

DOCTORAL THESIS

Joint effects of VIP granting methods and non-VIP constomers' perceived similarity toward VIP customers on non-VIP customers' benign envy

Yang, Xin

Date of Award:
2015

[Link to publication](#)

General rights

Copyright and intellectual property rights for the publications made accessible in HKBU Scholars are retained by the authors and/or other copyright owners. In addition to the restrictions prescribed by the Copyright Ordinance of Hong Kong, all users and readers must also observe the following terms of use:

- Users may download and print one copy of any publication from HKBU Scholars for the purpose of private study or research
- Users cannot further distribute the material or use it for any profit-making activity or commercial gain
- To share publications in HKBU Scholars with others, users are welcome to freely distribute the permanent URL assigned to the publication

**Joint Effects of VIP Granting Methods and Non-VIP Customers' Perceived
Similarity toward VIP Customers on Non-VIP Customers' Benign Envy**

YANG XIN

**A thesis submitted in partial fulfillment of the requirements
for the degree of
Doctor of Philosophy**

Principal-Supervisor: Dr. Henry K. Y. FOCK

**Hong Kong Baptist University
July 2015**

DECLARATION

I hereby declare that this thesis represents my own work which has been done after registration for the degree of PhD at Hong Kong Baptist University, and has not been previously included in a thesis or dissertation submitted to this or any other institution for a degree, diploma or other qualifications.

Signature: _____

Date: July 2015

ABSTRACT

In the service industry, preferential treatment is a popular strategic approach for retaining valued customers (e.g., Barnes, 1997; Gronroos & Ojasalo, 2004; Zabin & Brebach, 2004; Lacey, Russell, Jaebeom, & Morgan, 2007; Mattila, Hanks, & Zhang, 2013). However, some researchers argue that preferential treatment can lead to customer dissention toward the service firms (Fournier, Dobscha, & Mick, 1998). Marketers are reminded not to ignore the majority of less-profitable non-VIP customers, who have potential to be developed into valuable VIP customers in the future and contribute to firms' economies of scale, total profits and healthy long-term growth (e.g., Zeithaml, Rust, & Lemon, 2001; Johnson & Selnes, 2005). The existing literature has mostly focused on negative responses (e.g., negative word-of-mouth, brand switching) of non-VIP customers in a preferential treatment context (Feinberg et al., 2002; Lehmann, 2001). However, positive responses of non-VIP customers in a preferential treatment scheme are largely neglected. Therefore, research on the positive responses from the majority of non-VIP customers is important for building a more complete theory of preferential treatment in this regard.

In the current research, *benign envy* refers to a positive motivation derived from envy that compels the envious person to catch up with the envied person. Non-VIP customers with benign envy are more likely to have positive responses (e.g., treatment upgrading, positive word-of-mouth) toward the desired possession of other customers (i.e., VIP treatment). Investigating the antecedents leading to non-VIP customers' benign envy of preferential treatment in the relationship marketing domain is a critical issue. Therefore, the primary objective of the current research is to investigate the antecedent conditions leading to non-VIP customers' benign envy in preferential treatment (i.e., VIP treatment) contexts.

To achieve my research objective of predicting benign envy of non-VIP customers, I first propose a popular market factor, the VIP granting method, as an antecedent variable influencing non-VIP customers' benign envy (criterion variable). Specifically, I propose two types of VIP granting methods which have different impacts on benign envy of non-VIP customers toward VIP treatment. The current research theorizes that ascription-oriented VIP granting methods (e.g., birthdate, gender, kinship) and achievement-oriented VIP granting methods (e.g., accumulated consumption points, accumulated mileage, stipulated deposits) determine the choice of salient dimensions for comparison between non-VIP customers and VIP customers, which in turn determines the outcome of comparison (similar vs. dissimilar).

The current research further investigates the mediation roles of perceived attainability and perceived deservingness to explain the psychological mechanisms that induce benign envy in non-VIP customers (Study 1). In addition, the current research examines the impact of cultural differences (ascription-oriented versus achievement-oriented) on perceived deservingness of VIP treatment by envied VIP customers (Study 2).

The current research contributes to the marketing theory of preferential treatment in four respects. First, this research operationalizes the concept of *benign envy* as a *motivation* rather than an emotion to help explain and understand the controversial concept of *benign envy* in previous studies (e.g., Tai, Narayanan, & McAllister, 2012; Van de Ven, Zeelenberg, & Pieters, 2009). Second, drawing on the concepts of ascription and achievement in the discipline of sociology, the current research classifies conventional VIP granting methods into two categories based on

customers' ascribed attributes (e.g., birthdate) and achieved attributes (e.g., accumulated mileage). This classification helps both scholars and practitioners better understand the impacts of different VIP treatment strategies on non-VIP customers. Third, a theoretical model is proposed to predict benign envy. The proposed model contributes to the service literature with an in-depth understanding of psychological processes explaining how the benign envy of non-VIP customers is induced in the preferential treatment marketing context.

Fourth, instead of drawing a holistic view on similarity as adopted in previous envy research and social comparison literature, the current research investigates the effects of similarity between the VIPs and non-VIPs from a more complex but realistic perspective. In this research, the upward social comparison which elicits envy was operationalized by similarity/dissimilarity along with two independent dimensions (ascription and achievement) instead of a unidimensional holistic perception. This operationalization allows the possibility that individuals will be similar in one dimension but dissimilar in another. The salient dimension of similarity between VIP customers and non-VIP customers thus can be triggered and manipulated by different VIP granting methods at the discretion of marketers. This advancement in the operationalization of similarity further contributes to envy studies and social comparison theory in the preferential treatment domain.

Finally, the current research contributes to the theory of envy from a cross-cultural perspective and reveals a cultural boundary condition of the effect of perceived similarity on perceived deservingness of VIP treatment, which in turn influences the valence of envy. My findings showed that the effect of perceived similarity on perceived deservingness is more pronounced in achievement-oriented cultures than in ascription-oriented cultures. This is because ascription-oriented non-VIP customers (vs. achievement-oriented) tend to respect and value the ascribed attributes regardless of whether they are the actual beneficiary (i.e., similar to the VIP in personal salient attributes).

ACKNOWLEDGMENTS

This dissertation is supported by a number of splendid people, without whom this dissertation would not have been possible. First, I am greatly indebted to my principal supervisor, Prof. Henry Fock for his continuous guidance both in my academic pursuit and life objectives. He gave me numerous support and assistance throughout the PhD training. Not only acted as a PhD supervisor, he also became a father-like mentor in my thesis research and my academic career. What I have learnt from him were not only his wisdom and talent, but also systematic research mindsets, research skills and counterintuitive observations. Particularly, I'm much obliged to Prof. Fock for helping me to improve my English and Cantonese, to develop my logical thinking in academic research, to point out my research direction, to strongly support my job-hunting and to help me become an independent researcher. His criticism and encouragement inspired me to work hard with continuous academic passion. It is my honor to have Prof. Henry Fock as my principal supervisor. I'm very grateful to Prof. Shirley Cheng, acting as my co-supervisor in my PhD study. She gave me a lot of help to improve my PhD thesis and provided me insightful comments on hypotheses development and experimental design.

My special thanks go to Prof. Ji Li, who is my collaborator and an indispensable mentor at the beginning of my research career. I am very fortunate to work with Prof. Ji Li during my service as his research assistant. He taught me a lot in management research area.

During my PhD study at Hong Kong Baptist University, I have also luckily received help from many faculty members, PhD classmates and administrative staff. I would like to express my sincere thanks to Prof. Gerard Prendergast, Prof. Fred Yim,

Prof. Noel Siu, Prof. Alex Tsang, Prof. Candy Ho, Prof. Cheng Qiu, Mr. Zhi Wang, Dr. Zhenyao Cai, Dr. Aimee Chen, Ms. Connie Li, Ms. Ho Yan Kwan, Mr. Arif Mahmood Antu, Ms. Junbang Lan, Dr. Moxi Song, Dr. Aishwarya Paliwal, Dr. Wenlan Zhang, Dr. Hong Zhu, Dr. Huanyong Chen, Dr. Xuan Wang, Ms. Jieying Xu, Ms. Emmy VAN ESCH, Ms. Yanghong Hu, Dr. Haomin Zhang, Ms. Pauline Yeung, Ms. Claudia Tsui, Ms. Carmen Chung and Ms. Iris Kam.

I would like to give my special thanks to my two external examiners, namely, Prof. Kimmy Chan from The Hong Kong Polytechnic University and Prof. Anna S. Mattila from The Pennsylvania State University. They provided very insightful comments and constructive suggestions to this thesis.

I want to express my deepest gratitude to my parents and Ms. Yu Yang who always support me in my study and daily life. Finally, I thank God for bringing all these people into my life.

*** This dissertation is supported by the General Research Fund of the Hong Kong Research Grants Council (Project Ref. No. HKBU242511).*

TABLE OF CONTENTS

DECLARATION	i
ABSTRACT	ii
ACKNOWLEDGMENTS	iv
TABLE OF CONTENTS	vi
LIST OF TABLES	x
LIST OF FIGURES	xi
CHAPTER 1 INTRODUCTION	1
1.1 Research Background	1
1.1.1 Purposes and Influences of Preferential Treatment	2
1.1.2 Challenges and Opportunities of Preferential Treatment	2
1.1.3 Two Sides of Envy toward Preferential Treatment and VIPs: Benign Envy and Malicious Envy for Non-VIP Customers	4
1.1.4 Possible Antecedents Leading to Benign Envy and Behavioral Consequences of Non-VIP Customers toward Preferential Treatment (Knowledge Gaps)	5
1.2 Research Objectives	7
1.3 Outline of Thesis	9
CHAPTER 2 LITERATURE REVIEW: THE THEORY OF ENVY AND ITS IMPLICATIONS IN MARKETING	11
2.1 The Emotion of Envy	11
2.1.1 General Definition of Envy	12
2.1.2 Taxonomy of Envy	12
2.2 Uniqueness of Envy	15
2.2.1 Envy versus Jealousy	15
2.2.2 Envy versus Admiration	16
2.3 Conceptualizations of Envy from Different Disciplines	17
2.3.1 Conceptualizations of Envy in Social Psychology	18
2.3.2 Conceptualizations of Envy in Marketing	21
2.3.3 Conceptualizations of Envy in Management	23
2.4 Benign Envy: the Positive Motivation to Cope with the Envy Emotion	24

