2006

Political differentiation in consumer preferences for underdog businesses: does everybody love a winner?

Kelly O'Connor

Follow this and additional works at: https://scholarship.richmond.edu/honors-theses

Part of the Leadership Studies Commons

Recommended Citation
https://scholarship.richmond.edu/honors-theses/1345

This Thesis is brought to you for free and open access by the Student Research at UR Scholarship Repository. It has been accepted for inclusion in Honors Theses by an authorized administrator of UR Scholarship Repository. For more information, please contact scholarshiprepository@richmond.edu.
Political Differentiation in Consumer Preferences for Underdog Businesses:

Does Everybody Love a Winner?

Kelly O'Connor

University of Richmond
Abstract

In an exploratory study of the intersection between the worlds of social behavior and personal economics, this experiment will examine the links between political ideology and consumer preference for an “underdog” business. The stereotypical image of the Mom and Pop corner store is romantic, but when we juxtapose this sentiment with the convenience and predictability of shopping at a giant retailer, it is unclear which store consumers will prefer, and why. This study tested the hypothesis that individuals with more liberal political orientations will be more likely to exhibit a preference for underdog businesses than individuals with conservative political leanings, as measured by novel Underdog Questionnaires developed for this study. Variance analyses were performed and ascertained the existence of significant differences in preferences between the 2 political groups as well as relations between political ideology and religion and morality. Results are discussed in terms of the global influence of political ideology, contributions to niche-marketing and the importance for businesses of targeted advertising to their consumer base by either under- or over-playing their status as an underdog in the business world.
Political Differentiation in Consumer Preferences for Underdog Businesses:

Does Everybody Love a Winner?

Noted American author Kurt Vonnegut once mourned that the "two real political parties in America are the Winners and the Losers. The people do not acknowledge this. They claim membership in two imaginary parties, the Republicans and the Democrats, instead" (Vonnegut, 1974). Whatever one's political bent, it must be conceded that the different ways in which the powerful regard the oppressed -- or how the Winners regard the Losers -- have been inextricably meshed with our notions of politics and fairness since the beginning of organized government. The notion of an "underdog" is similarly intertwined with the division of people into winners and losers, but how political party affiliation may bias the evaluation of underdogs in real-world situations such as the consumer marketplace is a vastly understudied phenomenon.

There is a dearth of research in the underdog phenomenon; an electronic search of the Ovid database (Jan. 2005) yielded a mere 38 articles that listed 'underdog' as a key word. The American Heritage Dictionary defines an underdog as follows: "One that is expected to lose a contest or struggle, as in sports or politics; one that is at a disadvantage" (2000).

Indeed, research in the arena of political elections found that voters like their candidate of choice more if they think that candidate has a relatively lesser chance of winning (Zuckerman & Lipets, 1973). However, other research distinguishes between belief and action by finding that people have a greater likelihood of voting for a certain candidate when given poll data that indicated that candidate leading (Mehrabian, 1998), suggesting that cheering for an underdog may be bounded by certain contextual conditions.
While the allegiances of hypothetical voters or even real-life fans of sports teams rooting for their embittered team year after World Series-less year (Boston Red Sox, anyone?) are fascinating, it does not “cost” much to vote hypothetically or to root for an underdog sports team (Goethals & Darley, 1977). In the context of the business world, however, rooting for the underdog takes on a riskier quality in terms of economic costs. I may be willing to cheer for my 3rd party political candidate or wear the jersey of my underdog team, but am I just as willing to give my business to an underdog company?

Given America’s long-standing infatuation with the underdog, one might conclude that the answer is yes. From the legendary Seabiscuit, to the slaying of Goliath by David, to the triumph of “The Little Engine That Could” (Piper, 1930), nothing excites and inspires us quite like a person (or even animal or inanimate object) who beats the odds. Newsweek columnist Sean Smith (2003, p. 58), points out that the “underdog effect” pervades even Hollywood – films that succeed at the box office are often snubbed by the Academy Awards because either “voters think its already been rewarded” or “we get sick of a winner” (and ironically, the only two films that grossed more than $300 million domestically and won an Academy Award are the Titanic and Forrest Gump – films who star underdogs engaged in a battle of some sort).

Although America has many idols and symbols in popular culture that are underdogs, what are the preferences of Americans in their day-to-day lives? Another voice from the trenches of pop culture, time columnist Joel Stein (2004, p. 58) argues that as the “country of crushing, monolithic corporations”, if ever a nation’s characteristics demanded that it root against the underdog, “it’s ours”.
This leaves the small businesses living in the shadow of the creeping kudzu of Wal-Mart and mass retail chains in a tough situation. As the business world has come to realize, "underdogs often have to find another way to play the game" (Halpern, 2004, p. 20). Rather than frills, small businesses must focus primarily on survival and growth, and often list their basic concerns as marketing and generating more sales (Gruner, 1997), which are not only concomitant but can also be served by increased psychological research into why certain customers are willing to throw their money behind the dark horse – and how to get the ones who aren’t as willing to do the same.

Psychology can offer assistance in this area. As one marketing analyst puts it, "Freud and Skinner may be dead, but they can still help your business" (Levinson, 1998, p.80). For any business, two eternal questions are firstly how to acquire customers, and secondly how to turn them into acolytes. For underdog businesses, these questions are of particular salience – with 80% of all new businesses failing within 5 years (Desmond Consulting Group, 1994), their continued existence may live or die by the sword of early and consistent consumer allegiance. The field of subjectivist economics, or the study of consumer valuation of products, has produced a suggested method of analyzing customers for marketing use: segmentation. Segmentation divides consumers into distinct groups – for example, by descriptive demographics (Grassl, 1999). Psychology has only recently joined the debate in the 1960’s and 1970’s with its deeper level of segmentation, psychographics.

