The Price Entitlement Effect: When and Why High Price Entitles Consumers to Purchase Socially Costly Products

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Abstract
This research investigates when and why consumers purchase products with social costs (e.g., environmental harm). Six studies demonstrate that upper-class consumers are more likely to purchase a product with social costs when it has a higher price because they experience greater entitlement, which the authors term the “price entitlement effect,” allowing for purchase justification. In contrast, lower-class consumers do not feel entitled to purchase a product with social costs when it is higher-priced. This effect occurs because upper-class consumers tend to have a greater self-focus, with a higher price entitling them to more resources than others. Consistent with the entitlement mechanism, when egalitarian values are made salient, the price entitlement effect is mitigated, reducing upper-class consumers’ purchase of socially costly products. Notably, the price entitlement effect occurs only when products have social costs rather than for all higher-priced products. However, when the social costs of a product are severe, price entitlement does not sufficiently justify product purchase. This research provides theoretical and practical insights regarding when and why higher price entitles purchase of socially costly products, contributing to research on social class and socially responsible (vs. costly) consumption as well as choice justification.

Keywords
price, social class, entitlement, green product purchase, social costs

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Although consumers indicate that they prefer products offering social benefits, such as green products (Haws, Winterich, and Naylor 2014; Trudel and Cotte 2009), these consumer attitudes are not always reflected in purchases (Carrington, Neville, and Whitwell 2010). Many consumers still purchase products with social costs (e.g., individually packaged goods or traditional cleaners) for benefits such as convenience or performance (Luches et al. 2010; Ottman, Stafford, and Hartman 2006). Often, the consumer benefits of these socially costly products come at a higher price, due to costs of materials or environmental harm (Levitt and Leventhal 1986; Schwpker and Cornwell 1991; Tlusty 2015).

1 Although there is a common perception that more sustainable consumption often comes with a price premium, in fact there is also a plethora of higher-priced less sustainable goods in the marketplace. For example, the use of more packaging materials to enhance convenience and product condition reduces sustainability while increasing cost (Johnson et al. 1985; Schwpker and Cornwell 1991). The increasing focus on technological innovation for enhanced product performance (e.g., by using unique natural resources, synthetic fibers, or chemicals) is not always beneficial for the environment but may be more costly (Tlusty 2015; Westervelt 2015). In addition, higher prices of unsustainable options sometimes directly account for the costs of environmental harm (e.g., bottle or container deposit, carbon or gasoline tax; Levitt and Leventhal 1986; Metcalf 2008). As one example, a 32 oz. bottle of Green Works Natural All-Purpose Cleaner was listed at $3.37 at homedepot.com, whereas a 32 oz. bottle of Clorox All-Purpose Cleaner was listed as $3.87. This research examines what conditions lead consumers to purchase the higher-priced product with social costs such as environmental harm, explicating who, when, and why. Though both a higher price and social costs are general deterrents for product purchases (Haws, Winterich, and Naylor 2014; Mishra and Mishra 2011), we demonstrate that a higher price increases purchase of socially costly products among
consumers who perceive themselves to be upper class. In contrast, lower-class consumers avoid purchasing such products due to social costs. We theorize that subjective perceptions of being upper class lead consumers to be more focused on the self and more likely to be guided by exchange norms (Piff et al. 2010). For these consumers, a higher product price elicits entitlement, a sense of self-importance and deservingness of more resources and better outcomes than others. In exchange for a higher personal cost, these consumers feel entitled to the product benefits that come with social costs. This entitlement serves as a justification for socially costly consumption (Kivetz and Zheng 2006). In contrast, lower-class consumers are more likely to be guided by communal norms (Piff et al. 2010) and do not feel entitled to socially costly consumption from a higher price. We refer to this tendency of upper-class consumers to experience entitlement from a higher product price as the “price entitlement” effect.

We demonstrate theoretically relevant boundary conditions of the price entitlement effect. Because entitlement is a sense of self-importance relative to others (Campbell et al. 2004), salient egalitarian values, which lead upper-class consumers to think of others as equals, mitigate the price entitlement effect. The price entitlement effect occurs only for socially costly purchases for which consumers seek purchase justification; it does not arise when product social costs are not salient. However, when social costs from consumption are severe, entitlement does not provide enough justification for upper-class consumers to purchase socially costly products.

This research contributes to the literature in several ways. First, there has been extensive research examining how to best motivate sustainable consumption and prosocial behavior via self-interested versus other-benefit framing (Evans et al. 2013; Goldsmith, Newman, and Dhar 2016; Green and Peloza 2014; Thøgersen 2013). Expanding on this research on self-benefit framing, we examine factors that stimulate consumers’ entitlement and lead them to consume socially costly products in order to provide further insights for discouraging socially costly consumption. By demonstrating that social class and higher price jointly increase consumption of a socially costly product, we build on the literature examining factors leading to avoidance of virtuous and sustainable consumption behavior (Catlin and Wang 2013; Garvey and Bolton 2017).

Second, we provide insight into the effect of social class on socially costly or (un)sustainable consumption, which has not been well identified in the literature (Laroche, Bergeron, and Barbaro-Forleo 2001; Roberts 1995). We suggest that the effect of social class on socially costly consumption is not unidirectional but changes as a function of an important product attribute: price. Among upper-class consumers, a higher price increases rather than decreases purchase when it activates entitlement to product benefits that come with social costs. This finding is notable because higher price is typically a deterrent to purchase, except in the case of luxury goods (Erickson and Johansson 1985). In addition, how consumer segments differ in making socially costly consumption decisions is largely uncharted (Kotler 2011; White, Habib, and Hardisty 2019), but such an understanding would provide important theoretical and managerial insights (e.g., for targeted marketing strategies). Social class impacts not only what others perceive to be socially permissible consumption (Hagerty and Barasz 2020) but also what consumers themselves perceive to be socially permissible consumption.

Third, we demonstrate entitlement as the novel underlying mechanism driving the joint effect of social class and price on purchase of socially costly products. By doing so, we advance the understanding of why consumers engage in or otherwise avoid socially costly consumption (Luchs et al. 2010; Reczek et al. 2018) and further contribute to the relevant literature on entitlement (Boyd and Helms 2005; Campbell et al. 2004; Ding et al. 2017) and social class (Piff et al. 2010; Yan, Keh, and Chen 2020; Yoon and Kim 2018). Our research demonstrates that entitlement can be temporarily heightened (Ding et al. 2017; Zitek et al. 2010) by exposure to a higher product price and thus justify socially costly purchases among upper-class individuals who view price as an exchange for access to more resources via socially costly product benefits. By demonstrating that entitlement serves as a justification to purchase socially costly products, we also contribute to the literature on purchase justifications (Kivetz and Zheng 2006; Okada 2005; Simonson and Nowlis 2000). Finally, by demonstrating boundary conditions via egalitarian values and severity of social costs, we provide implications regarding how to overcome the price entitlement effect to encourage more sustainable and socially beneficial purchases. Notably, the price entitlement effect is robust to a variety of social costs (i.e., environmental harm, noise, and excessive use of public resources).

**Theoretical Development**

**Entitlement for Socially Costly Consumption**

Consumers are increasingly wary of purchasing products that have a negative impact on society (Haws, Winterich, and Naylor 2014; Trudel and Cotte 2009). Yet, many consumers prefer not to know if their purchases have a social cost, ignoring or misremembering the information and purchasing the socially costly products, such as environmentally unsustainable products or products made through unfair trade processes (Ehrich and Irwin 2005; Luchs et al. 2010; Ottman, Stafford, and Hartman 2006; Paharia, Vohs, and Deshpandé 2013; Reczek et al. 2018). Several factors can lead consumers to make more self-indulgent consumption choices that yield costs for others (Khan and Dhar 2006). For example, thinking about a prior behavior that boosts consumers’ positive self-concept (e.g., charitable giving, recycling, green product choice) justifies a subsequent self-indulgent or socially costly consumption choice (Catlin and Wang 2013; Garvey and Bolton 2017; Khan and Dhar 2006). Benefits to the consumer from the product purchase can lead consumers to overlook associated costs. For example, when there are customer benefits such as product performance, these benefits can often stimulate self-indulgent purchases regardless of social costs (Luchs et al. 2010; Ottman, Stafford, and Hartman 2006).
Drawing on this literature, the current research proposes that some conditions may lead certain consumers to purchase a socially costly product for desired benefits due to entitlement. Entitlement refers to individuals’ perceptions of self-importance relative to others and perceptions that they deserve more resources or better outcomes and treatment than others (Campbell et al. 2004; Ding et al. 2017). Entitlement has received scant attention in the marketing literature, but it can lead people to engage in selfish or unethical behaviors in other domains (Lee et al. 2017; Poon, Chen, and DeWall 2013; Zitek et al. 2010). Thus, there is reason to believe that entitlement may also drive consumption of socially costly products for desirable product benefits. Although previous research has often viewed entitlement as a relatively stable individual trait (e.g., Campbell et al. 2004), our view of entitlement in the current research aligns with a more recent stream of research conceptualizing it as a temporary feeling, which can be elicited by situational factors (Brant and Castro 2019; Ding et al. 2017; Poon, Chen, and DeWall 2013; Zitek et al. 2010). What are the conditions under which entitlement arises for socially costly consumption?