2.5 Implications of Benign Envy and Malicious Envy in Marketing	27
CHAPTER 3 LITERATURE REVIEW: STIMULATING FACTORS OF BENIGN ENVY—A SOCIAL COMPARISON PESPCTIVE	29
3.1 Where Does Envy Come From?	29
3.3 Perceived Attainability	33
3.4 Perceived Deservingness	34
3.5 Knowledge Gaps of Benign Envy in Preferential Treatment	35
CHAPTER 4 HYPOTHESES DEVELOPMENT: INSIGHTS FROM THE THEORY OF ASCRIPTION AND ACHIEVEMENT.....	38
4.1 Bridging the Knowledge Gaps with the Theory of Ascription and Achievement	38
4.1.1 Linkage between Perceived Similarity and the Theory of Ascription and Achievement	39
4.1.2 Linkage between Perceived Attainability and the Theory of Ascription and Achievement	40
4.1.3 Linkage between Perceived Deservingness and the Theory of Ascription and Achievement	41
4.2 Definitions of Ascription and Achievement.....	43
4.3 Differences between Ascribed Attributes and Achieved Attributes	44
4.4 Implications of Ascription and Achievement in VIP Treatment	46
4.5 Two Types of VIP Granting Methods (Ascription vs. Achievement).....	48
4.6 Effect of Types of VIP Granting Methods on Benign Envy of Non-VIP Customers via Perceived Attainability	50
4.6.1 Effect of Types of VIP Granting Methods on Envious Non-VIP Customers' Perceived Attainability: Moderating Effect of Personal Salience Attribute	54
4.7 Effect of Types of VIP Granting Methods on Benign Envy of Non-VIP Customers via Perceived Deservingness	57
4.8 Effect of Personal Salient Attribute Triggered by Ascription-Oriented VIP Granting Method on Non-VIP Customers' Perceived Deservingness	60
4.9 Effect of Personal Salient Attribute Triggered by Ascription-Oriented VIP Granting Method on Non-VIP Customers' Perceived Deservingness-Moderating Role of Ascription-Achievement Culture.....	62

CHAPTER 5 THE EFFECT OF TYPES OF VIP GRANTING METHODS ON NON-VIP CUSTOMERS' BENIGN ENVY (STUDY1)	67
5.1 The Benign Envy and Malicious Envy Scales	67
5.2 Methods	70
5.2.1 Overall Design and Manipulation	70
5.2.2 Procedures	72
5.3 Results	74
5.3.1 Manipulation Checks	74
5.3.2 Confirmatory Factor Analysis (CFA) for Measures	76
5.3.3 Hypotheses Testing	78
CHAPTER 6 JOINT EFFECT OF PERSONAL SALIENT ATTRIBUTE AND CULTURE ON PERCEIVED DESERVINGNESS (STUDY2)	84
6.1 Cultural Priming Issues	84
6.2 Methods	85
6.2.1 Overall Design and Manipulation	85
6.2.2 Procedure	86
6.3 Results	88
6.3.1 Manipulation Checks	88
6.3.2 Hypotheses Testing (H5)	90
CHAPTER 7 CONCLUSIONS AND IMPLICATIONS	95
7.1 Summary of Key Findings and Theoretical Contributions	95
7.1.1 Conceptualization of Benign Envy in Envy Context	95
7.1.2 Advancement of the Conceptualization of Similarity	96
7.1.3 Taxonomy of VIP Granting Methods: Ascription-Oriented versus Achievement-Oriented	97
7.1.4 Psychological Process in Eliciting Envious Non-VIP Customers' Benign Envy: The Mediating Role of Perceived Attainability of VIP Treatment	98
7.1.5 Psychological Process in Eliciting Non-VIP Customers' Benign Envy: The Mediating role of Perceived Deservingness of VIP Treatment	99
7.1.6 Perceptions Variances of Perceived Deservingness: Evidence from Ascription-Oriented versus Achievement-Oriented Values	100

7.2 Managerial Implications.....	102
7.2.1 Implication for the design of VIP treatment	102
7.2.2 Implications for VIP treatment in a cross-cultural context	104
7.3 Limitations and Future Research.....	105
REFERENCES	109
APPENDICES	139
Appendix 1: The Conceptualizations of Envy in Psychology, Management, and Marketing	139
Appendix 2: Experimental Instruments.....	146
Appendix 3: Cultural Priming Instruments	148
Appendix 4: Scales Used in Field Studies	149
CURRICULUM VITAE	152

LIST OF TABLES

Table 1: Differences among Envy, Jealousy, and Admiration	15
Table 2: Conceptualizations of Envy in Social Psychology, Marketing, and Management	18
Table 3: Individual Differences between Ascribed Attributes and Achieved Attributes	46
Table 4: Confirmatory Factor Analysis for Benign Envy and Malicious Envy	70
Table 5: Demographic Profile of Respondents (Study 1).....	72
Table 6: Confirmatory Factor Analysis for Mediators and Dependent Variables	77
Table 7: Mean Ratings of Perceived Attainability to Obtain VIP Treatment.....	79
Table 8: Mean Ratings of Perceived Deservingness of VIP Treatment	82
Table 9: Demographic Profile of Respondents (Study 2).....	87
Table 10: Mean Rating of Perceived Deservingness of VIP Treatment.....	91
Table 11: Summary of Findings in Study 1 and Study 2.....	94

LIST OF FIGURES

Figure 1: The Conceptual Model	10
Figure 2: Classification of Envy Emotion	12
Figure 3: Mediation Role of Perceived Attainability between VIP Granting Methods and Non-VIP Customers' Benign Envy	53
Figure 4: Moderation Role of Personal Salient Attribute	56
Figure 5: Mediation Role of Perceived Deservingness between VIP Granting Methods and Non-VIP Customers' Benign Envy	60
Figure 6: Joint Effects of Two Types of VIP Granting Methods and Personal Salient Attributes on Perceived Attainability	79
Figure 7: Joint Effects of Two Types of VIP Granting Methods and Personal Salient Attributes on Perceived Deservingness	82
Figure 8: The Interaction Effect of Culture (Ascription versus Achievement) and Personal Salient Attribute (Similar versus Dissimilar) on Perceived Deservingness When VIP Granting Method is Based on Selected Birthdate	92
Figure 9: The Interaction Effect of Culture (Ascription versus Achievement) and Personal Salient Attribute (Similar versus Dissimilar) on Perceived Deservingness When VIP Granting Method is Based on Bonus Points	93

CHAPTER 1

INTRODUCTION

In relationship marketing, preferential treatment (i.e., VIP treatment) is a strategic approach to retain valued customers (e.g., Zabin & Brebach, 2004) and attract potential customers. In previous research on preferential treatment, positive responses (e.g., being valued, increasing purchases, positive word-of-mouth) of VIP customers (e.g., Lacey, Russell, Jaebeom, & Morgan, 2007) and negative responses (e.g., unfairness, brand-switching, negative word-of-mouth) of non-VIP customers (Mikula, Scherer, & Athenstaedt, 1998) have been studied to enrich the theory of preferential treatment in the relationship marketing domain. However, the positive responses of the majority of non-VIP customers, who together contribute heavily to firms' profit, have yet been addressed. This thesis attempts to fill the current research gap by proposing a theoretical model to predict positive responses associated with benign envy of non-VIP customers toward preferential treatment.

1.1 Research Background

In this part, the purposes and influences of preferential treatment, identified by scholars and practitioners, are summarized first. Second, challenges and opportunities related to improve preferential treatment is explicated to show the research motivation of this thesis. Third, a cue to improve the effects of preferential treatment strategies is provided from the views of increasing non-VIP customers' positive responses with benign envy. Fourth, potential factors influencing non-VIP customers' positive responses with benign envy are proposed.

1.1.1 Purposes and Influences of Preferential Treatment

Preferential treatment (e.g., VIP treatment) is defined as the practice of giving elevated social status recognition and/or additional or enhanced products and services to selected customers, which are above and beyond the standard firm value propositions and customer service practices (e.g., De Wulf & Odekerken-Schroder, 2003; Gwinner, Gremler, & Bitner, 1998; Lacey, Russell, Jaebeom, & Morgan, 2007). In service industries, preferential treatment of VIP customers has been widely adopted in practice (e.g., Lacey, Russell, Jaebeom, & Morgan, 2007; Mattila, Hanks, & Zhang, 2013). Leading service firms, such as Hilton Hotels, Star Alliance, and American Express, have set up different VIP or preferential guest programs for their valuable customers to strengthen their business relationships, reinforce customers' loyalty behaviors, and increase their business profits.

When VIP customers receive preferential treatment, they display positive psychological and behavioral responses, such as the feeling of being valued and important (Drèze & Nunes, 2009), increased relationship commitment to the service provider (Barnes, 1997; Hennig-Thurau, Gwinner, & Gremler, 2002), re-patronization (Schneider & Bowen, 1999), and willingness to provide positive customer feedback (Lacey, Russell, Jaebeom, & Morgan, 2007). In general, preferential treatment is considered an effective strategy to reinforce the relationship between VIP customers and related firms (e.g., Lacey, Russell, Jaebeom, & Morgan, 2007; Butori & De Bruyn, 2013).

1.1.2 Challenges and Opportunities of Preferential Treatment

Scholars have questioned the overall benefit of preferential treatment. Previous studies have documented that giving preferential treatment to minority

customers (i.e., VIPs) induces negative responses from the majority (i.e., non-VIPs) (Feinberg et al., 2002; Lehmann, 2001; Steinhoff & Palmatier, 2014) because preferential treatment creates different tiers of customer service that essentially deny or limit the access of less valuable customer segments (Lacey, Russell, Jaebeom, & Morgan, 2007). Consequently, preferential treatment may lead to dissention among practicing firms' customers (Fournier, Dobscha, & Mick, 1998). When a non-VIP customer observes a VIP customer enjoying preferential treatment, the non-VIP customer may have negative psychological responses, such as a perception of unfairness, jealousy, or malicious envy. These negative psychological responses, in turn, may lead to unfavorable behaviors toward the service organization, such as brand-switching and negative word-of-mouth (Feinberg et al., 2002; Lehmann, 2001; Van de Ven, Zeelenberg, & Pieters, 2011). In this regard, the magic of VIP strategy is in doubt.

Zeithaml, Rust, and Lemon (2001) reminded marketers not to ignore the majority of less-profitable customers who have the potential to become VIP customers, providing opportunities to improve VIP treatment. This not only implies that non-VIP customers should be given chances to become VIP customers in the future, but also suggests that non-VIP customers are willing to maintain the relationship with related firms even if they are differentiated from VIP customers. Although the effectiveness of preferential treatment in raising VIP customers' satisfaction and profitability is affirmed by previous research (e.g., Lacey, Russell, Jaebeom, & Morgan, 2007), the positive responses from the majority of non-VIP customers in the preferential treatment scheme are largely neglected. Thus, the key task to improve VIP strategy is to increase non-VIP customers' positive responses to the VIP program. In this regard,

the eliciting positive motivation, rather than negative motivation, tends to be important to induce positive responses of non-VIP customers.

