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Most choices in the real world follow other choices or judgments. The authors show that a prior choice, which activates and boosts a positive self-concept, subsequently licenses the choice of a more self-indulgent option. The authors propose that licensing can operate by committing to a virtuous act in a preceding choice, which reduces negative self-attributions associated with the purchase of relative luxuries. Five studies demonstrate the proposed licensing effect of a prior commitment to a virtuous act on subsequent choice. Consistent with the authors' theory, the preference for an indulgent option diminishes if the licensing task is attributed to an external motivation. The authors also report a mediation analysis in support of their theoretical explanation that the licensing effect operates by providing a temporary boost in the relevant self-concept.

## Licensing Effect in Consumer Choice

Imagine that a person is making a choice between two options, one of which is a relative luxury or indulgent. Is this person more or less likely to buy the more indulgent option if he or she previously expressed an altruistic intent in a different domain? Most choice research focuses on the decision processes by which consumers choose among a set of alternatives, independent of the way they arrive at the choice. In contrast to this focus on isolated, or "single-shot," choices, consumers in the real world often make a series of decisions in which one choice follows another. Recent research suggests that preferences among alternatives can be affected systematically by consumers' prior actions (Dhar and Simonson 1999; Novemsky and Dhar 2005) by activating certain consumer goals (e.g., balancing or seeking a peak experience) that guide subsequent choices. In contrast to this goal-congruent behavior, the current article suggests that prior decisions can also serve as a license to choose options that are inconsistent with the salient self by boosting a person's self-concept.

This article examines the hypothesis that prior expression of an intent that helps establish an altruistic self-concept (e.g., "I am a compassionate and helpful person") is subsequently more likely to liberate the person to make self-indulgent choices. We illustrate our general idea by examining the choice between options that are relative luxuries and necessities. Specifically, we hypothesize that the relative preference for a luxury option will be higher if people's

prior decisions helped boost their relevant self-concepts. It is useful to understand this phenomenon as a "licensing effect," in which a prior intent to be virtuous boosts people's self-concepts, thus reducing negative self-attributions associated with the purchase of relative luxuries.

The article further examines the theoretical precondition and the mechanism underlying the licensing effect. We show that the preference for a relative luxury after expressions of an initial virtuous intent is attenuated if there is an external attribution for the virtuous act. In direct support of our theory, we also show that a prior virtuous decision boosts the relevant self-concept, which mediates the preference for a luxury option. Finally, we show that consumers may be unaware of how their prior decisions influence their subsequent choices. In other words, the process underlying the licensing effect may be largely nonconscious.

The findings make contributions in two important areas: First, they show how preference among a set of alternatives is systematically licensed by prior decisions and that this effect occurs without explicit intention or awareness. Second, in contrast to previous research on nonconscious effects on behavior, which suggests that preferences assimilate to the salient traits or self-identity, our findings demonstrate that an initial altruistic intent that boosts the relevant self-concept can liberate people to choose more indulgent options. This has important implications for understanding the role of priming a self-concept on the direction of subsequent choices.

We organize the remainder of this article as follows: A brief review of prior research leads to our prediction of people's systematic preferences for luxury options after a prior decision makes them appear virtuous. We test our basic prediction in five experiments. Studies 1 and 2 examine the consequence of a licensing task on the subsequent

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choice between a luxury and a necessity. Study 3 generalizes this effect by using a different licensing task and real choices. Studies 4 and 5 explore a boundary condition and the theoretical process underlying the licensing effect. Study 4 illustrates the effect of an external attribution manipulation on the licensing act, and Study 5 demonstrates that a boost in self-concept mediates the effect on subsequent preferences. We conclude with a discussion of the theoretical and managerial implications.

#### THE EFFECT OF PRIOR DECISIONS ON SUBSEQUENT CHOICES

Consumers often make a series of decisions in which one choice follows another. Although most research has examined choice independent of how people arrive at these choices, some recent work has used a goal-theoretic framework to understand how prior decisions or choice outcomes may influence subsequent preferences. This work suggests that initial actions can activate specific goals that guide subsequent choices in the direction of attaining the activated goal. For example, Dhar and Simonson (1999) show that the choice of the first item influences how people combine subsequent items in a consumption sequence to attain a peak experience on a focal goal (e.g., health, pleasure).