Social Class and High Price Increase Entitlement for Socially Costly Consumption

We propose that consumers who view themselves as upper class may seek cues to justify their purchases for personal gain when considering socially costly purchases. Consistent with exchange norms, a higher product price will elicit entitlement to product benefits. This entitlement serves as a justification for purchase (Kivetz and Zheng 2006). Social class is an individual’s social position relative to others based on objective material resources such as income, education, and occupational prestige, as well as subjective perceptions of relative social position (Côté 2011; Kraus, Piff, and Keltner 2009; Piff et al. 2010). Objective and subjective components of social class are interrelated and used interchangeably, but evidence suggests that subjective social class is a better predictor of psychological processes and judgments (Adler et al. 2000; Greitemeyer and Sagioglu 2016; Lee 2018). Thus, we focus on the subjective component.

Social class is a predictor of a wide range of attitudes and behaviors (Côté 2011; Piff et al. 2010; Yoon and Kim 2018). Those who consider themselves upper class feel they have more resources and higher power than others in society (Kraus, Piff, and Keltner 2011). Given the traits consumers associate with the upper class, temporarily increasing a sense of being upper class relative to others drives similar effects, heightening a sense of power and control while lowering empathic accuracy consistent with measurement of subjective social class (Kraus, Côté, and Keltner 2010; Kraus, Piff, and Keltner 2011). Feeling that one has greater power and control than others leads people to be more self-interested and agetic (Kraus, Côté, and Keltner 2010; Rucker, Dubois, and Galinsky 2011). Consistent with these findings, research has also found that social class shapes relational realities such that higher social class results in more loosely connected networks: upper-class consumers pay more attention to personal needs and desires, focusing on goals and self-promotion (Carey and Markus 2017). Research suggests that upper-class consumers, based on either measured social class or temporary activation, more easily make choices valuing their own benefits over the costs to others (Piff et al. 2010, 2012) and are more likely to experience entitlement (Piff 2014). Building on this line of reasoning, we suggest that upper-class consumers, either subjectively identified or temporarily activated, will be more sensitive to contextual factors heightening entitlement, especially when they have a need to justify a self-interested behavior, consistent with research on choice justification (Kivetz and Zheng 2006). We propose that a high product price is one such factor eliciting entitlement, which in turn justifies consumption of products that involve a trade-off between consumer benefits and social costs.

Price entitlement should occur because consumers who feel they are upper class and are focused on their self-interests are likely to want to purchase socially costly products for personal gain but need to justify their choice to resolve the associated conflict (Catlin and Wang 2013; Goldsmith, Friedman, and Dhar 2019). These consumers will use the entitlement that results from considering paying a higher product price as a justification to purchase the product. A higher price will elicit entitlement among upper-class consumers because these consumers easily apply exchange norms rather than communal norms in consumption situations due to their focus on self-interests (Piff et al. 2010). Exchange norms tend to be associated with maintaining a balance in the giving and receiving of benefits (Chen, Lee-Chai, and Barg 2001). As such, the rules of equity (Clark and Mils 1993) or market price (Fiske 1992), characterized by matching of proportionality in personal costs and returns (Aggarwal and Larrick 2012), impact judgments of personal fairness and deservingness under exchange norms. Entitlement can be based on judgments about personal fairness and deservingness, though they are self-focused feelings and not driven by fairness for others (Zitek et al. 2010). For example, merely reminding individuals of a time when they were treated unfairly leads them to feel that they have already done their fair share of suffering; this, in turn, increases their sense of entitlement to obtain positive outcomes via selfish behaviors (Zitek et al. 2010). Similarly, we suggest that thinking about paying a higher price for a product can lead upper-class consumers to think of their deservingness to get more resources and better outcomes relative to others who pay less for similar options. This focus on personal fairness will lead upper-class consumers to feel entitled to the product benefits when the product is higher-priced compared with when the product is not higher-priced. This situational entitlement from the higher personal cost justifies the socially costly purchase (Kivetz and Zheng 2006). Indeed, research has found that consumers are less likely to comply with a firm’s request to engage in conservation behavior (e.g., by reusing a hotel towel) when the firm has a high price image (Wang, Krishna, and McFerran 2017). Although this prior research did not
examine social class or entitlement, the reactance to the firm’s request may arise from entitlement to not having to conserve resources when paying a higher price.

Importantly, the difference in entitlement by upper-class and lower-class consumers will drive an interactive effect of price and social class when products involve salient social costs. Lower-class consumers usually lack resources and experience a low sense of control, which results in a greater focus on others on whom they may have to rely (Kraus, Côté, and Keltner 2010) and stronger communal interests than upper-class consumers (Piff 2014; Piff et al. 2010). Given this other-oriented focus, lower-class consumers are less likely to be guided by exchange norms (Piff et al. 2010) and are more sensitive to others’ emotions or suffering (Kraus, Côté, and Keltner 2010). As such, consideration of paying a higher price will not elicit entitlement to product benefits that can justify socially costly consumption. Indeed, research suggests that it is more difficult to elicit entitlement in consumers who feel impoverished than those who feel wealthy in response to situational unfairness (Ding et al. 2017). Thus, a higher price to be paid in exchange for a socially costly product is less likely to elicit entitlement for product benefits for lower-class consumers. Instead, because lower prices can justify purchase (Mishra and Mishra 2011), same- or lower-priced products should be preferred over higher-priced products among lower-class consumers. This pattern would be opposite to that of the price entitlement effect.

Given this difference in entitlement based on product price and social class, we suggest that upper-class consumers (vs. lower-class consumers) will be more likely to purchase higher-priced products with social costs (vs. products that are not higher-priced). Indeed, research suggests the self-focus of those who perceive themselves as upper class may encourage positive attitudes toward greed (Piff et al. 2012), which is characterized by the pursuit of one’s own self-interest at the expense of others (Lee, Bolton, and Winterich 2017; Seuntjens et al. 2015), rather than mere self-interest seeking. Because entitlement is a feeling that one is more deserving of positive returns than others (Campbell et al. 2004), entitlement may lead upper-class consumers to focus on the product benefits for themselves. This entitlement will then serve as a justification for upper-class consumers to purchase a socially costly product, resolving the conflict by focusing on benefits rather than social costs. The proposed link between entitlement and justification is consistent with research finding that feelings of deservingness can serve as a justification for a product purchase (Cavanaugh 2014; Kivetz and Zheng 2006). Moreover, the effect on socially costly purchases would be consistent with research suggesting that entitlement can drive selfish or unethical behavior, which has benefits for the self but occurs at a cost to others (Lee et al. 2017; Poon, Chen, and DeWall 2013; Zitek et al. 2010).

Together, we propose that when a socially costly product is higher-priced, upper-class consumers will be more likely than lower-class consumers to purchase the product. This effect arises from entitlement, which justifies the purchase. When the product price is not perceived as higher than alternative options and instead perceived as similar or lower, the price entitlement effect should not occur. Compared with a higher price, a similar or lower price reduces the perceived personal costs for the purchase (Goldsmith, Roux, and Wilson 2020). The reduced personal cost limits upper-class consumers’ perceptions that they are entitled to the product benefits from the price paid. Thus, the same- or a lower-priced socially costly product will not elicit more entitlement among upper-class consumers compared with lower-class consumers. Accordingly, we propose a joint effect of social class and price on purchase of socially costly products, which is mediated by entitlement:

**H1:** Social class and product price jointly influence product purchase, such that (a) upper-class consumers are more likely to purchase a higher-priced product with social costs than lower-class consumers and (b) upper-class consumers are more likely to purchase a product with social costs when the price is higher than (vs. the same as or lower than) alternative products.

**H2:** The joint effect of social class and product price on purchase of products with social costs is mediated via entitlement.

### Boundary Conditions for the Price Entitlement Effect

In clarifying when and why the price entitlement effect occurs, we explore theoretically relevant boundary conditions. Given that a key aspect of entitlement is the notion that one is more important and deserving than others in society (Campbell et al. 2004), entitlement can be mitigated if upper-class consumers do not think of themselves as more important than others. Research has suggested that egalitarian values, which are rooted in the belief that others in society are equal to oneself, are the “antithesis of entitlement,” and that activating egalitarian values mitigates the effects driven by the entitlement process (Piff 2014). Thus, we expect that making egalitarian values salient will “turn off” the entitlement process (i.e., considering paying a higher price for a socially costly product will not trigger entitlement among upper-class consumers). The lack of entitlement will mitigate the difference in purchase likelihood for upper-class and lower-class consumers, providing a test of the proposed entitlement mechanism. Specifically, we propose:

**H3:** The positive effect of social class on purchase of higher-priced products with social costs are mitigated when egalitarian values are salient.