1.1.3 Two Sides of Envy toward Preferential Treatment and VIPs: Benign Envy and Malicious Envy for Non-VIP Customers

Preferential treatment reflects the differences between VIP customers and non-VIP customers. These differences are outcomes of social comparison between envied VIP customers and envious non-VIP customers. Envious non-VIP customers may interpret such differences in different ways and subsequently have different motivations toward envied VIP customers and envied VIP treatment. On one hand, if some non-VIP customers do not care about receiving preferential treatment based on VIP or non-VIP categorization, they may not envy VIP customers who are enjoying VIP treatment. On the other hand, if non-VIP customers are sensitive to comparison with VIP customers, one possible reaction toward VIP customers is the emotion of envy.

The emotion of envy is traditionally assumed to be negative and characterized by hostile features (Smith et al., 1994; Feather & Sherman, 2002; Smith & Kim, 2007). However, recent research has suggested that the conceptualization of envy contains two opposite directional emotions: *benign envy* and *malicious envy* (Van de Ven, Zeelenberg, & Pieters, 2009; 2011). Both benign envy and malicious envy are defined as a frustrated envy emotion, but the two types of envy may lead to different behavioral consequences (Van de Ven, Zeelenberg, & Pieters, 2011). Van de Ven, Zeelenberg, and Pieters (2011) stated that “*maliciously envious* people feel frustrated and try to level the difference with the superior others by pulling those others down;

benignly envious people also feel frustrated but they try to level the difference by moving themselves up” (p. 985).

According to previous consumer studies in social comparison, when non-VIP customers experience malicious envy, they have negative feelings (e.g., inferior or unfavorable feelings) caused by the treatment differences between VIP customers and non-VIP customers (e.g., Feinberg et al., 2002; Lehmann, 2001). Moreover, customers with malicious envy may engage in negative behaviors, such as brand-switching or negative word-of-mouth (e.g., Feinberg et al., 2002; Lehmann, 2001; Van de Ven, Zeelenberg, & Pieters, 2011).

In a similar vein, non-VIP customers may have positive behavioral responses (e.g., treatment upgrading, positive word-of-mouth) associated with benign envy and negative behavioral responses (e.g., relationship breakdown, brand switching) correlated with malicious envy, when they envy others who have attractive products or services (i.e., VIP treatment) (e.g., Smith & Kim, 2007; Van de Ven, Zeelenberg, & Pieters, 2009; Belk, 2011). However, the antecedents that induce positive responses of envious non-VIP customers toward preferential treatment have attracted little attention in relationship marketing research. Thus, it is important to address this important research gap to enrich the theory of preferential treatment.

1.1.4 Possible Antecedents Leading to Benign Envy and Behavioral Consequences of Non-VIP Customers toward Preferential Treatment (Knowledge Gaps)

Existing studies in social psychology have suggested that the more similar an envious person is to another, the more intense the envy of the envied person is expected to be (e.g., Salovey & Rodin, 1984; Smith & Kim, 2008). However, it is

difficult to judge similarities between two persons. In real life, any two persons can be similar in some aspects (e.g., age) and dissimilar in others (e.g., gender) simultaneously. Whether the two persons are similar or not depends on the type of attributes used for comparison. It is not known which type of attribute is used by non-VIP customers to compare with VIP customers and under what situations.

Prior studies have suggested that customers' intensity of benign envy elicited by desired products is correlated with their self-controlled ability to obtain superiorities of the envied person (Van de Ven, Zeelenberg, & Pieters, 2009). Since benign envy is defined as frustrated emotion and motivates envious customers to obtain desired products, it is unclear how self-controlled ability acts, either by reducing envious customers' frustrated feelings or by increasing envious customers' motivation to get the envied products.

When an individual compares him- or herself to another person, the individual's motivation for the superior attribute is influenced by the perceived likelihood of whether or not the superiority of another person is attainable (Lockwood & Kunda, 1997). In this regard, the current research argues that non-VIP customers may have more (vs. less) benign envy to obtain VIP treatment when the VIP treatment has high (vs. low) perceived attainability. In VIP contexts, factors to predict perceived attainability of envious non-VIP customers have barely been explored.

Last but not the least, benign envy in this thesis is conceptualized as a positive motivation, elicited by the envy emotion but free of hostile feelings toward the envied persons. This study argues that benign envy is affected by the deservingness of desired objects, referring to a more subjective evaluation of the possession of envied objects (e.g., Feather & Sherman, 2002; Van de Ven, Zeelenberg, & Pieters, 2009; Ben, 1992; Ortony et al., 1988). In preferential treatment contexts, if the possession of VIP

treatment is deserved, non-VIP customers should experience benign envy instead of malicious envy. However, which factors influence non-VIP customers' perceived deservingness of VIP treatment is under-researched. Furthermore, deservingness mentioned as a subjective evaluation may be assessed contingent on the cultural values of non-VIP customers. With the backdrop of globalization, non-VIP customers may come from different cultures and thus may have different values to interpret their deservingness. Accordingly, understanding the cultural differences in judgments of deservingness of VIP treatment tends to be important to induce the benign envy of non-VIP customers.

1.2 Research Objectives

Prior studies have suggested that *benign envy and malicious envy* are two distinct envy emotions (Smith & Kim, 2007; Van de Ven, Zeelenberg, & Pieters, 2009, 2011). However, acceptance of a benign form of envy may make it difficult to understand the nature of envy (Smith & Kim, 2007) because envy is defined as a negative emotion with hostile feelings. To establish a clearer conceptualization of envy, this thesis aims to conceptualize a positive motivation to cope with the envy emotion, namely *benign envy*. Thus, the first objective of this thesis is to provide a clearer conceptualization of the envy emotion and its positive motivation.

As previously discussed in section 1.1.4, although benign envy is influenced by factors including perceived similarity, it is yet not clear how benign envy of non-VIP customers is predicted by perceived similarity. The current research not only attempts to verify such prediction in VIP treatment marketing contexts, but also aims

to clarify the factor triggering non-VIP customers to use specific attributes to compare with VIP customers. The improved understanding of the triggering factor would help in understanding the psychological process in eliciting non-VIP customers' benign envy. Therefore, the second objective of this thesis is to explore situational factors that determine the salient attributes of non-VIP customers for comparison with VIP customers.

Although the motivation for self-improvement through upward social mobility may be influenced by perceived attainability of others' superiorities (e.g., Mussweiler & Epstude, 2004; Smith & Kim, 2007), whether benign envy of envious persons is affected by their perceived attainability to obtain the envied advantages is empirically unconfirmed. Moreover, the mechanism behind how envious non-VIP customers' perceived attainability to obtain VIP treatment is predicted or influenced by other factors is not known. Thus, the third objective of this study is to investigate and identify the factors that affect envious non-VIP customers' perceived attainability of the desired service.

In addition, previous literature has suggested that perceived deservingness may predict two opposite directional emotions (benign envy and malicious envy) (Feather & Sherman, 2002), but we do not understand the mechanism by which non-VIP customers' perceived deservingness of VIP treatment is judged. Therefore, the fourth objective is to explore how non-VIP customers' perceived deservingness is influenced by its antecedent. Moreover, this thesis argues that the concept of deservingness is culturally bound. Thus, the fifth objective of this paper is to test how cultural differences affect non-VIP customers' perceived deservingness.

In sum, the current research aims to fill these knowledge gaps by unveiling factors and conditions that predict and induce benign envy of non-VIP customers

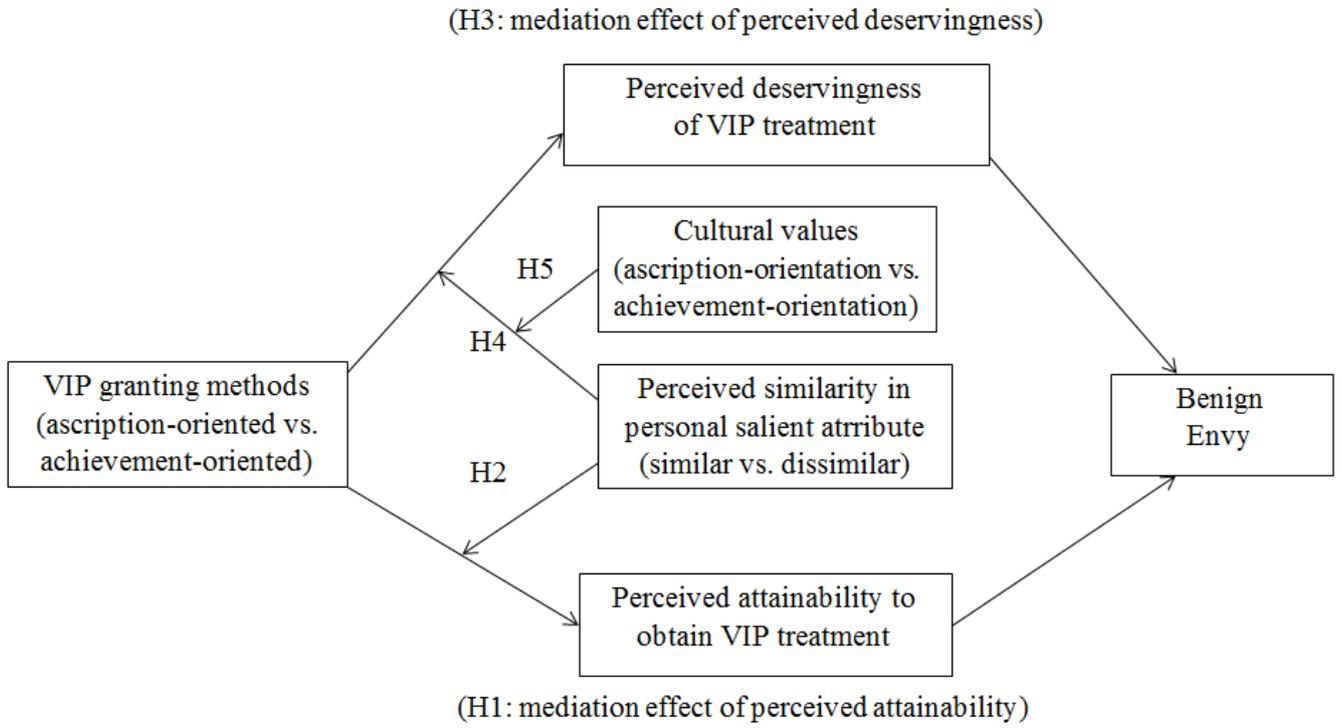
toward VIP treatment. To achieve this main research objective, this thesis proposes a theoretical model (see Figure 1) in a preferential treatment context to predict non-VIP customers' benign envy.