Psychographics was one of the business community’s first attempts at classifying consumers by their beliefs, motivations, and attitudes (Rice, 1988). The most widely used psychographic paradigm, Arnold Mitchell’s Values and Lifestyles program (VALS), groups Americans into a typology with 9 vivid categories (Thelma the old-fashioned traditionalist;
Candice the chic suburbanite), representing a progressive continuum – either outer- or inner-directed – from poverty to enlightenment, based partially on psychologist Abraham Maslow’s hierarchy of needs (Rice, 1988). While psychographics has helped contribute to our knowledge of niche-marketing and what kinds of products certain parts of the population are likely to buy, it has not answered the question of which kinds of businesses these groups would favor, and if and where politics enters the picture.

Political ideologies are clearly important to our incisively divided nation, as shown by the past two presidential elections. Political identity has been defined as a “pattern of beliefs related to the social and structural relationships that connect the individual to social groups” (Cole & Stewart, 1996). While 45% of voters define themselves as “moderate”, 21% and 34% of Americans are willing to label themselves more radically, with the terms “liberal” and “conservative”, respectively (CNN Presidential Exit Poll, 2004).

Logic would seem to dictate that people with strongly held political preferences experience some sort of translation or overflow of these beliefs onto their daily lives. This is a testament to the encapsulating nature of political ideologies – they often dictate a person’s stance on everything from social policy to economics. The division of people into political party affiliations is a sub-cultural distinction, and thus, like psychographics, separates people with the same beliefs, values, and norms from those who hold different ones. As an assortment of schemas, the culture of a particular political affiliation has the potential to both “shape individuals’ interpretations of external stimuli and guide their behavior” (Brumbaugh, 2002, p. 258, emphasis added).

As mentioned, previous research has largely ignored the impact of political beliefs on interpretations of, and behavior towards or away from, certain kinds of businesses, even
though this may be significant. A study on teenagers concluded that the most powerful
determinant of their economic beliefs was not their demographic status – it was their political
orientation (Furnham, 1987).

An early study in the vein of political ideologies (Lentz, 1939) found certain correlates
of conservatism as opposed to liberalism; people that labeled themselves more conservative
were “more opposed to change, more favorable to convention, routine, and the church...more
inclined to moralize...more nationalistic and capitalistic...less tolerant of the 'underdog'” (p.
81, emphasis added). Since then, studies have shown that right-wing, conservative political
ideologies are correlated with increased materialism in adults (Inglehart, 1977, 1990; Flouri,
2001), decreased openness to experience (van Hiel, Kossowska, & Mervielde, 2000),
decreased scores on stages of moral reasoning (Clouse, 1985), and perhaps most relevantly,
decreased desires for equality (Robinson & Bell, 1978). Some even argue that conservative
political philosophies favor social and economic Darwinism (Jones, 1998), an idea that is key
to the survival or demise of small or underdog businesses, which often have to work hard to
compete with the “fittest”.

Sympathy for the underdog may be a function of an egalitarian social ideology
(Robinson & Bell, 1978). If the idea of the underdog appeals to our notion of social
equilibrium and justice, we might imagine that support for the underdog is analogous to
support for social equality – not always letting the proverbial big dogs of the world win every
fight. Drawing on past research, it is reasonable to assume that people with more politically
liberal attitudes are more likely to support the underdog, given their empirical history of
exhibiting more support for equal opportunity and social equity relative to their conservative
counterparts (Walker, 1989; Federico & Sidanius, 2002). Indeed, studies have found
conservative political beliefs predicted decreased sympathy for the underdog, as manifested by minorities in general (McConahay & Hough, 1976) minorities with the potential to receive affirmative action (Federico & Sidanius, 2002), and even victims of violent crime (Anderson, Cooper, & Okamura, 1997).

One possible explanation for the impact of political ideologies on underdog sympathy is consumer ethics, a research topic that is usually neglected in favor of the business ethics side of the consumption dyad (Al-Khatib, Vitell, Rawwas, 1997). The hypothesized interaction of political ideology and consumer ethical behavior borrows from cognitive marketing research, specifically the means-end chain theory. This theory “links product characteristics to consumer benefits and values” (Hofstede, Steenkamp, & Wedel, 1999). According to the means-end chain theory, customers often make purchasing decisions based not exclusively on the particular attributes of the product per se but on the benefits derived from those attributes, which then result in the satisfaction of personal values (buying a hybrid car for example – most consumers have no real preference in engine type as it stands alone, but may buy a hybrid vehicle because it consumes less gas, which may satisfy their environmental values).

Using an ethics framework, we might imagine that consumers that place a greater emphasis on equity in the marketplace would support underdog businesses for the satisfaction they would glean from acting in consonance with their moral values. While past research has focused on retrospective satisfaction (Oliver, 1980), a recent study by Shiv and Huber (2000) found that preferences for certain products change depending on the degree to which anticipated satisfaction is evoked – if a consumer’s personal ideology makes the goal of promoting social equity particularly salient, their preferences would most likely align with
giving their business to the underdog. Consumer satisfaction research supports this idea, finding that consumers engage in preconsumption mental imagery (MacInnis & Price, 1987), imagining “certain product-related behaviors and their...self-relevant consequences of product use” (Walker & Olson, 1997, p. 159), as opposed to the desirability of the alternative (Anand-Keller & McGill, 1994). However, we must note that these studies have focused on the use of products rather than businesses, which is what this study will concentrate on.