We also examine the role of social costs in the price entitlement effect. As we theorized previously, the difference in price entitlement by upper-class and lower-class consumers will be most prominent when the product involves social costs. Indeed, the effect of entitlement has been primarily found on behaviors benefiting the self at the expense of others, such as an
uneven, self-serving split of money and refusal to help others (Zitek et al. 2010), cheating (Brown, Budzek, and Tamborski 2009), and dishonest behavior (Poon, Chen, and DeWall 2013). Upper-class consumers may be particularly likely to derive stronger entitlement from a higher product price in consumption situations involving a trade-off between social costs and consumer benefits due to a need to justify the purchase. Choosing the product with the most personal benefits may conflict with a consumer’s goal to be a responsible consumer, increasing a need to justify their choice (Goldsmith, Friedman, and Dhar 2019). When products do not involve social costs, consumers can be less sensitive to the cues of entitlement and experience weaker entitlement, as such purchases will not require a specific justification (Cavanaugh 2014). In addition, when the product does not involve social costs, both upper- and lower-class consumers may feel similarly entitled to product benefits when paying a high price, as it is the social costs that limit entitlement among lower-class consumers. Thus, social class has a stronger effect on purchase of socially costly products than on products without salient social costs. Importantly, this pattern demonstrates that the effect is not merely driven by upper-class consumers’ stronger preference for all higher-priced products. We propose,

\[ H_1: \text{The positive effect of social class on purchase of higher-priced products is attenuated when the product does not involve salient social costs.} \]

Though we propose that salient social costs are necessary for the price entitlement effect to occur, severe social costs may not be justifiable, mitigating the effect of price entitlement. Research suggests the magnitude of consequences alters judgements of immoral behaviors (Winterich, Morales, and Mittal 2015), and immoral behaviors are more justifiable when the consequence of the behavior is less severe (Lowe and Haws 2014). While upper-class consumers’ entitlement may be more easily activated by a higher price of a socially costly product, we propose that if the potential social cost of the consumption is more severe, entitlement will not justify purchase even for upper-class consumers, attenuating the impact of social class on the purchase of socially costly products. Specifically, we propose,

\[ H_2: \text{The positive effect of social class on purchase of higher-priced products is attenuated when the social cost is severe.} \]

**Empirical Overview**

We present our conceptual framework in Figure 1. We test this framework with a total of ten studies, six in the text along with four supplementary studies in the Web Appendix. Study 1 establishes the price entitlement effect for actual product purchase by exploring the focal interaction effect of price and social class (H1). Study 2 provides a test of the entitlement mechanism (H2) and explores other mechanisms as drivers of the interactive effect of social class and price. Study 3 further explores the process examining how the entitlement mechanism may lead consumers to resolve conflicts and justify consumption of socially costly products. Study 4 demonstrates that egalitarian values moderate the price entitlement effect (H1), further supporting the proposed entitlement mechanism and showing how to overcome the price entitlement effect. Study 5 finds that the price entitlement effect is specific to consumption situations involving social costs (H4). Study 6 documents that the price entitlement effect is mitigated when the socially costly consumption imposes severe social costs that do not allow for justification (H5). All studies, other than the first study testing the focal effect, were preregistered on AsPredicted.org (for links to preregistrations, see Web Appendix A).

**Study 1: Product Purchase**

Study 1 tests H1 regarding the price entitlement effect by examining consumers’ purchase of a product with salient social costs. To make the social cost salient, we had participants choose between a traditional, nongreen versus a green (natural) hand sanitizer. This context emulates a realistic shopping situation in which consumers consider multiple options. The choice context involving a green product makes the environmental cost of a traditional option salient.

**Method and Measures**

**Participants and design.** The final sample comprised 200 undergraduate students who participated in exchange for course extra credit. The study was a two-group (price of nongreen option: same vs. higher) between-subjects design, with subjective social class measured.

**Procedure.** Participants received $2 to spend on a purchase. Participants considered two options of Purell hand sanitizer, which varied in terms of price and environmental cost. Product information was presented in side-by-side ads (adapted from Green and Peloza [2014]), which used ad copy to position the natural sanitizer as a sustainable product and the traditional sanitizer as a nongreen product effective in killing germs (for ads and a pretest of social costs, see Web Appendix B). The order of these two options (A/B) was randomized. The price of

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2 This study was conducted prior to the COVID-19 pandemic, so hand sanitizer was used, but it was not scarce.
the nongreen option was either $.50 higher than the green option or the same as the green option, depending on the price condition (higher: $2.00 vs. $1.50; same: $1.50 vs. $1.50).

After their choice, participants completed a personality questionnaire\(^3\) and a measure of subjective social class along with other demographic questions. At the end of the study session, participants actually paid for the cost of the product they chose and received the product. For measures in all studies, see Appendix and Web Appendix C.

**Results and Discussion**

**Product purchase.** We performed a logistic regression analysis using price (same = −1, higher = 1), subjective social class (mean-centered), and the interaction term as the independent variables, and product choice as the dependent variable (0 = green option, 1 = nongreen option). There was a significant interaction between price and social class ($\beta = .46$, $z = 2.48$, $p = .01$, Exp($\beta$) = 1.59); the effects of social class ($\beta = .13$, $z = .69$, $p = .49$; Exp($\beta$) = .94) and price ($\beta = -.06$, $z = -.40$, $p = .69$, Exp($\beta$) = 1.14) were not significant.

When the price of the nongreen option was higher than the green option, social class increased choice of the nongreen option (−1 SD: 39% vs. +1 SD: 63%; $\beta = .59$, $z = 2.41$, $p = .02$, Exp($\beta$) = 1.81). In contrast, when the nongreen option was the same price, social class did not affect choice (−1 SD: 61% vs. +1 SD: 47%; $\beta = -.33$, $z = -1.18$, $p = .24$, Exp($\beta$) = .72). Examining the effect of price, we find that purchase of the nongreen product among upper-class participants was greater when the price was higher (vs. same; $p = .05$ at 4.65, 1.58 SD above the mean of 3.35), in support of H1. For lower-class participants, the purchase of the nongreen option was greater when the price was the same (vs. higher; $p = .05$ at 2.60, .91 SD below the mean). See Table 1 and Figure 2.

**Discussion.** These results demonstrate the price entitlement effect driven by upper-class consumers for an actual purchase. Though we did not focus on the effect of price among lower-class consumers in our theorizing, we note that part of what is driving the interaction is the increased choice of a same price product relative to a higher-priced product among lower-class consumers, which is consistent with the general negative role of price in consumer decisions.

We conducted three follow-up studies to demonstrate that the price entitlement effect is robust to a variety of social costs and product contexts (i.e., noisy at-home exercise, plastic disposable utensils, and traditional vs. green bathroom cleaner; see Web Appendix E, Study 1 Follow-Up A–C), including a study manipulating subjective social class. Having established the price entitlement effect on actual purchase and in multiple contexts, in the subsequent studies we focus on demonstrating the processes and boundary conditions for the price entitlement effect.

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\(^3\) We examined chronic psychological entitlement (Campbell et al. 2004) as a moderator. We found a moderating effect of chronic entitlement, consistent with our theoretical model, suggesting entitlement as an underlying mechanism. See Web Appendix D.
Study 2: Entitlement Mechanism

This study tests the entitlement mechanism as proposed in H2 and several additional processes. We examine whether the effect is driven by feelings of purchase justification given consumers’ desire to justify their choices (Simonson and Nowlis 2000). Though justification may not fully capture the mechanism, entitlement can provide a justification for the purchase of socially costly products, as theorized previously. We also explore whether the perceived personal benefits of a product play a role in the process. It is possible that upper-class consumers who feel entitled to the benefits of socially costly products when they are higher priced perceive greater personal benefits from purchasing a product that involves social costs, considering others’ loss as part of the benefits. In addition, we test whether the perceived relationships between high price and quality or status (Lichtenstein, Ridgway, and Netemeyer 1993) underlie the effect. Though these perceptions would only be relevant for certain product types when price-quality or price-prestige relationships are strong, these perceptions may emerge and influence our focal process via entitlement. For example, it is possible that consumers may perceive quality or status as part of their personal benefits from a higher-priced but socially costly purchase as it relates to product benefits. Given that entitlement represents the feeling that one is more deserving of benefits than others, which is likely to be associated with enhanced perception of one’s status relative to others (Anderson, Ames, and Gosling 2008), it is also possible that status may arise from a sense of entitlement to greater personal benefits. Finally, we investigate whether consumers perceive that the company uses a high price to offset the social costs, which may arise from exchange norms. These processes are plausible and may be interrelated with entitlement, but we propose that entitlement is the consistent primary mechanism. We also aim to replicate the focal effect for a durable consumer good, a backpack.