1.3 Outline of Thesis

The rest of this thesis is organized as follows. Chapter two provides a literature review on the theory of envy. In this chapter, the thesis refines the concept of benign envy as a positive motivation to cope with the envy emotion. Chapter three presents the antecedents of envy emotion and its positive motivation (i.e., benign envy) from social comparison theory. Chapter four introduces the theory of ascription and achievement from sociology to understand the antecedents of non-VIP customers' benign envy toward VIP treatment. This chapter also includes the research framework and hypotheses development. Chapter five (Study 1) and Chapter six (Study 2) provide detailed procedures for two studies and present empirical results to support the proposed hypotheses. Chapter seven summarizes the research findings, major theoretical contributions, managerial implications, limitations, and directions for future research.

Figure 1

The Conceptual Model



CHAPTER 2

LITERATURE REVIEW:

THE THEORY OF ENVY AND ITS IMPLICATIONS IN MARKETING

The conceptualization of envy is controversial. The definitions of envy in the literature of different disciplines are inconsistent and vague. In this chapter, I first provide a general review of the envy emotion (section 2.1.1). Then, I present different types of envy and compare them (section 2.1.2). To further clarify the nature of envy, this chapter compares the emotion of envy with two concepts which are close to envy: jealousy and admiration (section 2.2). Thereafter, this chapter discusses the conceptualizations of envy in disciplines including social psychology (section 2.3.1), marketing (section 2.3.2), and management (section 2.3.3). To address the controversial meanings of envy, this chapter conceptualizes a positive motivation to cope with the envy emotion, that is, benign envy (section 2.4). In section 2.5, the implications of benign and malicious envy in marketing are provided to better understand the importance of benign envy for non-VIP customers in a preferential treatment context.

2.1 The Emotion of Envy

In this section, the definition of envy in general is summarized. To further understand the emotion of envy, this section shows different types of envy and compares them.

2.1.1 General Definition of Envy

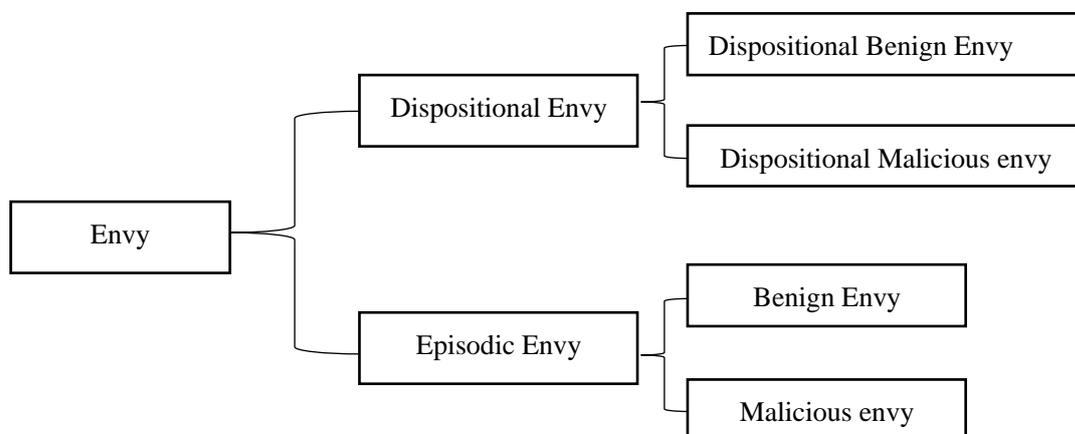
What is envy? The answer is inconsistent. In Webster’s dictionary, *envy* refers to the feeling of wanting to have what someone else has. In the Oxford dictionary, *envy* is defined as a feeling of discontented or resentful longing aroused by someone else’s possessions, qualities, or luck. According to the two most popular dictionaries, envy is a mixed concept with a painful feeling caused by someone else’s advantages and a longing to have what others have. The definitions of envy in academic research are even more controversial across different disciplines.

2.1.2 Taxonomy of Envy

To understand the concept of envy, this section summarizes various types of envy together with their differences. Previous studies have delineated two broad types of envy (see Figure 2): dispositional envy (stable tendency) and episodic envy (temporary, situation-specific) (e.g., Smith, Parrott, Diener, & Kim, 1999; Cohen-Charash & Mueller, 2009; Lange & Crusius, 2014).

Figure 2

Classification of Envy Emotion



It is important to differentiate episodic envy from dispositional envy. Episodic envy can be experienced by any individual regardless of his or her personal tendencies to experience envy (i.e., dispositional envy) because being a chronically envious person is different from occasionally experiencing envy. Accordingly, to experience episodic envy, a person need not be chronically malicious or feel inferior (Cohen-Charash, 2009). Furthermore, episodic envy is experienced in a specific person and outcomes from a specific event in which the other person has something the person wants for himself or herself, but dispositional envy is an overall way of seeing other people and their fortunes. In sum, episodic envy and dispositional envy may derive from different causes and may lead to different reactions to an envied event. Therefore, distinguishing episodic envy from dispositional envy will help us better understand envy, its antecedents, and its consequences.

Dispositional envy. Dispositional envy refers to a chronic sense of inferiority, which lays the incipient groundwork for the envious person's response to another's advantage (Smith, Parrott, Diener, & Kim, 1999). Every person has his or her own chronic values, which means each individual has characteristic personality traits or qualities that make him or her unique (Basavanthappa, 2007, p. 522). As a personal tendency to experience envy, dispositional envy is defined as a type of personality trait (Smith, Parrott, Diener, & Kim, 1999) which is characterized by a chronic feeling of inferiority, chronic sense of ill will toward those who are better off (Smith, Parrott, Diener, & Kim, 1999), and being unhappy with one's situation (Gold, 1996). Lange and Crusius (2014) show that dispositional envy is characterized by two independent dimensions: dispositional benign envy and malicious envy. The two types of dispositional envy are treated as an individual propensity to responses to social comparison. Moreover, Lange and Crusius (2014) show that dispositional benign

envy is fueled by an optimistic achievement motive. In contrast, dispositional malicious envy is fueled by a pessimistic fear of not living up to the standard of excellence provided by the envied person (Lange & Crusius, 2014).

Episodic envy. Situation-specific envy is referred to as episodic envy, an experienced negative emotional state resulting from a negative social comparison (Cohen-Charash, 2009). Everyone tends to experience envy when he or she is outperformed by another person in a domain that is important to him or her. People may have different intensities of dispositional envy based on their own chronic values. Episodic envy, different from dispositional envy, can be experienced by any person as a result of upward social comparison (i.e., non-VIP treatment vs. VIP treatment). Thus, episodic envy and its implications are more widespread and profound than those of dispositional envy (Cohen-Charash, 2009). Although prior studies have mentioned two types of episodic envy (benign envy and malicious envy; see Figure 2) (i.e., Van de Ven, Zeelenberg, & Pieters, 2009), the concepts of benign envy and malicious envy are confounded. This chapter presents more detailed elaboration about benign envy and malicious envy in sections 2.3 and 2.4.

In marketing situations, customers often experience some comparison with other customers (e.g., celebrities, advertising models, colleagues, friends, strangers) who have attractive products or services that they lack (e.g., Belk, 2011). The current research focuses on episodic envy based on experienced situations in a VIP context rather than dispositional envy related to individual differences. This study aims to investigate customers' episodic envy experiences and the responses to envied products or better treatment (i.e., VIP treatment) in specific situations in preferential treatment rather than customers' personal trait of envy (i.e., dispositional envy).

2.2 Uniqueness of Envy

To further understand the concept of envy, I compare envy with other similar emotions, including jealousy and admiration, in this section. A summary is presented in Table 1.

Table 1: Differences among Envy, Jealousy, and Admiration

Difference	Envy	Jealousy	Admiration
Feelings	Inferiority, longing, resentment, and disapproval	Fear of loss, distrust, anxiety, and anger	Pleasant, happy
Sources	Lacking another's superior quality, achievement, or possession	Arising when a person is under threat of losing something	When encountering another person who is better in something important
Comparison-based motivational tendencies	Upward social comparison Leveling up, pulling down	Optional Motivation to keep something	Optional Praise with little or no motivation to level up

Note: The characteristics shown in Table 1 are summarized from Salovey and Rodin (1984), Ortony, Clore, and Collins (1988), Parrott and Smith (1993), Algoe and Haidt (2009), and Van de Ven, Zeelenberg, and Pieters (2009).

2.2.1 Envy versus Jealousy

The concepts of envy and jealousy are frequently confused. In real life, envy and jealousy are often interchangeable. Although envy is commonly equated to jealousy in daily language, clear differences exist in the psychology literature (e.g., Parrott & Smith, 1993; Smith et al., 1988; Van de Ven, Zeelenberg, & Pieters, 2009). Envy is characterized by feelings of inferiority, longing, resentment, and disapproval of the emotion, whereas jealousy involves fear of loss, distrust, anxiety, and anger

(Parrott & Smith, 1993). Envy occurs when a person lacks another's superior quality, achievement, or possession and either desires it or wishes that the other lacked it (the domain is related to self-definition) (Salovey & Rodin, 1984), whereas jealousy necessarily occurs in the context of a relationship and arises when a person is afraid of losing something (Neu, 1980).

Envy is often induced when another has what one lacks, whereas jealousy is usually concerned with the loss of a relationship that one already possesses (Parrott & Smith, 1993). Normally, envy involves two elements (oneself and a person to whom one compares oneself unfavorably), whereas jealousy requires three (oneself, a partner with whom one has a relationship, and a rival to whom one fears that this relationship will be lost) (Van de Ven, Zeelenberg, & Pieters, 2009). The two emotions focus on different aspects: Envy focuses on lacking superiorities, whereas jealousy focuses on the threat of losing another's fidelity.

2.2.2 Envy versus Admiration

Although both envy and admiration may contain the desire for a coveted object, envy differs from admiration. Envy is an unpleasant, frustrating experience in which people are involved in upward social comparison and find that another person is better off than themselves (Van de Ven, Zeelenberg, & Pieters, 2011). Admiration does not necessarily derive from intense social comparison, which is positive and lacks hostile feelings toward the better-off person (Algoe & Haidt, 2009; Ortony, Clore, & Collins, 1988). Scholars may admire athletes' good performance in sports competitions but may envy other scholars with good performance in research. To some extent, admiration may be not a painful emotion because the admired domain

may not affect the self-image. This key difference between envy and admiration demonstrates that envy outperforms admiration as envy elicits the motivation to improve oneself or bring others down to protect one's self-image (Van de Ven, Zeelenberg, & Pieters, 2009). Again, these differences between envy and admiration indicate that the painful emotion of envy is more likely to elicit subsequent positive or negative motivations than admiration without painful feelings.