And so it is that we have a small yet documented underdog effect, but a total paucity of knowledge regarding how these underdog sympathies break down, as it applies to choice of businesses, across political lines, which could be a great aid to targeted marketing. It follows that even scarcer – to the point of being nonexistent – is research that juxtaposes ideological beliefs with consumer attraction to an underdog. But this does not diminish the influence of these beliefs on whether people prefer the industry “guerilla” or “gorilla” (Dalgic, 1998), and the need for their preliminary investigation and description, upon which this study endeavors to shed light. Underdogs are in a unique economic position: while they may be unable to change their industry status, they might be able to use the underdog effect to their advantage by either playing up or deemphasizing their status.

This study seeks to be exploratory, in identifying multiple variables of interest for further investigation in future studies. With such a scarce empirical framework, it is hard to predict with any confidence what the results will yield. Our first issue at hand is whether there is an underdog effect for businesses at all, and this will be assessed by measuring where on the continuum of underdog preference (or lack thereof) the average score of the participants in each group lies. It is hypothesized that there will be a significant underdog effect, with averages above the neutral midpoint, for Liberals, but not Conservatives.
It should be noted that this study will operationalize an underdog business as being disadvantaged rather than inherently inferior or destined for failure. Using the latter definition might create an overwhelming negative bias across all political groups, as people may not be as likely to trust their money to a business that is falling down upon its ears by virtue of its own mistakes and flaws. Underdog businesses in this study will be presented as such more in the relative context of their big-name competitors, not as the function of inferior products or sparse selection.

Second, we hypothesize that a one-way analysis of variance will yield a significant difference in degree of preference for underdogs across political ideologies, with participants labeled “Liberal” having the greatest degree of preference for the underdog, “Moderates” having the median degree, and “Conservatives” having the least amount of preference. This will be measured by two novel Underdog Questionnaire developed for this study, one with a behavioral intention focus, and one with an attitudinal and beliefs focus.

Lastly, the self-rated constructs of Morality and Religiosity will also be analyzed for their potential contributions to consumer ethics. Possessing and exhibiting sympathy for others and aiding people in need (in the bound of this study, a salient example is the small local business next to the supercenter megalith) are two cognitive-behavioral tenets common to many religions and systems of morality. Although the scant research suggests more sympathy for underdogs in people with Liberal political orientations, common knowledge of the more religious-minded tendencies of people with Conservative orientations, as seen in Republican media campaigns and national debates (Powers, 2004), seems to challenge the confidence of this Liberal sympathy claim.
This study endeavors to investigate differences between political orientations on these variables, as well as differences between participants ranking high in self-perceived morality and religiosity and their subsequent attitudes and behavioral intentions to favor, or disfavor, an underdog business.

Method

Participants

60 college undergraduates at the University of Richmond participated in the survey. They ranged in age from 18 to 24 ($M=19.52, SD=1.42$). 37 were female, 23 were male. 93.3% ($n=56$) of the sample did not self-identify as an ethnic minority. The majority (58.3%) self-identified as being from an upper-middle class upbringing, and the average socioeconomic status of the family was high, with 61.7% of the participants reporting an average family income of $100,000 or more per year.

Politically, the sample was diverse. A slight majority ($n=24$) self-identified as moderate overall, with “liberal” being almost as common ($n=20$), and 10 participants identifying themselves as “conservative” (see Figure 4). When grouped into more dichotomous groups, a majority of 55% of participants reported slight to strong liberal leanings ($n=33$), with 35% ($n=21$) reporting slight to strong conservative leanings. 4 participants reported being economically conservative but socially liberal, and 2 participants self-identified as “other” (see Figure 5).

Participants were asked to rate their family’s estimated social class, on a 5-point scale with 5 being the highest. The Conservative group ($M=4.05, SD=0.81$) rated themselves higher than the Liberal group ($M=3.64, SD=0.60$), $F(2,55)=3.19, p<0.05$. 
Participants were recruited in 2 ways. The majority were recruited from an Introduction to Psychology class pool, and received 1 credit each for completion of the survey. A small number were recruited from two political organizations on campus, the Young Democrats and the College Republicans, and were monetarily compensated $10 for their participation.

Procedure

Participants were scheduled to participate at a time convenient for them, and were told the survey would take approximately fifteen minutes. The testing location was a classroom setting in the Psychology Department at the University of Richmond. Adequate lighting, comfortable and spacious seating, and a quiet test-taking atmosphere were furnished for the participants. Participants were administered the packet of measures in a group setting of approximately five to ten students per session. When they arrived, they signed informed consent forms and were instructed that their answers were strictly confidential. Data for sixty participants were entered and analyzed using SPSS software.

Measures

Situationally-Dependent Behavioral Intentions Scale (SDBI). This 4-item novel scale (see Appendix A) was designed to measure actual stated behavioral preferences for different types of businesses, contingent on contextual variables. The SDBI asked which kind of store participants would turn to first to see if an item was available, which store they would choose if the underdog business was necessarily more expensive, which choice they would make in the event that the underdog store was located farther from them, and an “in general, which would you choose” inquiry. Response options were dichotomous, either “large national business” or “small local business”.

Beliefs and Attitudes about Underdog Businesses Scale (BAUB). This 17-item novel questionnaire (see Appendix B) was developed to measure cognitions of underdog businesses, national-chain businesses, attributions of superiority or inferiority to these types of businesses, the proper role of each business in the larger commercial market, and how each should be regarded. Example statements from the BAUB: “Businesses like Wal-Mart are bad to have in the community…”; “A small local business “deserves” to succeed more…”; “I consider it my responsibility to use a local business to meet my needs…”; “Small businesses should receive some kind of government subsidies…”; “I trust local businesses just as much as national chain companies…” . Response options were on a 7-point scale, with “7” = strongly agree, and “1” = strongly disagree.