Method and Measures

Participants and design. The final sample comprised 210 undergraduate students who completed this study in exchange for course credit. The study had a two-group (price: same vs. higher) between-subjects design, with subjective social class measured continuously.

Procedure. Participants were instructed that they would complete several unrelated tasks and then read a news article highlighting the social costs of the focal product. The article was about clothes and fabric goods (e.g., containing synthetic fiber) as hidden sources of plastic pollution. After reading the article, participants provided a short summary of the article. In the next part, participants were presented with a backpack shopping scenario. The stimuli included a picture and description of a backpack. Several benefits of the backpack (e.g., water and stain resistant, lightweight and durable) were listed following a short product description indicating that the backpack was made of synthetic polyester-blend fabric, along with a high product rating (4.5 out of 5). The price of the backpack was listed as $75 in both price conditions, but the average price of similar items was described as lower than this ($65) in the higher-price condition, whereas the average price of similar items was equal to this price ($75) in the same-price condition. For stimuli and a pretest of social costs, see Web Appendix B.

After reading the scenario, participants reported their purchase intention measured on a seven-point scale (α=.89). Participants also responded to measures of entitlement (α=.88). We assessed justification (α=.74), quality (one item), and status (r=.86) perceptions as additional processes. We also assessed whether participants perceived that the price paid for the product is used to offset the social cost (α=.94) and measured perceived personal benefits from purchasing the product (r=.62). To explore whether a similar pattern of effects emerges from price consciousness, which can be related to social class, we assessed participants’ price consciousness with five items from Lichtenstein, Ridgway, and Netemeyer (1993; α=.82). Subjective social class was measured with the MacArthur scale, which assesses participants’ rank in the society with a ten-rung ladder (1=the lowest rank, 10=the highest rank; Kraus, Piff, and Keltner 2009; Piff et al. 2010), along with other demographic measures.

Results and Discussion

Purchase intention. We performed regression analysis using price (same = −1, higher = 1), subjective social class (mean-centered), and their interaction as the independent variables and purchase intention as the dependent variable. As we predicted, the two-way interaction between price and social class was significant (β=.16, t(206)=2.29, p=.02, η²=.025; other effects were n.s. [ps > .35]). The interaction indicated that when the price of the product was higher than the average price of similar items, subjective social class increased purchase intention (β=.22, t(206)=2.25, p=.03, η²=.024). In contrast, when the product was the same price as the average price of similar items, social class did not affect purchase intention (β=−.09, t(206)=−.98, p=.33, η²=.005). Examining the effect of price, we found that for upper-class participants, purchase intention was greater when the price was higher (vs. same; p=.05 at 9.59, 2.23 SD above the mean of 6.42). For lower-class participants, the purchase intention was greater when the price was same (vs. higher; p=.05 at 4.61, 1.27 SD below the mean). See Figure 3.

4 We explored whether subjective social class and price consciousness are highly correlated and whether price consciousness is a more precise driver producing the same pattern of interaction in place of social class. There was a weak correlation between subjective social class and price consciousness (r=-.05, p>.40). A regression analysis using price consciousness in place of social class did not produce an interaction of experimental condition and price consciousness (β=.01, p>.85); there was only a marginal negative effect of price consciousness (β=−.13, p=.08). This result suggests that the effect of subjective social class is distinct from a mere effect of price consciousness.
Mediating role of entitlement and justification. We first tested moderated mediation via entitlement with a bootstrap analysis (Hayes 2017, Process Model 8) using social class as the independent variable, price (same = −1, higher = 1) as the moderator, entitlement as the mediator, and purchase intention as the dependent variable. The index of moderated mediation via entitlement was significant (.08, SE = .04, 95% confidence interval [CI] = [.01, .17]). When the price was higher, the indirect effect of social class through entitlement was significant (.07, SE = .03, 95% CI = [.02, .15]). When the price was the same, the indirect effect was not significant (−.01, SE = .02, 95% CI = [−.06, .04]). Next, we explored the role of justification. Though the moderated mediation via justification was not significant (.13, SE = .08, 95% CI = [−.03, .29]; for details, see Web Appendix F, Table WF1), the serial mediation via entitlement → justification process was significant (.05, SE = .02, 95% CI = [.01, .10]), in support of our theoretical model. When the price was higher, the indirect effect of social class through entitlement → justification was significant (.05, SE = .02, 95% CI = [.01, .09]); when the price was the same, the indirect effect was not significant (−.005, SE = .01, 95% CI = [−.03, .02]).

Additional mechanisms. We also examined additional processes via personal benefits from purchase as well as quality, status, and offset perceptions. The moderated mediation via personal benefits from the purchase was significant (.17, SE = .07, 95% CI = [.04, .31]). The moderated mediation via quality (.16, SE = .08, 95% CI = [.01, .33]) and status (.17, SE = .06, 95% CI = [.06, .31]) were also significant. However, the moderated mediation via offsetting harm perceptions (.01, SE = .02, 95% CI = [−.03, .05]) was not significant. For conditional indirect effects, see Web Appendix F, Table WF1. Though our theorizing for entitlement and entitlement → justification receives empirical support, there is evidence that other mechanisms may also play a role, as we discussed previously. We report additional serial mediation models in Web Appendix F, Table WF2, to further examine the role of these additional mechanisms in series with entitlement. We do not want to overclaim the role and specific order of the processes, but most serial processes that were significant were the processes initiated by the entitlement mechanism, which suggests that entitlement is a primary driving mechanism of these associated perceptions and the purchase intention. Notably, along with the entitlement → justification process, the entitlement → personal benefits process provides insights into how consumers resolve conflicts and justify purchases involving trade-offs between personal benefits and social costs.

Discussion. This study provides support for the entitlement mechanism (H2): entitlement drives upper-class consumers to purchase a higher-priced product with social costs. In addition, justification, greater personal gain, quality, and status signaling were associated with the entitlement mechanism and played a role in driving this effect. Given these findings, we again explored the core process of entitlement as well as other potential processes in Study 3.

Study 3: Entitlement in Consumption Situations

The purpose of Study 3 was to seek additional evidence of the role of entitlement as proposed in H2. Instead of examining purchase intention, we directly examine whether entitlement emerges when consumers consider consumption situations involving trade-offs between social costs and consumer benefits depending on price and subjective social class. In line with our theorizing, entitlement would be more likely to emerge for upper-class consumers who consider higher-priced socially costly consumption.

Method and Measures

Participants and design. The study had a two-group (price: same vs. higher) between-subjects design, with subjective social class measured continuously. The final sample comprised 333 undergraduate students who participated in the study in exchange for course extra credit.

Procedure. Participants considered a consumption situation involving trade-offs between consumer benefits and social costs. Participants read about keeping a library book after its return date with the knowledge that another library patron had requested the book. The price was manipulated by library fees to keep the book (Gneezy and Rustichini 2000; for details, see Web Appendix B).

After reading the scenario, participants reported justification (α = .86) and entitlement (α = .92) as in Study 2. As preregistered, we also had participants report relative focus on personal gain versus social costs (r = .84), quality (same as Study 2), and
status (same as Study 2; \( r = .84 \)) as well as additional entitlement measures for exploratory purposes to obtain deeper insights into the process. Although we did not find effects on these additional entitlement measures in this study (for details, see Web Appendix F), we explore their roles more in Study 4. Subjective social class was measured by the scale used in Study 1.

**Results**

**Entitlement.** We conducted regression analysis using price (same = −1, higher = 1), subjective social class (mean-centered), and their interaction as the independent variables and entitlement perceptions as the dependent variable. This analysis showed a two-way interaction between price and social class (\( \beta = .20, t(329) = 2.03, p = .04; \eta^2 = .012 \)); the effect of social class was also significant (\( \beta = .22, t(329) = 2.23, p = .03; \eta^2 = .015 \)), but the effect of price was not (\( p = .61; \eta^2 = .001 \)). The interaction indicated that when the price was higher, subjective social class increased entitlement (\( \beta = .41, t(329) = 2.93, p = .004; \eta^2 = .025 \)). In contrast, when the price was same (no charge), social class did not affect entitlement (\( \beta = .02, t(329) = .14, p = .89 \)). Furthermore, for upper-class participants, entitlement was greater when the price was higher (vs. same; \( p = .05 \) at 4.68, 1.48 SD above the mean of 3.49). See Figure 4.

**Downstream effects on justification.** We explored whether the entitlement stimulated by thoughts about paying a higher price led upper-class consumers to feel justified consuming socially costly products. Regression analysis on justification showed a significant effect of price (\( \beta = .22, t(329) = 2.64, p = .009 \)); the interaction between price and social class was marginally significant (\( \beta = .19, t(329) = 1.78, p = .08 \)). The effect of social class was not significant (\( \beta = -.03, t(329) = -.33, p = .74 \)). Though there was not a significant direct effect of social class in either price condition, we further explored whether entitlement had downstream effects on justification via moderated mediation analysis, as in the entitlement → justification process observed in Study 2.