In sum, envy is a unique emotion that differs from other similar emotions. The uniqueness of envy comes from its accompanied positive and negative motivations to cope with the pain suffered from lacking the desired superiorities. This uniqueness addresses the importance of finding the antecedents to predict the positive motivation (i.e., benign envy) of envious non-VIP customers in a VIP context.

2.3 Conceptualizations of Envy from Different Disciplines

The concept of envy is rooted in social psychology and adapted to the marketing and management areas. However, the conceptualization of envy remains controversial in these areas. Scholars from social psychology, management, and marketing have different interpretations of envy from different perspectives. The conceptualizations of envy in the above three areas are summarized in this thesis (see appendix 1). This section provides a comprehensive view to understand the concept of envy by reviewing the literature from social psychology (section 2.3.1), marketing (section 2.3.2), and management (section 2.3.3). A summary is presented in Table 2.

Table 2: Conceptualizations of Envy in Social Psychology, Marketing, and Management

Discipline	Nature	Dimension	Motivational consequences
Social psychology	Emotion	Two dimensions: malicious envy and benign envy	Leveling up by benign envy; pulling down by malicious envy
Marketing	Emotion & motivation	Two dimensions: malicious envy and benign envy	Leveling up by benign envy; pulling down by malicious envy
Management	Emotion	One dimension: painful emotion caused by upward social comparison	Depending on individual and organizational factors

Note: The conceptualizations of envy in Table 2 are summarized from Parrott and Smith (1993), Smith and Kim (2007), Van de Ven, Zeelenberg, and Pieters (2011), Belk (2011), Tai, Narayanan, and McAllister (2012), Duffy et al. (2012), and Crusius and Lange (2014).

2.3.1 Conceptualizations of Envy in Social Psychology

Traditionally, scholars from social psychology have defined *envy* as an unpleasant, often painful emotion characterized by feelings of inferiority, hostility, and resentment produced by one’s awareness of another person or group of persons who enjoy a desired possession, social position, attribute, or quality of being (e.g., Parrott, 1991; Parrott & Smith, 1993; Smith & Kim, 2007; Takahashi et al., 2009). Envy includes feelings of inferiority, longing, resentment, and ill will toward the envied person (Parrott & Smith, 1993). Envy in social psychology is generally defined as a social-comparison-based emotion featuring negative affective reactions to the superior fortunes of others (e.g., Heider, 1958; Ortony, Clore, & Collins, 1988; Smith, Kim, & Parrott, 1988).

Early studies in psychology pointed out that people use the word *envy* in at least two types of meanings, namely, “*malicious envy*” and “*benign envy*” (e.g., Foster, 1972; Neu, 1980; Silver & Sabini, 1978; Smith & Kim, 2007; Fiske, 2010). These two types of envy are distinct from each other and are discussed in detail below.

Malicious envy. The concept of malicious envy, as Smith and Kim (2007) mentioned, is the meaning found in dictionary definitions and is the common understanding of envy. Malicious envy refers to the unpleasant emotion that arises when we compare ourselves with others and want to have what others have. Malicious envy, which is also called *envy proper*, is a hostile emotion often directed toward the envied person and prompts aggressive behaviors (Smith & Kim, 2007). In this thesis, I follow previous studies to define malicious envy as an unpleasant emotion.

Benign envy. This research focuses on predicting non-VIP customers’ benign envy, but the conceptualization of benign envy is vague and controversial. Different researchers have different ideas on what benign envy is. This section summarizes these inconsistent views and provides a holistic foundation for establishing our focal construct of *benign envy*.

According to prior studies, *benign envy* differs from malicious envy in at least one important point: being free of hostile feelings (Parrott, 1991; Smith & Kim, 2007; Polman & Ruttan, 2012). Benign envy is correlated with a self-improvement motivation, but malicious envy motivates the envious person to pull the envied person down (e.g., Silver & Sabini, 1978; Smith & Kim, 2007; Fiske, 2010; Hill, DelPriore, & Vaughan, 2011; Van de Ven, Zeelenberg, & Pieters, 2009). Benign envy often brings constructive and emulative actions rather than destructive consequences. To my best knowledge, benign envy is an important concept to understanding the positive

aspect of envy, but prior studies have not provided a clear and specific conceptualization of benign envy.

Although scholars in social psychology have stated that the concept of envy contains two types of meanings (e.g., Foster, 1972; Neu, 1980; Silver & Sabini, 1978; Smith & Kim, 2007; Fiske, 2010), the nature of benign envy is unclear. Whereas social psychologists recognize that benign envy is a special concept, benign envy may differ from the original meaning of envy. For example, Ashwin (2005) mentioned that benign envy is sanitized by affection and respect and lacks a core ingredient of envy, namely some form of ill will. Smith and Kim (2007) stated that “the acceptance of a benign form of envy may obscure the nature of envy, because the absence of hostile feelings in benign envy may render the emotion fundamentally different from malicious envy both in terms of the felt experience and in terms of its consequences” (p. 47).

In general, the conceptualization of envy in social psychology provides a broad view for understanding the meaning of envy with two types of senses, including malicious envy and benign envy. Accordingly, the concept of envy in social psychology is unlikely a unitary construct. Benign envy is free of hostile feelings and features longing and a desire for envied objects. However, we need a clearer understanding of the nature of *benign envy*. Accordingly, prior studies in social psychology have left a critical question, namely, “*what is the nature of benign envy?*” This question motivates the current research to open the black box and extract the nature of “*benign envy*.”

2.3.2 Conceptualizations of Envy in Marketing

Consistent with the definition of envy in social psychology, researchers in marketing have noted that the envy emotion prompts both constructive and destructive actions related to consumer behaviors (e.g., Van de Ven, Zeelenberg, & Pieters, 2011; Belk, 2011; Folkes, 2011; Crusius & Mussweiler, 2012). In a positive aspect, envy triggers customers' positive responses to products and services, such as conspicuous consumption (e.g., Belk, 2011), impulsive buying behavior (e.g., Crusius & Mussweiler, 2012), and catching up with the Joneses (e.g., service upgrading) (e.g., Matt, 2003; Wooten, Harrison, & Mitchell, 2011). In negative aspect, envy induces customers' negative responses, such as brand-switching (Van de Ven, Zeelenberg, & Pieters, 2011), feelings of unfairness (Mikula, Scherer, & Athenstaedt 1998), and negative word-of-mouth (Lacey, Russell, Jaebeom, & Morgan, 2007).

Scholars in marketing define envy as a frustrated emotion associated with a desire to reduce the gap between oneself and the superior other (Van de Ven, Zeelenberg, & Pieters, 2011). Following the thinking of psychologists, Van de Ven and his colleagues agreed that envy has two facets: the negative type of envy, *malicious envy*, aimed at degrading the envied person, and the positive type of envy, called "*benign envy*," aimed at improving the envious person. For instance, customers with *benign envy* increase their willingness to pay for a desired product while customers with *malicious envy* increase their intention for brand-switching (Van de Ven, Zeelenberg, & Pieters, 2011). Both malicious envy and benign envy are treated as two distinct envy emotions because people with two types of envy feel frustrated by upward social comparison (Van de Ven, Zeelenberg, & Pieters, 2011). Surprisingly, Van de Ven and his colleagues (2011) also conceptualized benign envy as motivation

because they suggested that the most important differences between benign envy and malicious envy are their motivations (c.f., Van de Ven, Zeelenberg, & Pieters, 2011, p. 985). In this regard, the nature of benign envy is quite confusing.

From another research perspective, Belk stated that envy in marketing is *an orientation* toward others' possessions (e.g., products or accessories) (Belk, 1984; Belk, 1985; Belk, Ger, & Askegaard, 2003). Such orientation can be treated as a benign characteristic that motivates envious customers to acquire the desired product (Belk, 1984). However, the orientation has also been featured as a destructive characteristic that motivates envious customers to deprive envied others of their possessions. The envious customers may feel personally demeaned by others' possession of desired objects, especially if these others are seen as less worthy of the possessions (Belk, 1984). Importantly, Belk (2011) noted that benign envy drives contemporary consumption, involving a desire to “level up” through consumption emulation rather than “level down” by harming others. Although the importance of benign envy is emphasized in marketing (Belk, 2011; Van de Ven, Zeelenberg, & Pieters, 2011), the conceptualization of benign envy in marketing is vague.

In sum, the current research finds that the conceptualization of envy in marketing has its own uniqueness, concentrating on how envy influences consumer behavior. Understanding how the emotion of envy leads the trend of consumption contributes to marketing theory and practice. To my best knowledge, although benign (vs. malicious) envy corresponding to positive (vs. negative) behavioral consequences has been recognized by marketing scholars (e.g., Van de Ven, Zeelenberg, & Pieters, 2011; Belk, 2011), the conceptualization of *benign envy* remains unclear. The nature of benign envy, which is either emotion or motivation, is debated in the marketing context.

2.3.3 Conceptualizations of Envy in Management

In the management area, *envy* is defined as a negative emotion with experience of situational-based negative comparison (Cohen & Mueller, 2007; Cohen, 2009; Tai, Narayanan, & McAllister, 2012; Duffy et al., 2012; Khan, Quratulain, & Bell, 2014). Defining envy as a frustrated emotion is supported at least by scholars from social psychology, marketing, and management.

Remarkably, going beyond the thinking of social psychologists, management scholars have put forward their own unique view on the conceptualization of envy limited to the management discipline (i.e., Tai, Narayanan, & McAllister, 2012). Management researchers conceptualize envy as a single concept rather than two facets. Envy, in management, is defined as a painful emotion caused by the good fortune of others (Tai, Narayanan, & McAllister, 2012). This painful feeling is correlated with the inferiority, hostility, and resentment producing one's awareness of another person or group of persons with superiorities.