Other measures. Participants completed a demographics measure (see Appendix C) consisting of questions about socioeconomic status, ethnicity, age, sex, academic achievement, moral and religious beliefs, involvement in community service. Participants were also asked to place themselves on a political spectrum of varying degrees after they completed the questionnaire so as to ensure they were not blatantly primed for a political ideology assessment before responding to the questions.

Results

On the 17-item questionnaire (BAUB) about beliefs regarding underdog businesses versus more “Wal-mart” type stores, Conservatives ($M=3.79$, $SD=0.75$) had lower scores than Liberals ($M=4.74$, $SD=0.67$). Moderates also again fell in the middle ($M=4.39$, $SD=0.63$). An ANOVA was run, and indicated a statistically significant between groups, $F(5,54)=5.67$, $p=.000$. See Figure 1.
On the 4-item questionnaire (SDBI) about behavioral preferences for underdog companies versus large national chain companies, the Conservative group ($M=2.10$, $SD=0.52$) again had lower mean scores than the Liberal group ($M=2.75$, $SD=0.53$). The Moderate group fell between Conservatives and Liberals, $M=2.27$, $SD=0.49$. An ANOVA was run, and indicated a statistically significant between groups, $F(5,54)=4.97$, $p=.001$. See Figure 1.

When participants were grouped more dichotomously as either Conservative, Liberal, or Economically Conservative/Socially Liberal ("Mixed"), significant differences emerged in how they rated themselves on scales of morality and religiosity. Conservatives ($M=4.43$, $SD=0.51$) rated themselves as more moral than did Liberals ($M=3.85$, $SD=0.76$), with the Mixed group falling in the middle ($M=4.00$, $SD=0.00$). This difference was significant, $F(2,55)=5.10$, $p=.009$. As for religiosity, Conservatives ($M=3.48$, $SD=1.17$) again rated themselves as more possessing of this trait than did Liberals ($M=2.15$, $SD=1.03$), with the Mixed group again falling in the middle ($M=2.50$, $SD=0.58$). This difference too was significant, $F(2,55)=9.96$, $p=.000$. See Figure 2.

When participants were grouped by their relative moral and religious self-rating, surprising but significant differences emerged on the attitudinal BAUB scale. When grouped by self-rated morality, participants ($n=47$) who indicated either "strong" or "very strong" morality ($M=4.25$, $SD=0.81$) had a lower preference for underdog businesses than participants ($n=12$) who rated themselves as only "moderately" moral ($M=4.73$, $SD=0.66$). Note that no participants rated themselves less than moderate on this dimension. This difference was not significant, but did closely approach it, $F(1,57)=3.69$, $p=.060$. See Figure 3.

When grouped by religion, participants who indicated either "strong" or "very strong" religiosity ($n=13$) again had the lowest cognitive preference for underdog businesses.
In the middle was self-rated religious moderates \( (n=18, M=4.25, SD=0.84) \). The highest scores belonged to the group with the lowest self-rated religiosity \( (n=29) \), either "slight" or "not at all" \( (M=4.59, SD=0.66) \). This difference too was significant, \( F(2,57)=3.96, p=.024 \). See Figure 3.

Discussion

The results of this study yielded interesting effects for political orientation, religiosity, and morality, in terms of both how they relate to each other, and how they each relate to consumer preferences.

The first finding of note was the relative lack of strength of an overall preference for underdog businesses. Although this was expected for the Conservative group, it was not expected to be quite so low for the Liberals, whose averages on both the attitudinal (4.74) and behavioral scales (2.75) were just slightly over a neutral level. The overall average of all of the groups combined for the attitudinal measure was 4.31, where the midpoint between least preference and strongest preference was 4.00, and on the behavioral measure averaged across all of the groups it was 2.37, where the midpoint was 2.50.

These findings also show that a slight overall preference for the underdog exists more in participants' conceptualizations of underdog businesses and the rectitude of megalith stores like Wal-mart, but less when it comes to what they would actually do. This finding may be partially explained by the simple fact that believing in an abstract idea is far easier to maintain than actually exemplifying that ideal with one's actions. The sample was comprised of undergraduate students, many of whom did probably not have the kind of monetary security themselves to driver further to an underdog business or pay more for an underdog business's
product, reflecting the lack of an underdog preference on the behavioral measure which addressed these situational contingencies.

Other explanations for the lack of strength of an underdog preference may lie in the socially transmitted messages about winners; as one writer asserted, we live in a “Winner-Take-All Society” (Powers, 2004). Our society has allowed monopolies and retail giants to control much of the commerce of the country, often at the expense of other local businesses left to languish in the shadow of these giants. Since these large businesses are just that—large businesses—we may have a tendency to symbolically attribute positive qualities to them by virtue of their dominance, and consequently desire to do our business with these overwhelming “Winners”.

This phenomenon is called “basking in reflected glory” (Cialdini, Borden, Thorne, Walker, Freeman, & Sloan, 1976), and describes the condition in which people seek to identify with proven winners in an attempt to confer some of that positive association onto themselves, their self-identity, and their self-esteem. While this process has been shown to be active within contexts of team loyalty and fan allegiances, it is unclear if the same mechanism is at work within the bounds of this study, as people may not identify with the types of businesses they patronize as strongly as they would a home sports team.