We conducted a bootstrap analysis for moderated mediation using social class as the independent variable, price as the moderator, entitlement as a mediator, and justification as the dependent variable. This analysis demonstrated significant moderated mediation via entitlement (.16, SE = .08, 95% CI = [.003, .34]). When the price to keep the book was higher, the indirect effect of social class via entitlement on justification was significant (\( \beta = .17, SE = .06, 95\% CI = [.05, .29] \)), but when the price was the same, the indirect effect was not significant (\( \beta = .01, SE = .06, 95\% CI = [−.11, .13] \)). We also explored several other processes: status, quality, and focus on personal gain versus social costs. These perceptions were not impacted by the interaction of price and social class (see Web Appendix D), but there was evidence that the indirect path via entitlement was significant on the focus on personal gain (see details in Web Appendix F, Tables WF3–WF4).

**Discussion**

The results suggest that paying a higher price leads upper-class consumers to feel entitled to product benefits, which in turn causes them to focus on personal gain rather than the social costs of the product. Studies 2 and 3 together show that entitlement leads consumers to feel justified in consuming a socially costly product. This process resolves conflict in consumption situations involving trade-offs between social costs and consumer benefits and ultimately leads to a socially costly consumption choice when the product is higher priced. Across Studies 2 and 3, entitlement is a primary driving mechanism of associated perceptions, such as greater perceived benefits in Study 2, an increased focus on personal gain versus social costs in Study 3, and purchase justification in both studies, rather than a downstream consequence.

**Study 4: Turning Off Price Entitlement by Egalitarian Values**

To further test our theorizing, in Study 4 we explore a theoretically relevant boundary condition for the price entitlement effect. Because entitlement is a feeling that one’s own interests are more important than those of others, inducing egalitarian values in upper-class participants can decrease entitlement. Therefore, when egalitarian values are salient, the price entitlement effect should be mitigated, as proposed in H₃.
Method and Measures

Participants and design. The final sample comprised 477 participants from Prime Panels (CloudResearch.com) who participated in the study in exchange for financial compensation. The study had a two-group (values: control vs. egalitarian) between-subjects design, with subjective social class measured by a continuous scale.

Procedure. Participants were instructed that they would complete several unrelated tasks. In the first part, participants completed a writing task manipulating egalitarian values (adopted from Piff [2014]). In the egalitarian values condition, participants were instructed to write about three benefits of regarding others as equals. In the control condition, participants were instructed to write about three activities they did during an average day. In the second part, participants read the same news article about hidden sources of plastic pollution used in Study 2 and provided a short summary of the article. In the third part, participants were presented with a backpack shopping scenario, which was similar to the higher-price condition of Study 2 with one exception: the price of the backpack was $65 and the average price of similar items was $55. For stimuli and a pretest of social cost manipulation, see Web Appendix B.

After reading the scenario, participants reported their purchase intention on a seven-point scale (α = .93). Participants then indicated entitlement to product benefits as in Studies 2 and 3 (α = .96) and responded to two additional measures of entitlement. One measure assessed more general entitlement to more resources and better outcomes relative to others in society (α = .96). This scale should reveal the nature of entitlement as valuing the self over others, leading to socially costly consumption. We also included a visual measure of entitlement (Campbell et al. 2004) called the Me Versus Other Scale. The visual scale asks participants to choose an image with a set of circles that represent how they see themselves relative to others. There were seven images indicating the relative size of the circle representing “me” versus three circles representing “others,” with the size of the “me” circle increasing across the seven images. Research has validated this scale as a visual measure of entitlement, with entitlement increasing as people select a bigger size of the “me” circle (Campbell et al. 2004; Piff 2014).

As additional processes, we assessed justification (α = .76), perceived personal benefits (α = .92), quality, and status (r = .95) as in Study 2. Given that consumer decisions can be driven by self-signaling motives (Savary, Goldsmith, and Dhar 2015), we also assessed whether participants had self-signaling motives (α = .94; the first two items adapted from Savary and Goldsmith [2020]) and measured participants’ consideration of environmental harm (r = .85). We measured subjective social class with the scale adopted from Griskevicius et al. (2011), along with other demographic measures.

Results and Discussion

Purchase intention. We performed regression analysis using values (control = −1, egalitarian values = 1), subjective social class (mean-centered), and their interaction as the independent variables and purchase intention as the dependent variable. As we predicted, the two-way interaction between values and social class was significant (β = −.15, t(473) = −2.21, p = .03; η² = .01); the effect of social class was also significant (β = .25, t(473) = 3.73, p = .0002; η² = .02), but the effect of values condition was not significant (p = .67; η² = .0004). The interaction indicated that in the control condition, subjective social class increased purchase intention (β = .39, t(473) = 4.42, p = .0000; η² = .04). In contrast, when the egalitarian values were salient, social class did not affect purchase intention (β = .08, t(473) = .79, p = .43; η² = .001). Examining the effect of values, we found that for upper-class participants, purchase intention was lower when egalitarian values were salient (vs. control; p = .05 at 5.35, 1.13 SD above the mean of 3.97). These results support H3. See Figure 5.

Mediating role of entitlement and justification. We then tested moderated mediation via entitlement with a bootstrap analysis (Hayes 2017, Process Model 8) using subjective social class as the independent variable, values (control = −1, egalitarian = 1) as the moderator, the visual measure of entitlement as the mediator, and purchase intention as the dependent variable. The index of moderated mediation via entitlement was significant (−.04, SE = .02, 95% CI = [−.10, −.002]). In the control condition, the indirect effect of social class through entitlement was significant (.06, SE = .03, 95% CI = [.01, .11]). In the egalitarian values condition, the indirect effect was not significant (.02, SE = .01, 95% CI = [−.006, .05]). We also found a significant moderated serial process via visual entitlement → entitlement to product benefits as well as the serial process for all three entitlement measures.
(Process Model 86). See details in Web Appendix F. The indirect paths reveal the nature of entitlement as valuing the self over others, yielding perceptions that they are entitled to more resources and better outcomes than others in society and leading to entitlement to the product benefits that come with social costs.

We next examined a serial process via entitlement \(\rightarrow\) justification. Consistent with our theorizing, the serial process via entitlement \(\rightarrow\) justification was supported \((-0.04, SE=0.02, 95\% CI=[-0.08, -0.05])\). In the control condition, the indirect effect via the serial process was significant \((0.06, SE=0.02, 95\% CI=[0.03, 0.10])\). In the egalitarian values condition, the indirect effect was not significant \((0.02, 95\% CI=[-0.005, 0.05])\).

**Additional mechanisms.** We also examined additional processes via personal benefit, quality, status, self-signaling, and consideration of harm. The moderated mediation was not significant via any of these alternative processes. For conditional indirect effects, see Web Appendix F, Table WF5. As in previous studies, we found evidence that other mechanisms may result from entitlement. Notably, the serial process via entitlement \(\rightarrow\) perceived personal benefits was consistent with Study 2 and provides further insights. For more details, see Web Appendix F, Table WF6.

**Discussion.** This study suggests making salient egalitarian values can turn off the price entitlement effect for upper-class consumers. Egalitarian values lower entitlement and discourage upper-class consumers’ purchases of higher-priced socially costly products.

**Study 5: Social Cost Needed to Elicit Price Entitlement**

Studies 1–4 examined consumption situations that have social costs. One may question whether the price entitlement effect occurs for any higher-priced product, regardless of the associated social costs. If the mere association of quality and status with a higher price is driving the effect, then social class should increase the purchase of all higher-priced products. However, we have theorized that the product must have salient social costs because social costs impact the entitlement felt by upper-class and lower-class consumers. Study 5 manipulates the presence of social costs and tests H2 while holding the product price higher than similar products. We expect the positive effect of social class on purchase intention for a higher-priced product will only occur when the product has salient social costs. This study also explored participants’ open-ended thoughts to provide deeper insight into the process.

**Method and Measures**

**Participants and design.** The final sample comprised 462 undergraduate students who participated in exchange for course extra credit. The study was a two-group (social cost: salient vs. nonsalient) between-subjects design, focusing on a product with a higher price. Subjective social class was measured by a continuous scale.

**Procedure.** Participants first read a news article to manipulate social costs. In the salient social cost condition, they read the same article about hidden sources of plastic pollution used in Studies 2 and 4 and provided a short summary of the article. In the nonsalient social cost condition, the article was about ways to relieve dry eye problems. In the following section, participants were presented with a backpack shopping scenario as in Study 2. The price of the backpack was listed as $75, which was higher than the average price of similar items ($65). For stimuli and a pretest of social cost manipulation, see Web Appendix B.