Scholars in management define the substance of envy as the pain caused by social comparison, suggesting that they separate the substance of envy from the behavioral consequences of envy (Tai, Narayanan, & McAllister, 2012). In particular, they suggested that the concept of benign envy mixes "what envy is" (the substance of envy) with "what envy does" (the motivation from envy), reflecting a tautological error (e.g., Tai, Narayanan, & McAllister, 2012). The reconceptualization of envy in management helps clarify envy's substance/nature and distinguish it from potential behavioral consequences. To support their own views of the conceptualization of envy as a single concept, they indicate that the concept of benign envy is confounded with

positive outcomes and malicious envy is confounded with negative outcomes (Tai, Narayanan, & McAllister, 2012). Moreover, management scholars have stated that the envy emotion has two important consequences for cognitive processes (Hill, DelPriow, & Vaughan, 2011), either improving one's own position (i.e., positive motivation) or damaging the position of the advantaged other (i.e., negative motivation), to reduce the difference between envied persons and envious persons. Both positive and negative behavioral consequences associated with the single concept of envy depend on individual and organizational factors such as self-esteem (e.g., Duffy & Shaw, 2000; Vecchio, 2000, 2005), self-efficacy (e.g., Buunk et al., 1990; Van der Zee, Buunk, & Sanderman, 1996), emotional stability (e.g., Judge et al., 1997), organizational support (Moorman et al., 1998; Rhoades & Eisenberger, 2002), and organizational culture (e.g., Kim, Neill, & Cho, 2010). Clearly, management researchers try to separate the concept of envy and its behavioral outcomes.

In sum, the conceptualization of envy defined as a painful emotion in the management area helps us better understand and distinguish the substance (i.e., emotion) of envy and motivational consequences (i.e., motivation) of envy. Since the concept of *benign envy* is confounded with its motivational consequence, the current research elaborates and clarifies in the following section *the nature* of benign envy adopted in this research.

2.4 Benign Envy: the Positive Motivation to Cope with the Envy Emotion

As discussed above, the benign form of envy in social psychology (see section 2.3.1) is difficult to understand. Meanwhile, benign envy is a mixed concept of emotion and motivation in the marketing discipline (Van de Ven, Zeelenberg, &

Pieters, 2011) (see section 2.3.2). Such inconsistency incurs criticism from management scholars. Management scholars have argued that the concept of benign envy in marketing is confusing based on the nature and consequence of envy (Tai, Narayanan, & McAllister, 2012) (see section 2.3.3). To provide a clearer conceptualization of benign envy and resolve the controversy in the literature, the current research labels *benign envy* as a positive motivation to cope with the envy emotion. Since envy is defined as a painful emotion caused by the difference between the envious person and the envied person (e.g., Smith & Kim, 2007; Van de Ven, Zeelenberg, & Pieters, 2011; Tai, Narayanan, & McAllister, 2012), this thesis argues that the envy emotion arouses a positive motivation, referring to *benign envy*.

Motivation. When people are asked to elaborate an experience of strong envy, the most prototypical element is the motivation to have what others have (Parrot & Smith, 1993; Smith, Kim, & Parrot, 1998; Crusius & Mussweiler, 2012). Moreover, when people are asked to describe an event in which another person had good fortune, experienced envy is correlated with a desire for what others have (Ackerman, MacInnis, & Folkes, 2000). Obviously, it is important to understand the link between the envy emotion and its motivational consequences.

In daily life, *motivation* refers to the act or process of giving someone a reason for doing something (Webster's online dictionary). In psychology, *motivation* refers to the psychological processes that direct, energize, and sustain action (e.g., Latham & Pinder, 2005; Grant, 2008). Motivation is also known as an organism's tendency toward need-fulfilling and goal-seeking behavior (Kleinginna, 1981). In this thesis, motivation *in the envy context* is defined as the envious persons' psychological tendency to reduce the social pain of envy caused by upward social comparison. In this thesis, I suggest a positive motivation in coping with the envy emotion, namely,

benign envy. *Benign envy* is conceptualized in the envy emotion context because it is caused by this painful emotion. Accordingly, *benign envy*, in this research, is defined as the psychological tendency to improve oneself to catch up with the envied person, motivated by the envy emotion in upward social comparison.

Prior studies have pointed out that envy may propel people to work harder to acquire the privilege owned by others (e.g., Kant, 1780/1997; Neu, 1980; Van de Ven, Zeelenberg, & Pieters, 2011). Cohen-Charash (2009) indicated that envy in the workplace not only induces negative consequences for well-being but also elicits a motivation to improve one's own position. These findings provide initial evidence to support the existence of benign envy (i.e., positive motivation) induced by the envy emotion. The meaning of "benign" reflects the core ingredient of this positive motivation, namely, freedom of hostility for the envied person.

After an upward social comparison, people may have a self-improvement motivation to catch up with superior persons (e.g., Collins, 1996; Duffy et al., 2012). In the context of envy, although individuals with benign envy have a self-improvement tendency to catch up with a specific envied person, benign envy is only employed to cope with the envy emotion. Unlike the more general self-improvement motivation, which is more enduring and may target people in the top tier of a social hierarchy, benign envy has a specific target and would probably extinguish once the envious persons have caught up with the envied persons. This feature shows that benign envy has its uniqueness and is different from other general self-improvement motivations in upward social comparison.

The reconceptualization of benign envy in this thesis is extremely important because this can clarify and distinguish the substance and consequence of envy in my research model. Defining benign envy as a positive motivation limited in the envy

context is helpful to understand the benign form (Smith & Kim, 2007) of envy in psychology and marketing, namely, the positive motivation aroused by the envy emotion. Moreover, conceptualizing benign envy as a positive motivation rather than an emotion is crucial to answer the criticism from management scholars (Tai, Narayanan, & McAllister, 2012) because benign envy in this research is the consequence (i.e., motivation) aroused from the envy emotion. To better understand the influences of envious persons' benign envy in marketing, I provide implications for marketing in the next section.

2.5 Implications of Benign Envy and Malicious Envy in Marketing

Benign envy and malicious envy have important implications in marketing contexts, especially in their influence on consumption. Although prior scholars have mixed the envy emotion with its motivations (e.g., Van de Ven, Zeelenberg, & Pieters, 2009, 2011), they provided evidence that customers' experience of envy may lead to different behaviors in marketing. Previous marketing literature has suggested that customers with benign envy may increase their willingness to pay for a desirable product, whereas customers with malicious envy do not increase their willingness to pay for the product that elicited the envy but may increase their preference for a different but related product (Van de Ven, Zeelenberg, & Pieters, 2011). According to the conceptualization of benign envy in this thesis, I suggest that non-VIP customers with benign envy may have positive responses (e.g., treatment upgrading, positive word-of-mouth) to VIP treatment, but non-VIP customers with malicious envy may have negative responses (e.g., brand switching, negative word-of-mouth) to practicing firms (e.g., Van de Ven, Zeelenberg, & Pieters, 2011).

Benign envy may contain wishful thinking induced by a desire for the envied products, increasing perceived value in product evaluation (e.g., Dai & Hsee, 2013). For example, a starveling may wish to obtain a piece of cake. The hungrier the starveling is, the larger he or she will perceive the cake to be, and thus the more benign envy he or she has to acquire the cake (Dai & Hsee, 2013). Similarly, the more benign envy an envious customer has, the more attractive he or she will perceive the desired product to be, and thus the more he or she will wish to acquire it. Accordingly, benign envy is suggested to be the extra premium in product evaluation. In this situation, due to the lack of VIP treatment, non-VIP customers with benign envy may perceive that VIP treatment has a higher value than VIP customers who already own it.

Prior studies in marketing have also suggested that envy can be a double-edged sword in preferential services (Van de Ven, Zeelenberg, & Pieters, 2011), showing that envy may elicit two distinct motivations. For instance, showing preferential treatment to non-VIP customers such as isolating VIP customers and non-VIP customers with a transparent window in the waiting area of an airport may not only elicit benign envy with treatment upgrading but also trigger malicious envy (backfire) through switching airlines in the future. Thus, finding the antecedents that induce benign envy in preferential treatment areas is important to trigger positive responses of non-VIP customers.

In sum, this chapter provides a comprehensive understanding of the concept of envy from psychology, management, and marketing. This chapter conceptualizes benign envy as a positive motivation to cope with the emotion of envy; it is easier to understand and distinguish the nature of envy and the motivation it elicits through envy. In the next chapter, I propose several factors that may predict and influence the intensity of benign envy from social comparison theory.

CHAPTER 3
LITERATURE REVIEW:
STIMULATING FACTORS OF BENIGN ENVY–
A SOCIAL COMPARISON PERSPECTIVE

Previous research has suggested that envy is a painful emotion, the feeling of wanting to have what someone else has, indicating that envy stems from upward social comparison. This chapter first discusses upward social comparison as stimulation to the envy emotion. Second, this chapter reviews social comparison theory and proposes potential factors that may influence and predict benign envy. Finally, the chapter summarizes the current knowledge gaps to predict the benign envy of non-VIP customers in preferential treatment contexts.

3.1 Where Does Envy Come From?

In daily life, people engage in social comparisons to find a clear self-evaluation, gain self-knowledge, and discover the actual self (Festinger, 1954; Mettee & Smith, 1977). Usually, individuals compare with others who share comparison-related attributes, such as gender, age, ability, and background (Goethals & Darley, 1977). For instance, students want to know their performance in class by grade comparison with other classmates. Employees are eager to know their job performance by comparison with their colleagues.

In general, there are two directions for social comparison, namely, downward comparison and upward comparison. Downward comparison indicates the process of comparing to someone who is inferior to the self; upward comparison refers to the

process of comparing to someone who is superior to the self (e.g., Moskowitz, 2013). To maintain a better self-image or protect self-esteem, people may be motivated to engage in downward comparison (i.e., Taylor & Lobel, 1989). In a marketing context, VIP customers may feel superior when they compare their better treatment with non-VIP customers' treatment (Lacey, Suh, & Morgan, 2007). This is a downward comparison in VIP treatment. However, the focus of this research is on the non-VIP customers' positive responses toward treatment differences in upward comparison with VIP customers.

In the upward comparison, comparing oneself with a better-off person often leads one to find that one lacks another's superior quality, achievement, or possession and to feel a sense of envy (e.g., Parrott & Smith, 1993). As a result, upward comparison often leads to the emotional experience of envy due to the pain caused by the good fortune or superiority of others (e.g., Tai, Narayanan, & McAllister, 2012).

To reduce the painful feeling (i.e., envy emotion) by leveling up the envious persons, this thesis conceptualizes a positive motivation to cope with envy, namely, benign envy. The psychological mechanism of upward comparison in eliciting the emotion of envy for non-VIP customers in a VIP context will be studied to predict benign envy of non-VIP customers toward VIP treatment.

3.2 Perceived Similarity

Since social comparison is induced by similarity between comparison targets, similarity is suggested to be a potential factor in predicting the envy emotion (e.g., Van de Ven, Zeelenberg, & Pieters, 2011; Belk, 2011) and affecting its motivations (i.e., benign envy). Similarity is defined as shared demographic characteristics, shared

physical characteristics, shared attitudes, or shared attributes (Dryer & Horowitz, 1997).