In contrast to examining the effect of prior choices, research in social cognition has focused on the underlying cognitive processes in understanding how a prior task can influence subsequent behavior. This research is based on the notion that an initial task primes certain representations (e.g., a goal) that guide the pursuit of subsequent behavior. Research building on the notion that people have various identities (e.g., Wheeler, DeMarree, and Petty 2005) has shown that a task can also prime a certain self-concept, which in turn influences subsequent behavior. A general finding in the research on nonconscious goal or trait priming is that preferences assimilate to the salient identity (Bargh 1997). For example, LeBoeuf and Shafir (2004) show that if people are given a choice between *Cosmopolitan* and *The Economist*, they are relatively more likely to choose the latter if their scholarly identities are made salient in a prior task.

Similar to a priming task, we propose that a prior choice can also activate a mental construct about the self by providing behavioral confirmation for that self-concept. A key distinction between a direct priming task and a choice- or preference-based priming is that in addition to activating a specific identity, the latter helps establish credentials for that identity by providing evidence for the activated self-concept. These credentials can then serve as a license to choose an option that otherwise would create negative attributions for the self. Our premise is related to Monin and Miller's (2001) data on the expression of prejudice. Monin and Miller demonstrate that male participants who were provided with an opportunity to establish their credentials as being nonprejudiced (e.g., by disagreeing with blatantly sexist statements) were subsequently more likely to be sexist than were male participants who first responded to more ambiguous statements about women. In a similar vein, we show that commitment to an altruistic act in an initial task is likely to activate and establish altruistic credentials and liberate people to choose options that are more self-indulgent.

We illustrate the licensing effect of a prior decision in the context of subsequent choice between options that are per-

ceived as either relative luxuries or relative necessities. Although prior research in this area has used several labels somewhat interchangeably for the products (e.g., Wertenbroch 1998: vices and virtues; Dhar and Wertenbroch 2000: hedonic and utilitarian; Kivetz and Simonson 2002: luxury and necessity), a common assumption that underlies the distinction is that the purchase of relative luxuries is associated with guilt and feelings of responsibility (Dahl, Honea, and Manchanda 2003). Because consumers often attempt to justify their choices, luxury goods can be at a disadvantage because they are often more difficult to justify than necessities (Okada 2005). Accordingly, the purchase of luxuries for personal consumption is considered to produce negative self-attribution because such items are difficult to justify, induce greater guilt, and, by definition, are indulgent. Prior research shows that the purchase likelihood of a hedonic or luxury option can be enhanced by tactics that reduce the guilt or negative attributions associated with them. For example, Strahilevitz and Myers (1998) demonstrate that promised donations to charity were more effective in promoting frivolous products than in promoting practical products. In a similar vein, Kivetz and Simonson (2002) demonstrate that greater requirements of effort in the context of loyalty programs shifted people's preferences toward receiving luxury versus necessity rewards. They attribute this to the notion that greater effort serves as a guilt-reducing device, which makes it easier to justify the purchase of luxuries.

Similar to the guilt-reduction mechanisms, we suggest that the expression of an intention to act virtuously in a prior task can license the subsequent preference for luxury items. Our main proposition is that engaging in or merely committing to a virtuous act can lead to an increase in a positive self-concept, which decreases the negative self-attributions associated with a luxury item and thus increases its choice likelihood. Study 1 examines the effect of a prior intent to commit a virtuous act on the subsequent preference between two items, one of which is more self-indulgent (i.e., a luxury) and one of which is more utilitarian (i.e., a necessity). We predict that participants will be more likely to choose the luxury option when their prior decision provides them with an opportunity to appear altruistic by committing to a virtuous act.

#### STUDY 1: THE EFFECT OF AN ALTRUISTIC DECISION ON THE PREFERENCE BETWEEN A LUXURY AND A NECESSITY

##### Method

We used a survey to identify items that people view primarily as luxuries or as necessities. In a separate pretest, 25 participants from the same population that we used in the primary study rated two items identified in the survey, a pair of designer jeans and a vacuum cleaner, on a nine-point scale (1 = "utilitarian," 9 = "hedonic"). Following the work of Strahilevitz and Myers (1998), we described a utilitarian, or a necessary, item as one that is mainly desired to fulfill a basic need or to accomplish a functional or practical task, and we defined a hedonic, or a luxury, item as something motivated primarily by a desire for pleasure, fantasy, and fun.