The second finding of this study, that Liberals have the highest attitudinal and behavioral preference for the underdog business, also bears interest. The fact that Moderates scored in the middle for both measures suggests a significant, non-random trend of a sort of underdog sympathy gradient that is lowest at the Conservative end and increases as the degree of Liberal self-identification increases.
This effect might be predicted from evidence in the political policy sphere, where Welfare and State-aid programs, whose beneficiaries are usually "underdogs" of a human sort, receive more support from Liberal-minded people than Conservatives. In a recent experiment, when presented with two hypothetical welfare and state-aid policies, liberal participants favored the more generous policy resoundingly compared to conservative participants (Cohen, 2003). It is unclear, however, exactly how this belief carries over into the consumer preference arena – one is spending money to receive an object of consumption – so the altruism component that may exert an influence on state-aid policies may not be relevant to our study.

Supporting public policy that could convert dollars unspent on welfare into tax breaks for the individual may be a personally economical choice, but it remains to be seen what the motivation for derogating underdog businesses is, given the more transactional nature of the exchange. The slightly higher costs sometimes associated with local businesses may be a factor, but some questions specified that cost was equivalent at both stores, and Conservatives in this sample came from wealthier backgrounds than Liberals (see Participants), making it unlikely that a concern for personal economics on the part of Conservatives was the rationale behind this difference. Instead, there must be an explanatory variable that occurs differently in the mindsets of those possessing Conservative orientations than it does in those with Liberal perspectives.

One suggestion lies in the realm of moral reasoning and tolerance of inequities. Political orientations may differ as a function of the value they assign to social equality (Helkama & Salminen, 1987), with Liberals potentially assigning a higher value to this virtue. If favoring an underdog business is viewed as the more socially just action, becoming a patron
of such an enterprise may satisfy the Liberals’ need for social fairness (Folger & Kass, 2000) – a need which may not exist to such an extent in Conservatives, who would then be rendered less motivated to pursue such a goal. Moral reasoning and political orientation may be, to some extent, inextricably linked; liberals have been shown to achieve significantly higher scores on tests of moral reasoning and principles (Emler, Renwick, & Malone, 1983). People have been found to invoke the moral attributions and connotations of the group’s ideology onto objects and events (Verplanken & Holland, 2002), and political orientations are certainly forms of social groups exerting influence on the individual subscribers.

Historically, according to some researchers, Conservatives have showed more of a tolerance for social inequality. During the post-Civil War Gilded Age, an economic situation existed that mirrors our current situation – the rich grew richer, and the poor grew poorer. Some critics suggest that Social Darwinism emerged as the “perfect ideological fig leaf” (Powers, 2004) for the wealthy – often Republican – to justify the inequities wrought by laissez faire economics. Powers (2004) cites historian Richard Hofstadter as commenting that “Darwinism was seized upon” for “conservative men [to appeal] when they wished to reconcile their fellows to some of the hardships of life and to prevail upon them not to support hasty and ill-considered reforms.”

Although the precise motivating impetus for differentiated consumer behavior along ideological lines is unclear, what is clear is the presence of an association between the two. Research has shown that strongly held consumer preferences often result in motivated or biased processing that prompts them to positively interpret their transaction and purchases (Jain & Maheswaran, 2000). Levinson (1990) compares the effect of this to stated messages and metamessages in marketing – choosing a particular seller of products or services might
have both a manifest and latent function, the latter of which may be the subjective attitudinal and emotional outcome from patronizing a certain business. Crockett and Wallendorf (2004) posit that consumer preferences and political ideologies are mutually reinforcing; a belief against Wal-mart mecca-type stores will motivate a consumer to choose a small business, and this choice will reiterate the consumer’s self-label as patron of small businesses who rallies against the siren call of the huge shopping warehouses. One’s internalization of political policy may motivate consumption choices, which in turn strengthen their self-conception towards their pre-existing ideological position.

The next two findings, that Liberals (who patronize underdog businesses the most) rated themselves the least moral, and that the group with the highest self-rated religiosity and morality had the least amount of sympathy for the underdog, are even less explanatorily clear. The difference between Conservatives and Liberals on self-rated morality and religiosity was intriguing, in light of the fact that a strong regional influence was ruled out by an analysis of variance on this variable yielding no significance. It would seem plausible that more Conservatives might hail from the Bible-Belt friendly South, and thus have religion and morals play a larger part of their self-conception, but no evidence was found to support this explanation.

Conservatives may perhaps be influenced by the traditional stance of the Republican party in media campaigns and speeches, one that invokes morality and God more commonly than occurs in Democratic press. One critic suggests that historically, Conservatives have used the label of high religiosity as the smoke and mirrors obscuring their Social Darwinist leanings (Powers, 2004); Conservatives may be more motivated to pull out the proverbial moral and religious trump card to divert attention from their less socially equitable economic
policies. Yet, this does not explain why Liberals would rate themselves as less moral than Conservatives. Future research in this vein should suggest reasons for why these variables are more intrinsic to the self-schemas of members of one political orientation than the other.

Lastly, consumer choice to patronize one kind of business over another may be linked to their personal values and moral belief schemas about the motivation and consequences of such an action. However, participants who considered themselves highly moral had the least attitudinal sympathy for the underdog, an effect that approached significance in our small sample. The same, although significant, effect was found for religion (the SDBI scale did not yield significant differences on this dimension). This is surprising given that having sympathy for others and aiding people in need are two cognitive-behavioral tenets common to many religions and systems of morality.