After reading the scenario, participants reported their purchase intention (\(\alpha = 0.90\)). Participants then reported what ran through their mind while considering the backpack in an open-ended response. After that, participants completed a series of other measures and a scale of subjective social class as well as other background questions.

**Results and Discussion**

**Purchase intention.** Regression analysis using social class, social costs, and their interaction showed a significant two-way interaction \((\beta = 0.24, t(458) = 2.87, p = 0.004, \eta^2 = 0.018)\) with no other effects \((ps > 0.05)\). The two-way interaction indicated that social class increased purchase intention only when social costs are salient \((\beta = 0.27, t(458) = 2.36, p = 0.02, \eta^2 = 0.012)\). In contrast, social class marginally decreased purchase intention when social costs were not salient \((\beta = -0.20, t(458) = -1.69, p = 0.09, \eta^2 = 0.006)\). In addition, purchase intention was higher for the products with salient social costs (vs. nonsalient social costs) when social class was 4.15 or higher (.82 SD above the mean of 3.48). In contrast, purchase intention was lower for products with salient social costs (vs. nonsalient social costs) when social class was 2.60 or lower (1.07 SD below the mean of 3.48). See Figure 6.

**Thought protocols.** Two research assistants coded the open-ended thoughts. Drawing on commonly observable thoughts, we created two variables using coded thoughts: (1) positive price focus (positive thoughts about price – negative thoughts about price; intercoder correlation \(r = 0.95)\) and (2) relative focus on product benefits versus social costs (net positive thoughts about product features – negative environmental impact; intercoder correlation \(r = 0.97)\). For details, see Web Appendix C.

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5 We measured entitlement, justification, quality, status, perceived personal benefits, self-signaling, and consideration of harm similar to Study 4. There were no significant interactions on these measures or mediation. We speculate that this may have been due to the measurement of open-ended thoughts prior to process measures.
A bootstrap analysis for moderated mediation revealed a significant moderated mediation via positive price focus (.11, SE = .05, 95% CI=[.02, .21]). In the salient social cost condition, indirect effect via positive price focus was marginally significant (.06, SE = .03, 90% CI=[.01, .12]). In the nonsalient social cost condition, indirect effect via positive price focus was not significant (−.05, SE = .03, 90% CI=[−.11, .002]). In addition, we conducted a bootstrap analysis to examine a moderated serial mediation via positive price focus → relative focus on product benefits versus social costs. This analysis revealed a significant moderated serial mediation (.03, SE = .02, 95% CI=[.005, .07]). In the salient social cost condition, the indirect effect via positive price focus → relative focus on product benefits versus social costs was marginally significant (.02, SE = .01, 90% CI=[.002, .04]). In the nonsalient social cost condition, the indirect effect via positive price focus → relative focus on product benefits versus social costs was not significant (−.01, SE = .01, 90% CI=[−.03, .001]).

Discussion. The results of Study 5 revealed that salient social costs are a necessary condition for the price entitlement effect driven by the difference between upper-class and lower-class consumers. In addition, this study demonstrates that upper-class consumers are more likely to perceive price positively and focus on product benefits rather than social costs when the purchase involves social costs. Though we could not capture the entitlement process via participants’ thought protocols, the process demonstrated by open-ended thoughts suggests the role of price in leading upper-class consumers to focus on personal gain from the products and driving purchase intentions for socially costly products. We also conducted a follow-up study in an online field setting, which provides corroborative evidence that the salient social costs positively impact click-through rate of a Google ad among upper-class consumers (see Web Appendix E).

Study 6: Severe Social Cost as a Boundary for Price Entitlement

Study 5 established that the price entitlement effect occurs for socially costly consumption, but does this mean that upper-class consumers are willing to gain personal benefits regardless of the social cost? Study 6 tests H6 by examining the role of the severity of the social cost. If the social cost of the purchase is more severe, entitlement may not provide enough justification to purchase the product even for upper-class consumers, discouraging the socially costly purchase via a justification mechanism that was observed in the serial process via entitlement → justification in Studies 2, 3, and 4.

Method and Measures

Participants and design. The final sample comprised 484 participants from Prime Panels (CloudResearch.com) who participated in the study in exchange for financial compensation. The study had a two-group (social cost: less severe vs. more severe) between-subjects design, with subjective social class measured by a continuous scale.

Procedure. Participants first read a short news article about Maya Bay, a world-famous beach in Thailand. The news article described the environmental condition of Maya Bay differently depending on the experimental condition. In the less severe social cost condition, participants read that many tourists visit Maya Bay, and there is a growing concern about the potential environmental damage given that the presence of more tourists can negatively impact the beach’s ecosystem in the long run. In the more severe social cost condition, participants read that Maya Bay was temporarily closed for two years to recover from extensive environmental damage and then reopened, but there are still concerns that allowing more tourists to visit may cause irreparable damage. Next, participants imagined that they are traveling in Thailand and see a flyer for a day tour to Maya Bay in their hotel lobby, and they have been wanting to go to Maya Bay (for full stimuli, see Web Appendix B). The day tour was listed as $65 per person, and it was noted that similar day tours to other beaches in Thailand cost about $50.

After reading the scenario, participants reported their purchase intention on a seven-point scale ($=.96). We also measured willingness to pay for the tour on a 12-point scale to explore whether the effect generalizes to this measure for additional insight. Then participants responded to scales of entitlement as well as items for justification, personal benefits, quality, status, self-signaling, and consideration of harm as in Study 4. Participants also responded to a measure of relative focus on personal gain versus social costs as in Study 3, an
open-ended question, and a measure of subjective social class as in Study 4 ($\alpha = .79$), along with other demographic measures.

**Results and Discussion**

**Purchase intention.** We performed regression analysis using social cost severity (less severe = −1, more severe = 1), subjective social class (mean-centered), and their interaction as the independent variables and purchase intention as the dependent variable. The effects of social class ($\beta = .19$, $t(480) = 2.39$, $p = .02$, $\eta^2 = .01$) and social cost severity ($\beta = -.23$, $t(480) = -2.37$, $p = .02$, $\eta^2 = .009$) were significant. In addition, the two-way interaction between social cost severity and social class was marginally significant ($\beta = -.14$, $t(480) = -1.73$, $p = .08$, $\eta^2 = .007$). The marginal interaction indicated that when the social cost was less severe, subjective social class increased purchase intention ($\beta = .33$, $t(480) = 2.94$, $p = .003$, $\eta^2 = .017$). In contrast, when the social cost was more severe, social class did not affect purchase intention ($\beta = .05$, $t(480) = .44$, $p = .66$, $\eta^2 = .001$). Examining the effect of social cost severity, we found that purchase intention was greater when the social cost was less severe (vs. more severe; $p = .05$ at 3.65, .21 SD below the mean of 3.91). See Figure 7.

**Willingness to Pay.** We performed regression analysis using social cost severity (less severe = −1, more severe = 1), subjective social class (mean-centered), and their interaction as the independent variables and willingness to pay as the dependent variable. The effect of social class ($\beta = .42$, $t(480) = 3.18$, $p = .002$, $\eta^2 = .018$) was significant, but the effect of social cost severity was not ($\beta = -.18$, $t(480) = -1.12$, $p = .26$, $\eta^2 = .001$). The two-way interaction between social cost severity and social class was significant ($\beta = -.31$, $t(480) = -2.30$, $p = .02$, $\eta^2 = .011$). The interaction indicated that when social cost was less severe, subjective social class increased willingness to pay ($\beta = .72$, $t(480) = 3.91$, $p = .0001$, $\eta^2 = .030$). In contrast, when social cost was more severe, social class did not affect willingness to pay ($\beta = .11$, $t(480) = .58$, $p = .56$, $\eta^2 = .0004$). In addition, purchase intention was greater when social cost was less severe (vs. more severe; $p = .05$ at 4.45, .44 SD above the mean of 3.91). See Figure 7.

**Mediating role of justification.** We then tested moderated mediation via justification using a bootstrap analysis (Hayes 2017, Process Model 8) using subjective social class as the independent variable, social cost severity (less severe = −1, more severe = 1) as the moderator, justification as the mediator, and purchase intention as the dependent variable. The index of moderated mediation via justification was significant ($-.22$, SE = .10, 95% CI = [−.41, −.03]). When the social cost was less severe, the indirect effect of social class through justification was significant (.30, SE = .06, 95% CI = [.17, .43]). When the social cost was more severe, the indirect effect was not significant (.08, SE = .07, 95% CI = [.07, .23]). The moderated mediation via entitlement to product benefits was not significant ($-.03$, SE = .07, 95% CI = [−.18, .11]), because entitlement was not easily mitigated in the more severe social cost condition (less severe: .16, SE = .05, 95% CI = [.07, .26]; more severe: .13, SE = .06, 95% CI = [.01, .25]). These results suggest that although entitlement may remain, purchase justification is reduced via severe social costs, discouraging purchase of products with more severe social costs.