Participants in the main experiment were 108 undergraduate students at a major East Coast university. The instruc-

tions stated that the experimenter was interested only in their opinion, and there were no right or wrong answers. We randomly assigned participants to two conditions (license or control). In the license condition, we presented two different tasks sequentially. The first task asked participants to imagine that they had volunteered to spend three hours a week doing community service. We then provided them with descriptions of two community services (“teaching children in a homeless shelter” and “improving the environment”) and asked them to choose one. We also asked participants to state reasons for their choice to ensure their involvement in the task. After completing the first decision, participants turned to the next page. We told them to imagine that they were at a mall that was having a sale, and we asked them to choose between a pair of designer jeans and a vacuum cleaner and to assume that they had been planning to buy the two items but could afford only one at the moment. Both items were priced at \$50. Participants in the control condition saw only the second problem with the same instructions and descriptions.

### Results

A pretest confirmed that the designer jeans were considered primarily hedonic (i.e., a luxury item;  $M = 7.2$ ) in relation to a vacuum cleaner ( $M = 3.40$ ;  $t(48) = 9.6$ ,  $p < .01$ ). We predicted that participants in the license condition would be more likely than participants in the control condition to choose the hedonic item over the utilitarian one. Consistent with our prediction, significantly more people in the license condition chose the designer jeans (57.4%) than in the control condition (27.7%;  $\chi^2 = 9.7$ ,  $p < .01$ ).

These results show that participants who have the opportunity to appear altruistic by committing to a charitable act in a prior task feel licensed to subsequently choose a luxury item. We posited that for the first task to serve as a license, it should boost a respondent’s self-concept, which in turn reduces the negative self-attributions associated with the purchase of a luxury, thus increasing the preference for such items. Prior research has used self-evaluations or self-reports to capture changes in self-concept (e.g., Heatherton and Polivy 1991). Likewise, as a manipulation check, we collected participants’ self-assessments on four personality traits that are likely to be relevant to how altruistic people feel and therefore may affect the guilt associated with choice of a luxury option. We assigned 68 participants to a license or a control condition. The license condition was similar to the main experiment. In the control condition, participants were given an unrelated questionnaire that asked them to unscramble seven sentences. We then asked all participants to indicate the extent to which they agreed or disagreed (1 = “strongly disagree,” 7 = “strongly agree”) with the following four statements: “I am compassionate,” “I am sympathetic,” “I am warm,” and “I am helpful.” We used these items because they exhibited a high degree of reliability in terms of coefficient alpha (Cronbach’s  $\alpha = .84$ ). Consistent with our theory, participants rated themselves significantly more positively on the four attributes in the license condition than in the control condition ( $p < .05$ ; see Table 1).

Study 2 extends the licensing effect as follows: First, the second choice in Study 1 was between two options that were noncomparable. It is possible that people take into account their prior actions when the current choice is diffi-

Table 1  
MEAN SELF-ASSESSMENT IN LICENSE AND CONTROL  
CONDITIONS

<i>I am ...</i>	<i>License</i> ( <i>n</i> = 34)	<i>Control</i> ( <i>n</i> = 34)
Compassionate	5.85	5.17
Sympathetic	6.15	5.73
Warm	5.65	5.12
Helpful	5.50	5.01

cult (i.e., when the options provided are not directly comparable). Study 2 generalizes the results by demonstrating the licensing effect for choice between items that belong to the same product category but differ in their relative perception of luxury. Second, it is possible that licensing occurs when different resources are used for the two decisions (e.g., time for the first decision and money for the second). To rule this possibility out, Study 2 demonstrates the licensing effect when both choices involve a monetary outlay. Finally, given that the two choices in Study 1 were part of the same survey, it is possible that respondents made a connection between the two tasks, and their responses reflected demand effects rather than actual difference in preference. Although it is not clear why demand would predict licensing rather than consistency in behavior, Study 2 separates the two tasks with an unrelated filler task to minimize the possibility that participants will draw a connection between the two choice problems.

In a second vignette, we replicate the licensing effect for a buy/no-buy situation when the luxury option is presented in isolation. This study also asks participants to provide reasons for their choices. If people consciously choose the more indulgent option by connecting the prior altruistic act with the subsequent choice, they should be able and willing to state this explicitly. In contrast, if they are unable to express how or are unaware of the manner in which the first task influences their preferences, they should not articulate its impact on preferences. In general, this study helps us understand whether the licensing effect occurs without explicit intention, awareness, and monitoring.