It is possible that participants operationally self-defined “morality” differently than was construed by this study; they may also have had a different conceptualization of the meaning of being religious as linked to the teachings of that religion. Also plausible is the fact that people may compartmentalize sectors of their lives; what is taught in church may have nothing to do with where they get the goods for their shopping carts. Some participants may have had a strong self-schema tied to being moral and religious, even if their current stated choices and preferences seem counterintuitive to high scores on such traits. However, these limitations do not explain why Liberals, who self-rated as least religious and least moral, had the highest preference for the underdog businesses. Is patronizing a local business somehow less moral? There is no support, empirically or logically, for this surprising result, so future research should try to further disentangle the lay-meaning of morality and religiosity and if it has a more global impact on individuals’ day to day lives.
Although the significance levels of all but result in this study were compelling, several limitations do exist. The most obvious of these is the homogeneity of the sample. All participants were necessarily undergraduates from a college-age bracket, and nearly all were non-minorities. Additionally, the majority of the sample reported being upper middle class or wealthy.

The exposure to different political issues may have been limited by the young age of the participants. Parental political affiliations may have substituted for actual strongly held beliefs, so participants' self-ratings may be more reflective of the familial environment and socially learned values than their own scrutinized and firmly-held political beliefs. Research in the field of political science suggests that political activity does increase throughout the adult life span, peaking at midlife (Conway, 1985; Milbrath & Goel, 1982). On a racial level, sympathy for the underdog may a function of an egalitarian social ideology, an ideology held more typically by the 'underdogs' of society themselves – non-white people from lower socio-economic brackets (Robinson & Bell, 1978), a subset of people that were underrepresented in this sample.

Other limitations exist within the experimental design. Different participants may have operationalized the semantics of "small business" differently; some may have assumed that these businesses are victims of large corporate entities, while others may have attributed their smallness to inferior merchandise. In addition, people may be necessarily more wary about trusting large purchases to a small local store, which may not offer as durable warranties or may go out of business at any time. Future research should seek to disentangle these possible contributory factors by varying questions along the lines of type of business, expense of the product being sought, how long the business has been an underdog, and the
locus of control of the underdog status – is it the business' fault, or the economic environment?

Lastly, it may be debatable whether some participants saw patronizing an underdog business as moral at all. It is nearly impossible to define morality in the context of what is agreeable to everyone; some participants may have felt good about favoring a corner grocery store because this has an attached social meaning of promoting social equality, while others may have felt good about derogating it and letting the natural order of business success and failure supersede any extant sympathies. Prosocial behavior may be relative depending on one's political perspective. Still, it remains that a significant difference did exist between political groups, no matter what the intervening variables that remain to be discovered might have been.

As Kurt Lewin once said (Hunt, 1987, p. 4), “there is nothing so practical as a good theory”. Findings from this study can yield many potential real-world applications for underdog businesses. To wed business and psychology forms a symbiotic relationship that complements both areas' limitations – it can produce findings that are as intellectually informed as they are grounded in the real world.

Generally speaking, underdogs must develop different strategies than large monopolies regardless of the political leanings of their consumer sector. Business strategists report that people will tolerate underdogs getting their hands dirty more than big businesses because underdog stores are the “scrapers” of the fight – they can “talk about, even take jabs at” their bigger competitors (Podmolik, 2004, p. 16) without being perceived as villains.

Underdog businesses should be prepared to “take more risks, be more creative, and go against the grain” (MacArthur, 2003, p. 40). A relevant local example is the sandwich wars
of Subway and Quiznos. While Quiznos has been classified as the underdog in the battle, in 2003 it was the fastest-growing chain by percent of store growth, with 46.7% more stores than in 2002 – a growth that many attribute to its “off-the-wall advertising” (MacCarthur, 2004). However, there may be limitations on the extent of underdog allegiance consumers are willing to give - some have suggested that businesses of this sort must be small enough to maintain their underdog status, but not so small or inferior that they are not worth fighting for (Schwartz, 2004). They must take care to project an image of competence despite size.

More specifically to the domain of this study, underdog businesses would be wise to engage in targeted marketing, the message of which would depend on the desired consumer base and their political persuasions. Small businesses have enjoyed success from the strategy of loyalty marketing, which is in accordance to the “80/20 law” of business: since 80 percent of revenue generally comes from only 20 percent of customers, small businesses must focus on their regulars to build and maintain the loyalty that may be crucial to the life or death of their business (Dowling & Uncles, 1997).

Research has shown that politics are apparent even in what media one favors, which could be useful for underdog businesses. A study that organized political beliefs on the dove versus hawk dimension (which roughly correlates to the liberal versus conservative dimension) found that “doves” rely mainly on media sources for their information about the world, while “hawks” rely more on familial and friend sources (Bar-Tal, Raviv, & Freund, 1994). In a liberal region, underdog businesses could advertise more heavily for maximal coverage, while in a conservative area, they may want to create customer incentives and community events to increase word-of-mouth.
With niche-marketing to consumer segments most likely to patronize that specific kind of business, underdog retailers may enjoy heightened success. For example, in an extremely liberal area it may be advisory to advertise one’s store as an underdog alternative; conversely, in a predominantly conservative area, it might be beneficial to downplay one’s underdog status to reap the maximal consumer fruits. One major finding of this study was the difference that demographics can truly make for a business—underdog businesses should take care to demographically analyze and segment their market, especially along the lines of religiosity and political orientation, as shown by this study.

This niche-marketing strategy has been shown to be efficacious for the schema activational processes it induces. Environmental symbols and cues—for example, about one’s status as an underdog—activate internalized sociocultural models in consumers that both structure their interpretation of objects and events and motivate their behavior in response (Brumbaugh, 2002). Marketing a business as an underdog alternative could invoke a desire in more liberal-minded people to patronize that business to keep their actions in line with their identity. This will likely guide them to choose the small business, and walk away from the register contentedly, with their semantic interpretation that they have done something that is morally congruent to their personal system of ethics.

