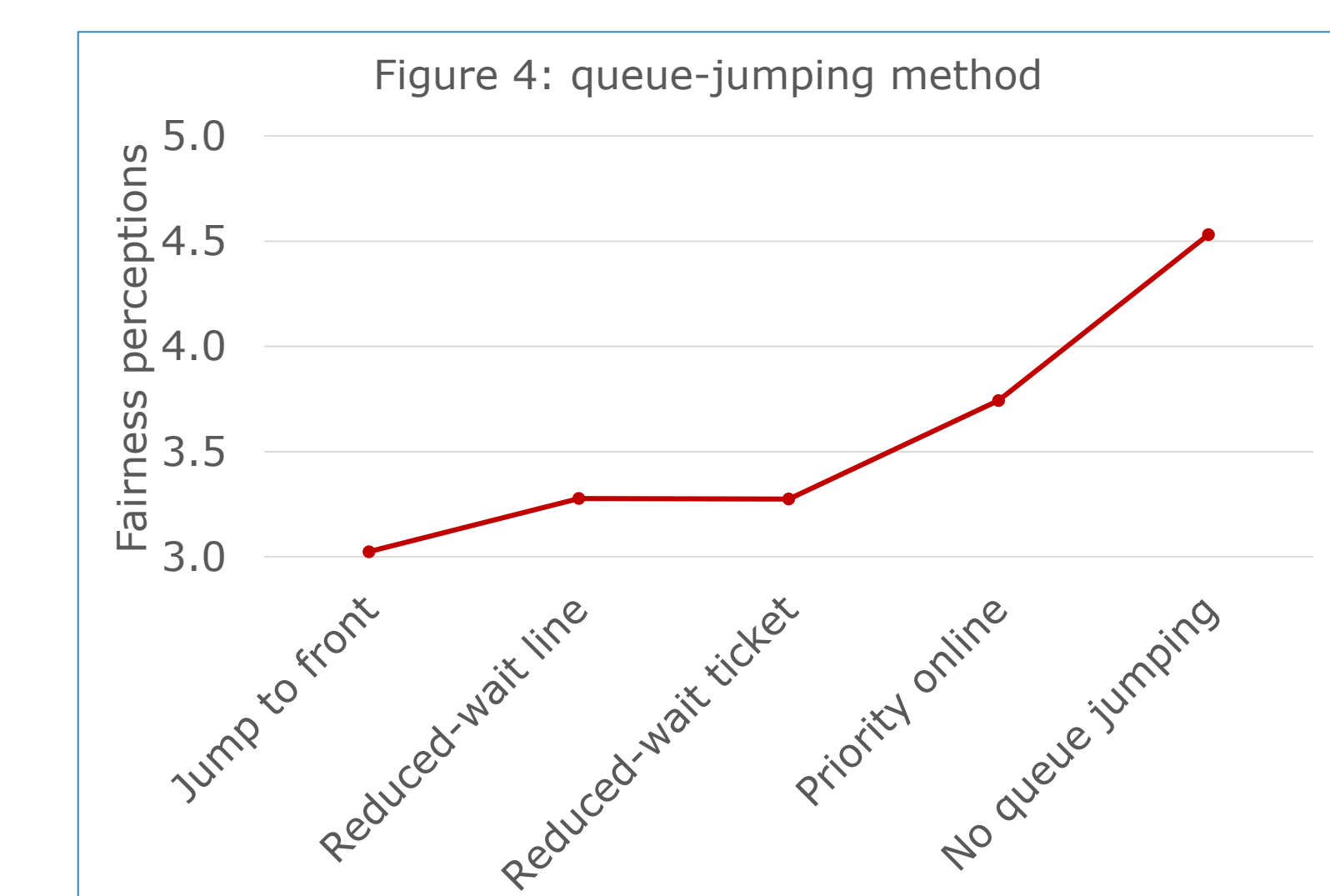
Future directions

Effort as an input

- When the amount of payment is a less relevant input, would the effort of payment be a more relevant input?
- High payment effort: e.g., a person saving up to buy the priority pass
- Low payment effort: e.g., a wealthy person paying to jump the queue
- Effort in another domain: e.g., lining up for hours in the morning to buy the priority pass
- Loyalty: e.g., 10 previous visits to be eligible to buy one priority pass

Queue-jumping method

- Continuum of queue-jumping method as an IV: direct/visible (go straight to the front of the queue) – indirect/invisible (online booking system for priority spots)
- Would paying to jump the queue more unfair using the direct/visible method, and less unfair using the indirect/invisible method?
- N = 477; MTurk study
- Scenario: picture with Santa – paying for jumping to the front vs. reduced-wait line vs. reduced-wait ticket vs. priority online vs. no queue-jumping (no payment)
- DV = fairness perceptions; three items on a six-point scale (fair, just, reasonable); $\alpha = .98$



¹Bolton, Warlop, & Alba (2003) *JCR*, 29(4), 474-491.

²Darke & Dahl (2003) *JCP*, 13(3), 328-338.

³Kahneman, Knetsch, & Thaler (1986) *Am. Econ. Rev.*, 76(4), 728-741.

⁴Adams (1963) *J. Abnorm. Soc. Psych.*, 67(5), 422-436.

⁵Cooley (1964) *Human nature and the social order.*

⁶Mann (1970) *Am. Sci.*, 58(4), 390-398.

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