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**Figure 7.** Purchase intention and willingness to pay as a function of social class and social cost severity (Study 6). Notes: Panel A Johnson–Neyman point: 3.65; Panel B Johnson–Neyman point: 4.45.
Additional mechanisms. We also examined additional processes and found that moderated mediation via status was significant. Thus, it is possible that social cost severity might have mitigated the status-signaling benefits of the product, though status did not consistently emerge as an alternative mediator in previous studies. The moderated mediation via perceived personal benefits, relative focus on personal gain versus social costs, quality, self-signaling, or consideration of harm were not significant. For additional details and mediation analyses for willingness to pay, see Web Appendix F, Tables WF7 and WF8.

Thought protocols. Two research assistants coded the open-ended thoughts. We created a variable using coded thoughts: relative focus on product benefits versus social costs (benefits of the tour – care for the environmental impact; intercoder correlation r = .86). See Web Appendix C for details. We then tested moderated mediation via this variable using a bootstrap analysis (Hayes 2017, Process Model 8). The index of moderated mediation via focus on product benefits was marginally significant (−.12, SE = .07, 90% CI = [−.25, −.004]). When the social cost was less severe, the indirect effect of social class through focus on product benefits was significant (.16, SE = .05, 95% CI = [.07, .26]). When the social cost was more severe, the indirect effect was not significant (.04, SE = .05, 95% CI = [−.07, .14]). Although the continuous measure of the focus on personal benefits did not demonstrate a significant indirect effect, participants’ thought protocols suggest that upper-class consumers focused more on personal benefits rather than social costs, which led to socially costly consumption for less severe, but not more severe, social costs.

Discussion. This study demonstrates an important boundary condition of the price entitlement effect. Although entitlement increases upper-class consumers’ purchase of higher-priced socially costly products via purchase justification, this effect does not occur for all social costs. When the social costs are more severe, even entitlement to the benefits does not justify purchase for upper-class consumers. These effects were generalized to consumers’ willingness to pay beyond purchase intentions. Given these findings, it seems that highlighting the social costs of purchases may discourage upper-class consumers from purchasing socially costly products.

General Discussion

The current research demonstrates that when socially costly products are higher priced, upper-class consumers feel entitled to the product benefits for the price paid, which serves as a purchase justification. These findings are novel because high prices and social costs are typically deterrents to product purchase; this research demonstrates a case when higher price increases purchase, even when such purchases are not solely due to quality or status. Specifically, consumers who perceive themselves as upper class feel entitled to the product benefits in exchange for the high price, which justifies purchase of socially costly products. In a series of ten studies (six in the text and four in the Web Appendix), we establish the robustness of the price entitlement effect in various product categories and socially costly consumption contexts (i.e., traditional nongreen bathroom cleaners and hand sanitizers, noisy home exercise, backpack made of synthetic fabric, overdue library book, travel with environmental harm). We demonstrate that this effect manifests for actual purchase decisions (Study 1) and is mediated by entitlement perceptions and, subsequently, purchase justification (Studies 2 and 3), with additional processes of personal benefit, focus on personal gain versus social costs, status, and quality, stemming from entitlement. Study 4 shows the attenuation of price entitlement when egalitarian values are primed, in support of our theorizing. Study 5 documents the price entitlement effect only occurs for higher-priced products with social costs (vs. no salient social cost), which lead upper-class consumers to seek cues for entitlement as a justification for purchase. Thus, the effect of social class does not occur for all higher-priced products driven solely by perceived increases in quality or status. Importantly, though social costs need to be salient for the effect to arise, when social costs are more severe, even upper-class consumers experiencing entitlement based on price paid do not feel justified in purchasing the socially costly product (Study 6). Taken together, these findings establish the price entitlement effect and offer theoretical and managerial insights into when and why consumers may purchase a socially costly product as well as how to mitigate such consumption.

Theoretical Contributions and Future Research

With the growing importance of sustainability and social equality, research has aimed to understand how to motivate green consumption and prosocial behavior. Much of this work has compared the effectiveness of self-interested messages relative to other-focused messages (Evans et al. 2013; Thøgersen 2013) or considered how choices serve as self-signals (Savary, Goldsmith, and Dhar 2015). Though self-interested framing or self-signaling motives can motivate socially beneficial purchases or consumption under certain conditions (Goldsmith, Newman, and Dhar 2016; Green and Peloza 2014; Savary, Goldsmith, and Dhar 2015), a focus on the self often drives socially costly purchases. To get personal benefits, consumers ignore ethical product attributes or seek reasons to justify their consumption of less sustainable products (Luchs et al. 2010; Reczek et al. 2018). The current research demonstrates that a marketing-mix factor, price, can lead upper-class consumers to feel entitled to benefits of socially costly products. As such, a higher price increases purchase of socially costly products by upper-class consumers. This research identifies the price entitlement effect contributes more generally to the literature on purchase
justifications (Simonson and Nowlis 2000) and factors justifying less virtuous behaviors (Khan and Dhar 2006). In the current research, we found that simply being exposed to a higher price for a socially costly product increases entitlement, which serves as a justification for purchase, at least for upper-class consumers. Even if consumers generally desire to be pro-environmental or prosocial, they may feel conflicted when seeking product benefits in a given choice set and may interpret their entitlement from paying a higher price as a needed justification (Goldsmith, Friedman, and Dhar 2019). This finding makes an important contribution, as spending less money or paying low prices may be a common justification for product purchases (Mishra and Mishra 2011), but paying a higher price is a financial loss and not a typical justification for product purchase (Erickson and Johansson 1985). Pricing research has noted that a benefit of higher prices is its indication of higher quality or prestige (Lichtenstein, Rigdway, and Netemeyer 1993), but this is the first research to our knowledge to reveal that higher prices can increase consumers’ entitlement to socially costly products. Entitlement elicited by a higher price can impact the socially costly purchases directly or through a subsequent justification process, as supported by our mediation analyses. Future research should further explore the link between entitlement and justification, examining under what conditions justification is a necessary mechanism following entitlement to result in self-interested decisions.

Importantly, this price entitlement effect does not uniformly occur for every consumer but is determined by the subjective perception of social class salient in consumers’ minds. As such, we contribute to understanding the effect of social class on socially costly consumption. Though social class has been found to influence sustainable behavior (Haws, Winterich, and Naylor 2014; Yan, Keh, and Chen 2020), there is not consistent support for the effect of social class on sustainable behavior (Laroche, Bergeron, and Barbaro-Forleo 2001; Roberts 1995), with some research suggesting that social class negatively impacts socially beneficial behavior (Piff et al. 2010). This research finds that the effect of subjective social class on socially costly consumption is not unidirectional but changes as a function of product price. While upper-class consumers may value proenvironmental consumption, when they are exposed to a higher price for a socially costly product, they feel entitled to product benefits by paying a higher price. Thus, this research contributes to understanding how consumer segments differ in socially costly consumption decisions (Kotler 2011; White, Habib, and Hardisty 2019). Importantly, we have found that our effect occurs regardless of whether social class is manipulated (Web Appendix E) or measured. This finding is consistent with previous research showing that a manipulation can activate feelings and cognitions associated with a specific social class (Kraus, Côté, and Keltner 2010; Kraus, Piff, and Keltner 2011), but it is notable that one does not need to experience a specific social class to be activated with the mindset of the social class. Research could further explore the similarities and differences that might be expected across the manipulations and measurements of social class. Future research should also examine nuances in the effect based on type of social class, such as childhood social class.

We also build on the entitlement literature (Boyd and Helms 2005; Campbell et al. 2004; Ding et al. 2017). Though entitlement can exist chronically (Campbell et al. 2004), only recently has it been identified as situationally activated (Ding et al. 2017; Zitek et al. 2010). This research introduces situational entitlement as an important driver of consumer decisions to the marketing literature, demonstrating that marketing-mix factors such as price can activate entitlement. Moreover, we suggest a link between social class, exchange norms (Aggarwal and Larrick 2012; Clark and Mils 1993), and entitlement (Boyd and Helms 2005; Butori 2010). Although research has suggested that social class might increase entitlement (Ding et al. 2017; Piff 2014), little work has investigated the conditions under which such an effect is activated and drives consumption behavior. We build on research suggesting a relationship between social class and exchange norms (Muir and Weinstein 1962; Piff et al. 2010) and suggest that subjective social class increases the sensitivity to contextual factors, such as higher product price, eliciting entitlement based on exchange norms when purchase requires a justification. However, when egalitarian values are primed, consumers no longer purchase socially costly products, as they become less self-focused (Piff 2014).