### STUDY 2: THE NONCONSCIOUS EFFECT OF A PRIOR LICENSING TASK

#### Method

A total of 93 undergraduate students at a major East Coast university participated in this experiment as part of their course requirement. As in Study 1, we randomly assigned participants to either a license or a control condition. The task instructions were similar to those in the first study. Participants in the license condition made two decisions. In the first decision, we asked them to imagine that they received an income tax rebate of \$500 and were thinking of donating \$100 of this money to a charity organization. We provided participants with a short description of the two organizations. Following an unrelated filler task, which involved unscrambling sentences, participants made a second decision, which was the same in both conditions. We asked participants to assume that they were considering buying a pair of sunglasses for themselves with part of the tax rebate money. We selected this item because Dahl, Honea, and Manchanda (2003) show that a majority of

guilty situations arise as a result of purchasing frivolous or expensive items for oneself. A pretest indicated that sunglasses could be viewed as either a luxury or a necessity, depending on the specific features and price level. Accordingly, participants were given a choice between two sunglasses, one of which was more expensive and hedonic. For example, Sunglasses A were depicted as being superior to Sunglasses B on aesthetics and branding (see the Appendix). A pretest confirmed that the latter was perceived as a relative necessity, whereas the former was considered a luxury. Participants in the control condition were also told about receiving a tax rebate before being asked to choose between the sunglasses. Because our focus is on the relative preference for the luxury item between the two conditions, this rules out an alternative account, namely, that a windfall tax rebate increases the likelihood of making a more frivolous purchase.

### Results

We predicted that participants in the license condition would be more likely than those in the control condition to buy the more expensive and hedonic sunglasses. As we predicted, 56.5% of participants chose to buy the expensive sunglasses in the license condition; only 27.7% of participants in the control condition chose the expensive sunglasses ( $\chi^2 = 7.95, p < .05$ ). These results replicate the licensing effect shown in the first study, through the use of two alternatives from the same product class that differ in their perception of relative luxury.

A second vignette tested for the licensing effect by presenting a hedonic option in isolation. The main purpose was to understand whether the licensing effect occurs without explicit intention, awareness, and monitoring. As in the previous problem, we randomly assigned participants to either a license or a control condition ( $n = 40$  in each condition). The main choice related to whether participants would like to “buy the ticket” for a concert of their favorite artist and to give reasons for their choice. The choice results were similar to the previous studies: 45% of the participants in the control condition chose to buy the concert ticket, whereas 72.5% of the participants in the license condition opted to buy the ticket ( $\chi^2 = 6.24, p < .05$ ).

We also examined participants’ explanations for their purchase decision. We coded the reasons as follows: (1) whether there was an explicit reference to the preceding task and (2) whether participants stated that the preceding task made them more likely to buy the concert ticket (e.g., “After helping others, I feel I deserve it”). The thought-listing analysis shows that only a few of the participants in the license condition made a connection between the two choices. Those who did not buy the ticket provided reasons such as the price being too high or a lack of interest in the event. These reasons for not buying were similar to those given by the control participants. Moreover, only five of the participants who bought the concert ticket in the license condition made any kind of reference to the prior task. The remaining participants provided reasons similar to those given by participants in the control condition and did not reflect any awareness of the licensing influence of the first task (e.g., “it’s worth it,” “tickets may sell out”). Of the five participants who referred to the first decision, only one made the connection in the direction predicted by our

theory. This respondent said, “After having a productive day, it’s a good reason to relax.” The explanations of the other four participants did not suggest an intuition that performing community service would facilitate the purchase of a concert ticket (e.g., “I see no connection between community service and choices in my life”). In summary, an analysis of the reasons provided for the purchase decision does not indicate that participants were aware of the licensing effect of the prior task on their purchase decisions.

Thus far, our studies used hypothetical tasks to create license and to examine its effect on subsequent preferences. Note that compared with consequential decisions, our use of a hypothetical task provides a stronger test of the proposed phenomenon. That is, participants’ expressing only an intention to commit a virtuous act is sufficient to license a more self-indulgent choice. Moreover, our use of hypothetical prior decisions also helps rule out alternative processes, such as balancing or compensatory behavior across a sequence of choices (Dhar and Simonson 1999). In the next study, we test whether the licensing effect on hypothetical choices also occurs with consequential choices, while controlling for an alternative account.