Further research in this area is assuredly necessary to strengthen the findings of this study and to produce further findings that may provide direction for both real-world underdog businesses as well as theories involving politics and consumer ethics. One strength of this study was its use of political orientation as a manipulated variable; the meager research in this area has too often focused on materialism versus non-materialism, a quality that may not map on satisfactorily to political ideologies (Crockett & Wallendorf, 2004).
While underresearched, the intersection of political beliefs and consumer loyalty may yield fruitful and applicable results. Political beliefs encapsulate a wide variety of lifestyle variables that may explain why and where buyers choose specific places of business to do their shopping. Consumers may interpret businesses through certain lenses, one of which is political orientation, and act concordantly. An anecdotal example of the influence of politics on business loyalty is the renaming of french fries into “freedom fries”, and the popularity that businesses that adopted this name change enjoyed in light of the national sentiment of the moment (Crain, 2003).

For the business camp, research in this vein could supply important – and more importantly, marketable – knowledge about the consumers that dictate their sales and demand. Small businesses have long had to tailor their marketing to certain niches, and taking lifestyle demographics like political orientation into account when doing niche-marketing becomes especially relevant in places like Utah, where over 75% of people consistently self-identify as Republicans (Hamel & Shreiner, 1990).

Underdog businesses are in a unique economic position: while they may be unable to change their immediate industry status, they might be able to use the underdog effect to their advantage by responding to their consumer base by either showcasing or deemphasizing their status as an underdog, or not, in the business world.
References


Appendix A

For each question from 1 to 4, please circle the ONE answer that best represents your choice.

1. 2 stores are within approximately equal driving distance of you. Store A is a national chain store, and Store B is a small locally owned business. Which store would you go to first to see if they have the items you need?
   a) Store A
   b) Store B

2. You now know both Store A and Store B have the items you need, but since Store B is a locally owned business, it has to charge a higher price on most products to make a profit. Which store would you prefer to patronize for the items you need?
   a) Store A
   b) Store B

3. Again, both Store A and Store B have the items you need, and this time, their prices are roughly equivalent. However, the locally owned business is located some miles farther from you than Store A. Which store would you prefer to patronize for the items you need?
   a) Store A
   b) Store B

4. In general, if you could choose between giving your business to a large national company or a small “Mom and Pop” type store, which business would you prefer?
   a) National company
   b) Small local business
Appendix B

For the following questions, please circle the ONE number on the scale from 1 to 7 that best corresponds with your level of agreement. Please note that the scale is presented as follows:

1=strongly disagree, 2=disagree, 3=disagree slightly
4=NEITHER agree nor disagree
5=agree slightly, 6=agree, 7=strongly agree

5. Businesses like Wal-Mart are good to have in the community because of the lower prices they offer and the quality assurance of a national chain.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

6. Businesses like Wal-Mart are bad, because they take away from small local businesses and damper local entrepreneurial initiative.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

7. Comparatively speaking, a small local business “deserves” to succeed more than a large company.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

8. When I go to a chain store like Wal-Mart over a local store for whatever reason, I feel guilty for not making the extra effort to try and use a local business.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

9. I do not really sympathize with local business owners who lose business to big companies, as that is the nature of the capitalist economy and the best businesses are the ones that survive.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

10. I sympathize with local business owners who lose business to big companies, and make a personal effort to give my business to them whenever possible to help them survive, even when it may mean driving farther or paying more.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

11. I consider it my responsibility to use a local business to meet my material needs rather than a national chain.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)
12. I believe when a large national company moves into a community, it has negative economic consequences for small locally-owned businesses.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

13. I believe we should fight attempts of large national companies to enter a community whenever possible.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

14. Small businesses that do not yield as much profit as larger chain stores should receive no special favors; that is simply how the capitalist system works.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

15. Small businesses should receive some kind of government subsidies to reward their initiatives and keep commercial competition alive.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

16. National chain companies are preferable to local businesses because of their national standard of quality.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

17. Small local businesses are preferable to large national companies because they keep commercial competition alive, give business back to community members, and enable a diversity in products and services.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

18. I trust small local businesses just as much as a national chain company.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

19. The reason small businesses stay small is not because of large companies, it is because their goods and services are inferior to those of large companies.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

20. The reason small businesses do not make as much profit as larger companies is simply because they are not as established and well-known.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)

21. I often go to national chain stores rather than small businesses by choice.

(Strongly DISAGREE) 1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 (Strongly AGREE)
Appendix C

The following section involves questions about demographics. All answers will be kept strictly confidential.

1. Age:

2. Sex:

3. Year in school:

4. In what region of the country would you consider your hometown?
   a) Northeast
   b) Southeast
   c) Mid-Atlantic
   d) Midwest
   e) Mid-Pacific Coast
   f) Southwest
   g) Northwest
   h) Other
   i) International (please indicate your world region of origin)

5. How much time have you spent growing up in this region?
   a) Whole life or almost whole life
   b) Whole childhood
   c) Teenage years
   d) Moved there more recently

   How would you describe your hometown (or local area where you spent the majority your time growing up)?
   a) Very rural
   b) Rural to suburban
   c) Suburban
   d) Suburban but near an urban area
   e) Urban

7. Your best estimate of the average income of parents/guardians:
   a) Less than $49,999
   b) $50,000 - $74,999
   c) $75,000 - $100,000
   d) $100,000 - $125,000
   e) $125,000 - $150,000
   f) Over $150,000
   g) Unable to estimate this
8. For the most part, I consider my family to be:
   a) Lower class
   b) Between lower and middle class
   c) Middle class
   d) Between middle and upper class
   e) Upper class