These theoretical contributions suggest several avenues for future research. Although consumers are increasingly socially conscious, they often still opt for the self-interested choice (Carrington, Neville, and Whitwell 2010), as our price entitlement effect documents. Future research should consider the role of consumer benefits in the price entitlement effect: Will the effect change as a function of the type and magnitude of consumer benefits? Can personal benefits of sustainable products be emphasized to encourage upper-class consumers to make more socially responsible choices? Prior research has found that self-interested messages such as cost savings can increase sustainable or socially beneficial behaviors in certain conditions (Goldsmith, Newman, and Dhar 2016; Green and Peloza 2014). Thus, future research could explore whether self-interested messages, combined with some product factors (e.g., high price), can trigger entitlement and motivate upper-class consumers to purchase socially beneficial options if the products can be framed as offering greater personal benefits than the socially costly option. Future research should identify additional boundaries to the price entitlement effect, other than the egalitarian values and severe social costs demonstrated here. For example, could social costs be perceived as personal costs rather than personal gains if the victim of the social cost is identifiable or close to the self, attenuating entitlement? In addition, research should examine whether the price entitlement effect occurs when the product is purchased for someone else, such as in the case of gift-giving, because the benefits to which one feels entitled would be for the gift recipient.
rather than the self, potentially mitigating the effect. Moreover, building on the role of social cost severity demonstrated in the current article, future research could explore further how much social cost is severe enough to stop the effect.

More generally, despite a growing body of entitlement literature (Campbell et al. 2004; Ding et al. 2017; Zitek et al. 2010), there is still limited understanding of the role of consumer entitlement in marketing and consumption decisions, other than its examination in the service context (Boyd and Helms 2005; Butori 2010; Wetzel, Hammerschmidt, and Zablah 2014). Given that entitlement can result in various attitudinal and behavioral consequences of significance (Ding et al. 2017; Lee et al. 2017; Poon, Chen, and DeWall 2013), future research should consider other marketing factors that may activate situational entitlement as well as mechanisms such as quality and status that may play a role in the effect of entitlement on purchase. The role of status motives in the price entitlement effect may be particularly interesting, as status motives increase proenvironmental behavior when it is public and costlier (Griskevicius, Tybur, and Van den Bergh 2010). Recent research suggests that consumers of lower social class are viewed negatively for buying products that are not basic purchases (Hagerty and Barasz 2020). Future research could explore whether the perception of social permissibility relates to status motives and underlies socially costly purchases by upper-class individuals. In addition, millennials are gaining in consumption power and are said to be more socially conscious while also being referred to as the “entitled generation” (Brant and Castro 2019). Given these trends, research should examine whether the price entitlement effect differs by generation.

**Practical Implications**

Price is one of the most important marketing elements, and social class is one of the most basic segmentation variables. Though we focus on subjective social class, research has established that subjective social class often stems from objective social class and results in effects consistent with the latter (Côté 2011; Kraus, Piff, and Keltner 2011), for which marketers have indicators. Thus, our research provides implications for marketers in selecting their pricing strategies as a function of targeted social class segments. Specifically, marketers of traditional, nongreen products or otherwise socially costly products can treat such products as premium, charging higher product prices especially when they are targeting upper-class consumers. However, marketers should use caution because these higher-priced products involve both social costs and financial loss for consumers, both of which are generally undesirable. We found price entitlement in contexts where the products’ consumer benefits (e.g., convenience, performance) are either explicitly or relatively salient and social costs are salient but not too severe. Though socially costly consumption is not ideal, in such cases when consumers are likely to choose this option due to desired benefits, managers can charge a higher price for these products. Consumers did not perceive the higher price to offset the social costs, but managers employing premiumization of socially costly products may want to use the higher price to offset some of the social costs from the product for long-term benefits. To successfully employ this tactic, marketers should ensure not only that their product offers desired benefits but also that their product involves relatively less severe social costs, potentially using profits from the higher price to offset social costs. Another important note is that the price premiums in the current studies were relatively small (between 15% and 33%; e.g., $1.50 to $2.00; $65 to $75). If socially costly products have a larger premium, consumers may engage in greater elaboration and the personal cost of the higher price may no longer result in entitlement.

From a policy perspective, insights from this research should be used to discourage purchase of socially costly products and simultaneously encourage choices for the greater good of society. Upper-class consumers experience entitlement for these products only when the social cost is salient. However, when the social costs are not salient, the price entitlement effect does not occur (Study 5 and Follow-Up Study in Web Appendix E). Thus, it is important to realize that making the social costs of products salient (e.g., war on plastics) may entitle upper-class consumers to purchase these products for their benefits (e.g., convenience) and perceive personal gain over others when the products are higher priced. In addition, the price entitlement effect is a self-focused process and is mitigated when consumers have egalitarian values and consider others. Given this self-focused aspect of entitlement, if sustainable products cannot easily be promoted as offering greater consumer benefits than the socially costly option (e.g., cleaning effectiveness), then using a strong self-transcendent message, rather than a self-benefit appeal, to discourage consumers’ self-focus is likely to be more effective for the marketers of sustainable products (Goldsmith, Newman, and Dhar 2016; Thøgersen 2013). Firms that want to prevent the price entitlement effect and encourage purchase of socially responsible products should position social costs as more severe or activate egalitarian values at the point of purchase.

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Appendix

Key Measures

| Measures                      | Items                                                                 | Study |
|-------------------------------|----------------------------------------------------------------------|-------|
| Purchase choice/intentions    | Product purchase choice                                              | 1     |
|                               | Purchase intention (1 = “Not at all,” and 7 = “Very much”)           | 2, 4, 5, 6 |
|                               | 1. How likely would you be to purchase the (backpack/tour)?           |       |
|                               | 2. How inclined would you be to purchase the (backpack/tour)?         |       |
|                               | 3. How willing would you be to purchase the (backpack/tour)?          |       |
| Willingness to pay            | How much would you be willing to pay for the tour? (1 = “10% of the retail price,” 2 = “20% of the retail price,” 3 = “30% of the retail price,” 4 = “40% of the retail price,” 5 = “50% of the retail price,” 6 = “60% of the retail price,” 7 = “70% of the retail price,” 8 = “80% of the retail price,” 9 = “90% of the retail price,” 10 = “100% of the retail price,” 11 = “110% of the retail price,” and 12 = “120% of the retail price”) | 6     |
| Entitlement                   | Entitlement to product benefits (1 = “Not at all,” and 7 = “Very much”) | 2, 3, 4, 5, 6 |
|                               | 1. I deserve to get things I want.                                   | 6     |
|                               | 2. It is okay for me to get what I want.                             |       |
|                               | 3. I am deserving of personal benefits.                              |       |
|                               | 4. I feel I am entitled to product benefits.                         |       |
|                               | 5. It is fair for me to enjoy product benefits.                      |       |
|                               | 6. I have a right to enjoy product benefits.                         |       |
|                               | Entitlement to more resources than others (1 = “Not at all,” and 7 = “Very much”) | 3, 4, 5, 6 |
|                               | 1. I deserve to be in a better position than others.                 |       |
|                               | 2. I deserve to enjoy a better outcome than others.                  |       |
|                               | 3. I feel I am entitled to enjoy better things than others.          |       |
|                               | 4. I feel entitled to more resources in society.                     |       |
|                               | 5. I am deserving of more resources in society.                       |       |
|                               | Visual scale (Me vs. Other scale by Campbell et al. [2004])           | 3, 4, 6 |
| Purchase justification       | All items measured on a seven-point scale (1 = “Not at all,” and 7 = “Very much”); items adapted from Catlin and Wang [2013], Khan and Dhar [2010], and Okada [2005]) | 2, 3, 4, 5, 6 |
|                               | 1. I felt like I had an excuse to (make the purchase/keep the book). | 6     |
|                               | 2. I felt justified in (purchasing the backpack/tour/keeping the book). |       |
|                               | 3. I didn’t have guilt about (making the purchase/keeping the book). |       |
| Social class                  | Please select your social class. (1 = “lower class,” 2 = “lower-middle class,” 3 = “middle class,” 4 = “upper-middle class,” and 5 = “upper class”) | 1, 3 |
|                               | Where would you place yourself on the ladder? (1 to 10) (MacArthur scale; Kraus, Piff, and Keltner 2009) | 2     |
|                               | Subjective social class* (Griskevicius et al. 2011)                  | 4, 6  |
|                               | 1. My family usually had enough money for things when I was growing up. |       |
|                               | 2. I grew up in a relatively wealthy neighborhood.                  |       |
|                               | 3. I felt relatively wealthy compared to the other kids in my school. |       |
|                               | 4. I have enough money to buy things I want.                         |       |
|                               | 5. I don’t need to worry too much about paying my bills.             |       |
|                               | 6. I don’t think I’ll have to worry about money too much in the future. |       |
|                               | Please select the social class of the family you grew up in. (1 = “lower class,” 2 = “lower-middle class,” 3 = “middle class,” 4 = “upper-middle class,” and 5 = “upper class”) | 5     |

*We combined the childhood social class and current/future social class components, consistent with the approach by Piff (2014), as they were highly correlated and yielded the similar patterns of results.

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