A possible alternative account for the licensing effect is that respondents expended more effort in the license condition in making a decision before the target choice and therefore were more likely to subsequently choose the indulgent option. To rule out a differential effort-based explanation for our findings, in Study 3, we include a prior task also for the control participants. The difference was that in the control condition, we did not expect the task to boost the relevant self-concept. In addition, to generalize to choices beyond the purchase of luxury items, we used a domain of choices that differed on self-interest to test for the licensing effect. Specifically, participants were confronted with a real choice of whether to donate all or part of the money from participating in the survey to a local charity. Finally, we modified the licensing manipulation to give the participants an opportunity to opt out of the task. Consistent with our main proposition, we predicted that, on average, participants would donate a smaller amount of money if they felt licensed by their prior decision than would participants in the control condition.

### STUDY 3: LICENSING EFFECT ON DONATION AMOUNT

#### Method

A total of 80 undergraduate students at a major East Coast university took part in the study, which consisted of two brief surveys. To ensure that participants considered the two tasks distinct surveys, we presented each task on a separate page, in a different font, and with a different investigator listed on the top of the page. We told participants that they would receive \$1 for completing each survey. All participants agreed to complete both surveys. As in Study 1, we randomly assigned participants to license and control conditions. We asked participants in the license condition to imagine that a foreign student in one of their classes had requested assistance with understanding a lecture. We then asked them to indicate whether they would be willing to help the foreign student with the course material if it required two hours of their time. After completing the first

task, participants continued to the next survey. The second survey, which served as a filler task, was the same scrambled-sentence task we used in the prior studies. The first task in the control condition required that the participants identify words that were misspelled in a passage of text. Next, participants performed the same sentence-unscrambling task. On completing the two tasks, participants received \$2 and were asked if they would like to donate any of this money to a local charity. We instructed participants to indicate the specific amount they would be willing to donate, ranging from \$0 to \$2. Finally, we questioned participants about the real purpose of the study. None of the participants correctly guessed the purpose of the study. We then debriefed each participant and gave them the full payment.

### Results

We predicted that participants who we first asked to commit to helping a student would subsequently feel licensed to keep a larger amount of money for themselves. All participants in the licensing condition opted to help the foreign student. The data show that the percentage of participants who donated in the two conditions is not significantly different from the number of participants who donated after identifying misspelled words (87.5% versus 92.5%;  $\chi^2 = .556$ , not significant [n.s.]). Perhaps participants in both the conditions felt obligated to make a donation. However, consistent with our prediction, among those who donated, donations were significantly lower in the licensing condition ( $M = \$1.20$ ) than in the control condition ( $M = \$1.70$ ;  $t(70) = 2.73$ ,  $p < .01$ ).

As stated previously, we posited that prior commitment to an altruistic act would boost respondents' self-concept, which would reduce negative self-attributions associated with self-indulgent choices. To support this premise, we collected self-assessments on the same four personality traits as we used in Study 1 from a separate group of 30 participants who were assigned to the same two conditions. Consistent with our theory, participants rated themselves significantly more positive ( $p < .05$ ) on the four attributes in the licensing condition than in the control condition (see Table 2).

Thus far, the findings support our hypothesis that a prior decision to commit to a virtuous act subsequently licenses the choice of a relatively self-indulgent option. Study 1 demonstrated our basic hypothesis for a choice between a relative luxury and a necessity. Study 2 generalized the main hypothesis for items that belonged to the same product category but differed in their relative perception of luxury. Study 3 used a different choice domain to demonstrate that the results obtained with hypothetical choices are also observed with actual choices. Moreover, the findings sug-

gest that participants are unaware of the license from a prior decision and its consequence for subsequent preference. When we asked participants to provide reasons for their choices, they were unable to articulate the impact of the prior task on their subsequent preferences. What is even more relevant is the phenomenological state of the respondents that made it easier to choose an option that otherwise would have caused negative self-attributions. Previous research has suggested that the diagnosticity of the subjective experience can be modified by an attribution manipulation (Schwarz and Clore 1983). Study 4 directly tests for this change in the subjective state as a possible influence on the subsequent choice. As Schwarz and Clore (1983) show, the subjective experience can be manipulated through an attribution manipulation, even when the participant is not aware of the link between a subjective state and its effect on subsequent action. Study 4 tests for this change in subjective state by showing that the attribution of virtuous intent to an external source is unlikely to boost the relevant self-concept and provide a license for subsequent indulgent preference.