In general, we are affected by social comparisons with people with whom we share similar attributes, such as age, gender, and social status (e.g., Goethals & Darley, 1977; Smith & Kim, 2007). Without similarities between comparison targets, social comparison becomes irrelevant, and emotional responses may tend to be indifferent, detached, and lacking in intensity (Smith & Kim, 2007).

Upward social comparison can lead to both assimilation and contrast effects (Collins, 1996). Assimilation effects refer to self-evaluation that is displaced toward the compared target; contrast effects refer to self-evaluation that is displaced away from the compared target (Blanton, 2001). The degree of perceived similarity in social comparison may affect the assimilation effect to influence the intensity of benign envy. If the envious first presumes that he or she is similar to the comparison target, he or she may focus on information that demonstrates actual similarity to the other, resulting in assimilation (Mussweiler & Epstude, 2004). The assimilation effect motivates the envious to act in a way that is similar to the comparison target (Brown et al., 1992). Influenced by the assimilation effect, an envious person will be more likely to act in a way that is similar to the envied person if the two people are similar to each other.

The phenomenon of “keeping up with the Joneses” reflects the notion of the assimilation effect (e.g., Suls, Martin, & Wheeler, 2002; Frank, 1999). People usually compare themselves to relevant (similar) others and base their needs and wants on what they lack compared to those others, rather than merely considering their own preferences (Frank, 1999; Smith & Kim, 2007). When the envious customer perceives that he or she is similar to the comparison target (e.g., a neighbor), he or she is more

likely to buy the same product (e.g., a lawn mower) if his or her neighbor owns such product (e.g., Suls, Martin, & Wheeler, 2002). In the current research, I argue that when envious customers are very similar to envied customers, envious customers may have more intense envy emotions and thus higher levels of benign envy may be used to obtain VIP treatment.

The envious person and envied person may be similar in many dimensions, such as age group, social class, and gender, indicating that they belong to same group with a shared group identity. The literature of social identity influences suggests that when people ascribe themselves to a group, their sense of collective self and “we-ness” will motivate them to act according to the group norms (Brewer & Gardner, 1996; Mackie, Worth, & Asuncion, 1990). People are encouraged to uphold their group identity by minimizing the differences between self and in-group others and acquiring similar products and social status (Escala & Bettman, 2003; Mangleburg, Doney, & Bristol, 2004). Failure to uphold this sense of “we-ness” may lead to embarrassment or loss of face (Chan, Wan, & Sin, 2009). If two business partners who belong to a rich man’s club with similar socio-economic status wait for the same airplane in an airport, the envious business partner will be more likely have benign envy to obtain VIP treatment if he or she finds another business partner enjoying VIP treatment from an airline, especially if he or she considers VIP membership symbolizes his or her identity as a member of the rich man’s club. In sum, similarity in social identity is more likely to induce benign envy of envious persons through social norms within relevant groups.

3.3 Perceived Attainability

To predict non-VIP customers' benign envy to obtain VIP treatment, I propose another potential factor that may influence the intensity of benign envy, namely, perceived attainability. Perceived attainability refers to a subjective estimation of the probability of success in achieving a personal goal (Garland, 1984). The current research suggests that perceived attainability may be positively correlated with benign envy because perceived attainability is associated with the motivation to obtain envied objects. Previous research has indicated that the attainment of a personal goal (e.g., catching up with an envied person) will be influenced by perceived attainability (Garland, 1984) because high (vs. low) perceived attainability in upward social comparisons is perceived as inspiring (vs. inferiority-provoking) (Burlison et al., 2005; Cohen, 2007). Thus, the level of perceived attainability is highly relevant to individuals' reactions to the emotion of envy in upward social comparison (Major, Testa, & Bylsma, 1991).

Previous research has indicated that when an individual is involved in upward social comparison, the individual's motivation to obtain the superior attribute is affected by his or her perception of the likelihood that this attribute is attainable (Lockwood & Kunda, 1997). When the superior attribute is attainable with reasonable effort, one will be more motivated to pursue the superior attribute. Conversely, if the superior attribute is unattainable, one is unlikely to have any motivation to acquire it (Kivetz & Simonson, 2003). In the Olympic Games, the differences in performance or ability may be very small between first place and second place. This very small difference, indicating high perceived attainability for the second place to obtain the championship, induces the second place to engage in counterfactual thinking of

“champion could have been me” (Van de Ven & Zeelenberg, 2014) and makes the second place more motivated to catch up with the first place than slow down for third place. In this situation, the second place is also more motivated to obtain the championship the next time than the third place.

In preferential treatment contexts, a holiday maker who travels only once per year may consider the VIP membership of airlines unattainable because he or she will never accumulate adequate mileage for the membership upgrade. Thus, his or her motivation for the VIP treatment will be low, if not extinguished. In contrast, a frequent business traveler may see a VIP membership upgrade as easily attainable. That business traveler is therefore more likely to elicit a motivation to obtain the preferential VIP treatment.

During the process of eliciting the emotion of envy in upward social comparison, one psychological mechanism leading to benign envy is related to evaluating the envious person’s own perceived attainability to catch up with the envied person. Another psychological cue to qualify benign envy or malicious envy is related to judging the deservingness of superiorities (e.g., Feather & Sherman, 2002; Mouly & Sankaran, 2002). The following section will discuss the role of deservingness in inducing benign envy and malicious envy.

3.4 Perceived Deservingness

As discussed above, envious persons may not only consider whether they have the ability to obtain the envied objects, but also evaluate whether the envied person deserves or not to own such objects (Feather, 2002; Smith & Kim, 2007; Van de Ven, Zeelenberg, & Pieters, 2011). Deservingness refers to judgments that relate to

outcomes that are earned or achieved as products of a person's actions (Feather, 2008). The input of effort in the attainment of a superior attribute qualifies the deservingness of the outcome (Feather & Sherman, 2002). Feather (1999) developed the deservingness theory to explain outcomes that can be perceived as deserved or undeserved and thus lead to differences in resentment. Feather (1999) suggested that people who achieved success with little effort will be resented, less valued, and judged as less appropriate than successful people who have worked hard (Feather & Sherman, 2002).

Extant studies have suggested that deservingness may affect the intensity of benign envy (e.g., Van de Ven, Zeelenberg, & Pieters, 2009, 2011). Since the nature of envy is confounded with the motivation elicited by envy (Tai et al., 2012), it is unclear whether deservingness reduces the painful feelings (the nature of envy) or stimulates envious persons with high motivation (the consequence of envy). After the relabeling of benign envy as motivation in the current research, I suggest that perceived deservingness directly affects benign envy (the motivation of envy), rather than the emotion of envy. In other words, deservingness may not directly affect the intensity of the envy emotion, but qualify the motivational directions to cope with the envy emotion.

3.5 Knowledge Gaps of Benign Envy in Preferential Treatment

Although previous studies have indicated that many factors such as similarity (section 3.2), attainability (section 3.3), and deservingness (section 3.4) may predict

benign envy, three knowledge gaps in studying antecedents of benign envy toward preferential treatment exist.

First, most of the extant studies (e.g., Festinger, 1954; Smith & Kim, 2007; Van de Ven, Zeelenberg, & Pieters, 2011) on the effects of similarity on envy have mainly focused on a holistic feeling of similarity. In real life, any two customers (i.e., non-VIP customer versus VIP customer) are similar in some attributes (e.g., age) but they differ in other attributes (e.g., gender) simultaneously. Thus, whether they are similar or not is determined by which types of attributes they used for comparison. In this regard, searching for factors that trigger customers to compare their specific attributes tends to be important in studying the antecedents of non-VIP customers' benign envy in preferential treatment contexts.

Second, it is not known how non-VIP customers gain high or low perceived attainability and how that affects their benign envy to obtain VIP treatment in a marketing environment. Perceived attainability influences the intensity of one's benign envy because it affects one's motivation to obtain superiorities (e.g., Major, Testa, & Bylsma, 1991; Kivetz & Simonson, 2003). By the same token, non-VIP customers' perceived attainability of VIP treatment may influence their intensity of benign envy to obtain such treatment. Thus, finding the antecedents of perceived attainability of non-VIP customers in preferential treatment contexts will be helpful in addressing the second knowledge gap.

Third, perceived deservingness is suggested to be positively related to the intensity of motivational directions elicited by envy in previous studies (e.g., Feather & Sherman, 2002; Van de Ven, Zeelenberg, & Pieters, 2009). Furthermore, prior studies have mentioned that undeserved (vs. deserved) advantages of envied others are more likely to elicit the hostile motivation of pulling envied persons down instead

of the motivation for self-improvement (Van de Ven, Zeelenberg, & Pieters, 2009). In a similar vein, deserved (vs. undeserved) results of possessing VIP treatments by VIP customers may induce benign (vs. malicious) envy for non-VIP customers. However, how non-VIP customers interpret the possession of VIP treatment by envied VIP customers in terms of deservingness is under-researched. Moreover, judgment of deservingness may be contingent on self-interest and cultural values (e.g., Feather, 1989). Accordingly, understanding these antecedents of deservingness of non-customers is a crucial point to induce non-VIP customers' positive responses with benign envy.

This thesis attempts to bridge the above three knowledge gaps by proposing a theoretical model which centers on two types of VIP granting methods interacted with the salient personal attributes triggered by VIP granting methods, perceived attainability and perceived deservingness, in the psychological process of predicting non-VIP customers' benign envy to obtain VIP treatment. In the next chapter, developed hypotheses related to this theoretical model are offered by drawing from the theory of ascription and achievement.

CHAPTER 4

HYPOTHESES DEVELOPMENT:

INSIGHTS FROM THE THEORY OF ASCRIPTION AND ACHIEVEMENT

This chapter attempts to offer a research model to address the three knowledge gaps identified in Chapter 3. The organization of this chapter is as follows. Drawing on the theory of ascription and achievement, this chapter explains how the extant knowledge gaps in VIP treatment contexts can be bridged. Second, the concepts of ascribed attributes and achieved attributes and their differences are discussed to explain the core of the theory of ascription and achievement. Third, this research investigates two types of VIP granting methods (ascription-oriented and achievement-oriented) which may trigger the salience of related personal attributes in comparison between non-VIP customers and VIP customers. In the third section, hypotheses are developed to explain how the two types of VIP granting methods interact with salient personal attributes to influence non-VIP customers' benign envy mediated via perceived attainability and perceived deservingness. Last, I further refine the extant theory of deservingness by showing the cultural boundary of its influences on deservingness of VIP treatment.