9. How would you describe the political orientation of your parents?
   a) Mostly Conservative
   b) Moderate
   c) Mostly Liberal
   d) ECONOMICALLY conservative, SOCIALLY liberal
   e) ECONOMICALLY liberal, SOCIALLY conservative
   f) Mostly Libertarian

10. Which candidate did your parents support in the 2004 Presidential Election? (if you do not know who both of your parents voted for, answer for the parent whose choice you do know)
    a) Republican party candidate (Bush)
    b) Democratic party candidate (Kerry)
    c) Independent
    d) Libertarian (Badnarik)
    e) Green (Cobb)
    f) Mixed

11. Did you vote in the 2004 Presidential Election?
    a) yes
    b) no

12. Did you support the same candidate as your parents did in the 2004 Presidential Election?
    a) yes
    b) no
    c) they were mixed

13. How would you best describe your parents' influence on your own political orientation?
    a) Strong – explicitly stated that they wanted me to support their party
    b) Moderate – educated me in the principles of their party and what was lacking in the other party
    c) Moderate – did not hide their support for a particular party from me, but encouraged me to make my own decisions
    d) Weak – never discussed their reasons for a particular affiliation
    e) Neither of my parents are not politically oriented
14. How would you describe your own political orientation?
   a) Conservative and support the Republican party
   b) Conservative but do not support any specific party
   c) Moderate, lean towards Republican party
   d) Moderate, lean towards Democratic party
   e) Liberal and support the Democratic party
   f) Liberal but do not support any specific party
   g) ECONOMICALLY conservative, SOCIALLY liberal
   h) ECONOMICALLY liberal, SOCIALLY conservative
   i) Libertarian
   j) Green party
   k) Pro-life party

15. What political party did you support in the 2004 Presidential Election?
   a) Republican party candidate (Bush)
   b) Democratic party candidate (Kerry)
   c) Independent
   d) Libertarian (Badnarik)
   e) Green (Cobb)
   f) Other (please indicate)

16. Do you consider yourself a religious person?
   a) Not at all
   b) Slightly
   c) Moderately
   d) Strongly
   e) Very strongly

17. Do you consider yourself a moral person?
   f) Not at all
   g) Slightly
   h) Moderately
   i) Strongly
   j) Very strongly

18. Do you consider yourself a member of an ethnic minority?
   a) Yes
   b) No

19. How strongly do you identify with your ethnicity?
   a) Very strongly
   b) Moderately strongly
   c) Slightly
   d) Very little
   e) Not at all
20. Estimated academic Grade Point Average (GPA):
   a) 1.5 to 1.9
   b) 2.0 to 2.4
   c) 2.5 to 2.9
   d) 3.0 to 3.4
   e) 3.4 to 4.0

21. Are you currently involved in any kind of voluntary community service or other volunteer work, INDEPENDENT OF volunteering through a Greek organization?
   a) yes
   b) no

22. Have you ever been involved in this kind of work?
   a) yes (for how long: )
   b) no

23. Are you a member of a Greek organization?
   a) yes
   b) no
Figure 1. Effect of Political Orientation on Preference for the Underdog: Liberals vote with both mind (BAUB) and feet (SDBI) for underdog businesses
*All differences are significant, $p<0.02$
Figure 2. Conservatives’ and Liberals’ Self-Ratings for Morality and Religiosity; Conservatives self-rate higher on both dimensions
*All differences are significant, $p<0.01$
Figure 3. Differences in Underdog Cognitions Depending on Moral and Religiosity Ratings; Paradoxically, the higher the perceived self-morality or religiosity, the lower the support for the underdog business.

*Difference in morality non-significant, $p=0.06$
Figure 4. Politically, the sample was diverse. A slight majority \((n=24)\) self-identified as moderate overall, with "liberal" being almost as common \((n=20)\), and 10 participants identifying themselves as "conservative".
Figure 5. When grouped into more dichotomous groups, a majority of 55% of participants reported slight to strong liberal leanings ($n=33$), with 35% ($n=21$) reporting slight to strong conservative leanings. 4 participants reported being economically conservative but socially liberal, and 2 participants self-identified as “other”.
Figure Captions

*Figure 1.* Effect of Political Orientation on Preference for the Underdog: Liberals vote with both mind (BAUB) and feet (SDBI) for underdog businesses  
*All differences are significant, $p<0.02$

*Figure 2.* Conservatives' and Liberals' Self-Ratings for Morality and Religiosity; Conservatives self-rate higher on both dimensions  
*All differences are significant, $p<0.01$

*Figure 3.* Differences in Underdog Cognitions Depending on Moral and Religiosity Ratings; Paradoxically, the higher the perceived self-morality or religiosity, the lower the support for the underdog business  
*Difference in morality non-significant, $p=0.06$

*Figure 4.* Politically, the sample was diverse. A slight majority ($n=24$) self-identified as moderate overall, with “liberal” being almost as common ($n=20$), and 10 participants identifying themselves as “conservative”.

*Figure 5.* When grouped into more dichotomous groups, a majority of 55% of participants reported slight to strong liberal leanings ($n=33$), with 35% ($n=21$) reporting slight to strong conservative leanings. 4 participants reported being economically conservative but socially liberal, and 2 participants self-identified as “other”.

Author Note

Both the author, Kelly O’Connor, and the research advisor, Dr. Scott Allison, are currently part of the University of Richmond Department of Psychology. In the Fall of 2006, the author will become a part of the Department of Education at Loyola University Chicago.

This research was funded by a $500.00 Undergraduate Research Award Grant.

Many thanks to Dr. Scott Allison, whose ongoing research on the underdog phenomenon provided the impetus for the generalized topical focus of this study.

Correspondence concerning this article should be addressed to kellyannoconnor@gmail.com, or sallison@richmond.edu.