### STUDY 4: THE EFFECT OF ATTRIBUTION MANIPULATION ON THE LICENSING EFFECT

#### Method

A total of 120 undergraduate students took part in the study as a course requirement. We randomly assigned participants to three conditions. The first two conditions were the same as those in Study 1. In the licensing condition, we presented participants with two tasks sequentially. The first problem asked them to imagine that they had decided to volunteer four hours a week for six weeks to do community service and that they had to choose between teaching children and improving the environment. After expressing their intent, participants completed a filler task, which required them to unscramble sentences. Participants then turned to the next task, in which they chose between a pair of designer jeans and a vacuum cleaner (as in Study 1).

The second condition, referred to as the external-attribution condition, was the same as the licensing condition except that we provided participants with an external reason to perform the community service. Specifically, we told them to imagine that they had been asked by their traffic police department to do four hours of community service for six weeks for having committed a driving violation. Participants then chose from the same two community service options. After a filler task, they chose between the designer jeans and the vacuum cleaner. Participants in the control condition first performed an unrelated filler task before the second choice between the designer jeans and the vacuum cleaner.

#### Results

We replicated the licensing effect. That is, compared with the control condition (40%), significantly more participants opted for the designer jeans in the licensing condition when there was no external attribution (62%;  $\chi^2 = 4.05$ ,  $p < .05$ ). We predicted that attributing the virtuous intent to an external cause through an attribution manipulation would attenuate the licensing effect. Consistent with our hypothesis, when participants selected a charity as a penalty for a driv-

Table 2  
MEAN SELF-ASSESSMENTS

<i>I am ...</i>	<i>Help a Foreign Student</i> ( <i>n</i> = 15)	<i>Identify Misspelled Words</i> ( <i>n</i> = 15)
Compassionate	5.9	5.1
Sympathetic	6	5.1
Warm	5.8	4.9
Helpful	6.2	5

ing violation, only 45% chose the designer jeans in the second choice, which is not significantly different from the proportion in the control condition ( $\chi^2 = .2, p = \text{n.s.}$ ). Note that being punished for a driving violation might also have reduced the virtuousness of the charity service in addition to misattribution of a virtuous act. In either case, the initial act did not generate the license effect.

Thus far, in addition to demonstrating the licensing effect, we have provided some evidence that the initial altruistic decision provides a boost in the relevant self-concept, which we suggest licenses the selection of an option that is associated with negative self-attributions. Study 4 demonstrated that the attribution of a licensing decision to an external cause through an attribution manipulation dampens the effect. Despite demonstrating the licensing effect and its boundary, our studies have not provided a direct observation of the proposed underlying process. Study 5 tests for mediation of the changing self-concept on the willingness to choose a more indulgent item.

#### STUDY 5: THE MEDIATING EFFECT OF A CHANGING SELF-CONCEPT ON THE RELATIVE PREFERENCE FOR A LUXURY ITEM

##### Method

We randomly assigned 66 undergraduate students to either a license or a control condition. Participants in the license condition first expressed their intent between two community services (as in Study 1), whereas those in the control condition responded to an unrelated questionnaire of similar length and intensity. After a short filler task, we asked participants in both conditions to indicate the extent to which they agreed or disagreed (1 = "strongly disagree," 7 = "strongly agree") with the four self-assessment statements used as a manipulation check in Study 1 (i.e., "I am compassionate," "I am sympathetic," "I am warm," and "I am helpful"). To minimize guessing, we embedded the self-assessment scale described in Study 1 in a series of other irrelevant scales. Finally, after a second filler task, all participants indicated their relative preference for a pair of designer jeans or a vacuum cleaner on a scale ranging from "most likely to buy the vacuum cleaner" (1) to "most likely to buy the designer jeans" (7).

##### Results

We averaged the ratings on the four self-assessments to form a self-concept scale that was highly reliable (Cronbach's  $\alpha = .95$ ). As we predicted, participants rated themselves more positively in the license condition ( $M = 5.76$ ) than in the control condition ( $M = 4.79$ ;  $t(64) = 2.31, p < .05$ ). In addition, consistent with the previous studies, the choice data replicated the licensing effect. The relative preference for the hedonic designer jeans was significantly higher in the license condition ( $M = 5.9$ ) than in the control condition ( $M = 5.4$ ;  $t(64) = 2.27, p < .05$ ).

We test for the mediating effect of a boost in self-concept (mediator variable) on preference for the hedonic alternative (outcome variable), in accordance with the work of Baron and Kenny (1986). To show mediation, three effects must hold: First, the independent variable (license) must have an effect on the mediator variable (self-concept). Second, the independent variable (license) must have an effect on the outcome variable (preference). Third, when we

regress preference on both the mediator and the independent variable, the effect of the independent variable must be weaker than when it is by itself. Our data satisfy the three criteria for a mediation model. First, self-concept was significantly enhanced in the license condition compared with the control condition ( $\beta = .25, p < .05$ ). Second, the average preference for the designer jeans was higher in the license condition than in the control condition ( $\beta = .24, p < .05$ ). Finally, when we regressed preference on both license and self-concept, the effect of license was no more significant ( $\beta = .10, p = \text{n.s.}$ ), whereas the effect of self-concept was significant ( $\beta = .56, p < .01$ ). In addition to the three conditions, the Sobel test for mediation was also significant ( $t = 2.04, p < .05$ ). These results are consistent with the notion that a prior commitment to a virtuous act boosts self-concept, which in turn increases the preference for the relative luxury option.

#### GENERAL DISCUSSION

Consumer choice research has focused mainly on isolated, or single-shot, choices. However, most consumer choices follow other decisions. In this article, we examine how a prior intent to perform a virtuous act licenses subsequent indulgent choices through changes in self-concept in the context of choosing between a relative luxury and a necessity. Our results consistently demonstrate that the choice of a more hedonic option increases after a prior virtuous act. Studies 1 and 2 illustrate that participants were more likely to choose a relative luxury after a license-generating decision. An analysis of participants' explanations suggests that they were not aware of the effect of the prior task on their subsequent preference. Study 3 extends these results to a consequential choice and to a different domain. The data show that participants displayed less altruism and donated a lower amount to charity in the licensing condition.

We proposed that the licensing effect operates by providing a boost in the relevant self-concept, which increases the preference for a relative luxury by dampening the negative self-attributions associated with such items. This suggests that if the prior task does not generate the license, the increased preference for a luxury option should not be observed. In support of our explanation, Study 4 finds that the effect of a prior licensing task is attenuated if it is attributed to an external motivation. Our explanation further suggests that the participants in the license condition should receive a boost in their self-concept that drives the shifting preference. Study 5 shows that a boost in self-concept from the licensing act mediates the preference for luxury.

##### Theoretical Contributions

The increased preference for a hedonic or a luxury option in the licensing condition operates in a similar fashion to other proposed guilt-reducing mechanisms (Kivetz and Simonson 2002; Strahilevitz and Myers 1998). These articles show that guilt-reducing mechanisms, such as donating to a charity or expending more effort, can increase the preference for a luxury item. We show how committing to a virtuous act in a prior decision can also increase the subsequent preference for a relative luxury.

A related account for the findings could be based on the notion of balancing or compensation among choices (Dhar

and Simonson 1999). For example, it is possible that people prefer to alternate outcomes in a sequence that allows them to enjoy a hedonic item after a noble act. That is, they may (consciously) choose the relative luxury because they feel more deserving after a charitable decision. Note that the concept of balancing as a metacognitive decision strategy implies awareness of a connection between the choices in a sequence and no effect on self-concept. Our data indicate that participants did not connect the two choices explicitly and that there was indeed a change in self-concept. Another potential difference is that the licensing effect can be based on a prior action that is not highly diagnostic. This is especially the case for the current set of studies in which committing to donate money or time to a charity in a hypothetical choice cannot be viewed as truly diagnostic. Yet such participants reported an increase in their self-assessment and manifested the licensing effect. An interesting implication is that self-signaling can operate by merely the expression of an intent and in a manner different from that which is often assumed in economics of information literature.

A conceptually different account of how prior decisions might influence subsequent preferences could be based on mental or actual resource depletion (e.g., Muraven and Baumeister 2000). According to this account, the extent to which the first choice depletes a person's limited self-control resource might make it more difficult to subsequently resist a tempting option. A resource-depletion account deserves further study but is unlikely to apply to the current set of studies for several reasons. First, we find support for our proposed theoretical mechanism; that is, an initial choice between two charitable acts boosts self-concept. Second, it is uncertain whether simple hypothetical decisions are more depleting than other tasks.

Another alternative account for our proposed results could argue that the performance of an altruistic act induces positive mood, which increases the preference for relative luxuries. However, we do not believe that affect explains the current results, because (1) we find support for our underlying process (i.e., change in self-concept) and (2) we did not find any evidence that the first task elevates the general mood. We measured affect in the control and the license condition (after choosing a charity). Participants stated how they felt *at the moment* on a four-item, seven-point mood scale (Lee and Sternthal 1999), anchored by "sad/happy," "bad mood/good mood," "irritable/pleased," and "depressed/cheerful" (1 = "most negative," 7 = "most positive"). We summed ratings on the four mood items to form a single index. The results indicate that there was no significant difference in the mood scores of the license ( $M = 21$ ) and the control conditions ( $M = 20.15$ ;  $t(78) = .67$ ,  $p = n.s.$ ), suggesting that responding to the charity task did not cause a significant elevation in participants' moods.

#### *Directions for Further Research*

Our results generate several opportunities for further research. We focused on the effect of licensing on preference for relative luxuries. Our results built on the notion that the first task reduces the negative attributions associated with the second choice. Further research could examine other types of subsequent choices that would benefit from an initial altruistic decision. A related extension is the

level of specificity at which a person experiences the boost in self-concept. For example, if the boost in self-concept operates at the level of general self-affirmation, our results might hold even when the initial choice boosts self-concept in unrelated domains (e.g., by making a person feel more intelligent or sexy). Conversely, it is possible that the proposed licensing effect occurs only when the initial choice enhances a relevant self-concept (e.g., helpful, charitable).

Further research could also examine the types of choices for which the licensing effect would not occur. That is, the licensing effect may not occur when the subsequent choice is directly linked to the prior intent. For example, a moderately religious person who sometimes goes to religious services and sometimes eats pork might be less (not more) likely to eat pork on the day he or she visits the synagogue than on a day he or she does not. Instead of reducing the guilt from consuming pork, the act of eating pork after a visit to the synagogue might make the initial act itself seem less virtuous. Resolving when and which prior intents serve as a license rather than guide consistent subsequent behavior provides an important agenda for further research.

Another interesting question is related to the role of different priming mechanisms on behavior. In contrast to choice-based primes, other priming methods often produce preferences that assimilate to the active self (LeBoeuf and Shafir 2004). A question that naturally arises at this point is, When do preferences assimilate to the active self, and when do they contrast? One notable difference in the current research and that of LeBoeuf and Shafir (2004) is that unlike their methodology, which merely activates an identity through priming, choice-based primes require attainment through a choice. We speculate that such attainment-based priming may cause the subsequent preferences to move away from the salient self-concept if the competing choices are also desirable. Further research could test this directly. For example, asking people for ways that they can act altruistically in the future may lead to consistent subsequent behavior (e.g., more altruistic choices). However, asking them for prior occasions of altruism may license less altruistic choices by providing evidence for the activated self-concept, thus reducing the negativity associated with such decisions.

#### *Marketing Implications*

The findings of this research provide some general guidelines for the marketing of relative luxuries. The negative self-attributions associated with the purchase and consumption of luxury products often lead marketers to frame their products as a necessity. For example, Lexus attempts to alleviate the difficulty involved in paying for a luxury car by advertising itself as follows: "[We] shouldn't call them luxury vehicles; luxury is something you can live without." Our findings suggest that marketers of luxury goods can also reduce the negative self-attributions of luxury consumption by emphasizing other decisions that consumers make that are likely to boost their self-concept. Such a mechanism to increase preference for luxury items does not require people to consciously link the source of enhanced self-concept with the choice of the luxury product being marketed. A direct link might even prove counterproductive by making the motives of both the marketer and the consumer transparent.

Appendix  
STIMULI FOR STUDY 2

Sunglasses A	Sunglasses B
Italian designers frames Highly resistant to scratch and impact Ultra lightweight with adjustable temples and nose pads Average customer rating ★★★★★ Price = \$110	American frames Resistant to moderate impact and scrape Regular weight with fixed temples and nose pads Average customer rating ★★★★★☆ Price = \$69
Please circle your choice: (A) Buy Sunglasses A (B) Buy Sunglasses B	

The implications are greater for online shopping or catalogs, in which marketers have greater control over the sequence of the purchase decision. For example, online retailers of relative luxuries might increase choice incidence by influencing the relevant self-concept by providing an opportunity for people to first volunteer for a cause. Specifically, providing consumers with the opportunity to perform licensing acts before browsing might increase the likelihood of purchase of hedonic or luxury options.

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