4.1 Bridging the Knowledge Gaps with the Theory of Ascription and Achievement

As discussed above (see section 3.6), although previous literature has provided initial hints that the benign envy of envious persons may be influenced by perceived similarity (e.g., Smith & Kim, 2007) (see section 3.2), perceived attainability (e.g., Kivetz & Simonson, 2003) (see section 3.3) and perceived deservingness (Feather &

Sherman, 2002; Smith & Kim, 2007; Van de Ven, Zeelenberg, & Pieters, 2011) (see section 3.4), the psychological process of eliciting benign envy to VIP treatment remains unclear. How similarity, attainability, and deservingness separately and jointly influence non-VIP customers' benign envy in the context of preferential treatment is still under-researched. In the following, detailed contents are provided to explain the under-researched aspects of non-VIP customers' benign envy toward VIP treatment.

4.1.1 Linkage between Perceived Similarity and the Theory of Ascription and Achievement

The perceived similarity between envious customers and envied customers is one of the possible antecedents leading to benign envy (e.g., Smith & Kim, 2007; Van de Ven, Zeelenberg, & Pieters, 2011). Everyone, no matter how young, slim, rich, or beautiful, would be regarded as customers' comparison targets or referents (Belk, 2011). In marketing contexts, customers may compare themselves with celebrities, beautiful models, and generally attractive others (Belk, 2011). In modern society, customers are motivated to compare with anyone else when they are triggered by certain factors.

As discussed earlier (see section 3.5), no two people can be entirely similar to or different from each other. Whether an envious person believes he or she is similar to an envied person in a social comparison depends on which attribute he or she is activated to use for comparison. Thus, the source of impact of similarity on benign envy should be further extended to the factor that primes the salience of a particular

attribute in comparison, which would then guide the envious person to evaluate how the envied target is similar to him or her.

To advance the concept of perceived similarity in social comparison theory, this research refines the concept of similarity along two dimensions of personal attributes for comparison: ascribed attributes given by birth (e.g., age, gender, family background) and achieved attributes attained by personal effort (e.g., working performance) (e.g., Linton, 1936; Foladare, 1969; Trompenaars 1998). I present more detailed arguments in section 4.6.1 to elaborate how the two dimensions of similarity may affect non-VIP customers' benign envy toward VIP treatment.

4.1.2 Linkage between Perceived Attainability and the Theory of Ascription and Achievement

Prior studies have suggested that perceived attainability of the envied product (i.e., VIP treatment) may be positively correlated with the intensity of the envy emotion (e.g., Kivetz & Simonson, 2003; Smith & Kim, 2007). In prior studies, however, the perceived attainability of the envied objects depends solely on the envious person's ability (i.e., Van de Ven, Zeelenberg, & Pieters, 2011). In the current VIP treatment contexts, non-VIP customers' perceived attainability of VIP treatment is more complicated than in prior studies. I postulate that non-VIP customers' perceived attainability is simultaneously affected by their self-controlled abilities to get VIP treatment (i.e., purchasing power) and the requirement (hereafter VIP granting method) of being a VIP customer designed by marketers.

In the VIP treatment context, the VIP granting methods may affect non-VIP customers' perceived attainability and then influence their benign envy to obtain VIP

treatment. How different types of VIP granting methods affect perceived attainability of non-VIP customers is contingent on the detailed requirements for being a VIP customer. To further understand the influence of different types of VIP granting methods on perceived attainability, this research categorizes VIP granting methods into two types, namely, ascription-oriented VIP granting methods and achievement-oriented granting methods, in terms of the concepts of ascription and achievement from the sociology literature (e.g., Linton, 1936; Foladare, 1969).

4.1.3 Linkage between Perceived Deservingness and the Theory of Ascription and Achievement

As discussed above (see section 3.4), perceived deservingness of VIP treatment qualifies the motivational directions of envy, either “leveling up” associated with high perceived deservingness or “leveling down” accompanied by low perceived deservingness (e.g., Feather & Sherman, 2002; Van de Ven, Zeelenberg, & Pieters, 2009). These findings indicated that whether envied VIP customers are deserving or not of VIP treatment depends on the effort put in to obtain the VIP treatment (e.g., Feather & Sherman, 2002; Van de Ven, Zeelenberg, & Pieters, 2011). However, non-VIP customers’ judgments of deservingness of VIP treatment tend to be complicated. The possession of VIP treatment by VIP customers is simultaneously influenced by the effort of VIP customers and dependent on the effect of different types of VIP granting methods. In other words, whether VIP customers are deserving or not of VIP treatment is affected by the VIP granting methods. Consequently, perceived deservingness of VIP treatments is influenced by the different types of VIP granting methods designed by marketers. Therefore, understanding how different types of VIP

granting method affect perceived deservingness is important to elicit non-VIP customers' benign envy toward VIP treatment.

To address this research gap, this thesis argues that the proposed two types of VIP granting methods (ascription-oriented VIP granting methods and achievement-oriented granting methods) may not only affect perceived attainability of non-VIP customers but also influence non-VIP customers' judgments of the deservingness of VIP treatment for VIP customers (e.g., Linton, 1936; Foladare, 1969).

In sum, the requirements to enjoy VIP treatment (hereafter VIP granting method) may influence non-VIP customers' perceived attainability and deservingness of VIP treatment. To understand how the VIP granting method influences non-VIP customers' perceived attainability and deservingness of VIP treatment, this research introduces two related concepts from the sociology literature: ascription and achievement. The concepts of ascription and achievement refer to peoples' personal attributes and how they are related to the attainment of social status (i.e., VIP status) (Linton, 1936; Foladare, 1969). I suggest that these two concepts help to explain the mechanism of how non-VIP customers evaluate envied VIP customers' personal attributes for comparison of their similarity, which outcome would further predict non-VIP customers' benign envy to obtain VIP treatment.

To address the extant research gaps in predicting benign envy of non-VIP customers to obtain VIP treatment, I introduce the theory of ascription and achievement in the following sections.

4.2 Definitions of Ascription and Achievement

Ascribed attributes versus achieved attributes. The concepts of ascription and achievement concern the way individuals attain social status and evaluate social behaviors (e.g., Linton, 1936; Foladare, 1969; Gelfand, 2000). Individuals may be given social status due to their inherited characteristics (e.g., gender, age, family background, social class) assigned at birth and predetermined. These inherited characteristics are called ascribed attributes. A person born into a wealthy family will have higher ascribed status, making it easier for him or her to obtain resources than a person born into a poor family. Conversely, individuals may rely on their effort or performance (e.g., job performance, amount of consumption) to attain social status (i.e., occupation). Those efforts refer to achieved attributes.

Achieved status versus ascribed status. Achieved status refers to “status requiring special qualities, which are not assigned to individuals from birth but need to be attained by competition or individual effort” (Foladare, 1969). For instance, a junior salesperson might achieve higher sales performance than an experienced senior salesperson through greater effort. Ascribed status plays an important role in societies because it provides society members with a defined and unified identity (Linton, 1936). Everyone in a social hierarchy has a set of role expectations that are directly linked to their ascribed status. Simultaneously, achieved status is also important because some types of social status are open to competition to create a more just society (Linton, 1936).

To better understand the concepts of ascribed attributes and achieved attributes, differences between the two are further explained in the following section (see Table 3).

4.3 Differences between Ascribed Attributes and Achieved Attributes

Sources of differences. Achieved attributes refer to “doing” while ascribed attributes refer to “being” (Foladare, 1969; Trompenaars, 1998). This description provides an initial clue for the difference between ascribed attributes and achieved attributes. Ascribed attributes, including age, gender, race, and caste or family relationship, are derived from the moment of birth (e.g., Linton, 1936). Everyone will be assigned a series of ascribed attributes (e.g., birthdate, gender, family relationship) without any choice but in terms of the laws of nature. Moreover, such ascribed attributes are permanent. In contrast, achieved attributes such as income level, occupation, and grades are obtained through personal effort (e.g., Linton, 1936; Foladare, 1969). Everyone can gain a high income level and earn a good grade by hard work.

Changeability of attributes. Another difference between ascribed attributes and achieved attributes is determined by the feature of changeability (e.g., Schnore, 1961; Foladare, 1969). Ascribed attributes like gender, family background, and age are fixed and predetermined at the moment of birth. It is hard to change ascribed attributes with personal effort, and doing so is considered less acceptable in society than changing achieved attributes (Foladare, 1969). For example, gender is a typical personal ascribed attribute, and transformation of gender is difficult and often considered unacceptable in society (Linton, 1936; Foladare, 1969). Age, as another type of ascribed attribute, cannot be reversed by personal effort, as it is governed by the laws of nature.

Unlike ascribed attributes, achieved attributes, such as occupation, income level, and consumption, can be reversed or improved by personal effort or hard work.

For instance, personal efforts contribute to job performance and educational attainment. Consumption level, as an achieved attribute, can be changed based on personal temporary needs. Accordingly, improving or changing achieved attributes is more attainable and considered more acceptable in society than changing ascribed attributes (Foladare, 1969).

Cultural values. Another difference between ascribed attributes and achieved attributes is found in cultural values. Prior studies in cross-cultural research have found that people from different societies or nations value either ascribed attributes or achieved attributes (e.g., Linton, 1936; Trompenaars & Hampden, 1998; Gilbert & Tsao, 2000; Luque & Mommer, 2000; Lee & Peterson, 2001; Cullen, Parboteeah, & Hoegl, 2004; Overby, Gardial, & Woodruff, 2004; Morris, Podolny, & Sullivan, 2008). In an ascription-oriented culture (e.g., India, China), people pay high regard to social status which is ascribed to individuals based on their attributes by birth or inheritance from their family. In an achievement-orientated culture (e.g., the U.S.), people are accorded social status based on their performance and effort (Trompenaars & Hampden, 1998). This difference penetrates to daily life and influences judgments and social behaviors of individuals and social groups.

Table 3: Individual Differences between Ascribed Attributes and Achieved Attributes

	Ascribed attributes	Achieved attributes
Derived from	Inherited characteristics	Personal effort and performance
Individuals' characteristics	Gender, age, ethnic group, and family background	Job performance, grades, and educational attainment
Changeability	Unchangeable and irreversible	Changeable and reversible
Society/Cultures	Ascription-oriented society (e.g., India, China, Argentina)	Achievement-oriented society (e.g., the U.S., Sweden, Australia)

Note. The contents of Table 3 are summarized from Foladare (1969), Trompenaars (1998), and Wang (2013).

4.4 Implications of Ascription and Achievement in VIP Treatment

This classification of personal attributes (ascribed attributes and achieved attributes) and social status (ascribed status and achieved status) can also apply to marketing contexts in which marketers design preferential treatment for selected customers (e.g., VIP treatment and promotions). For example, many bars and pubs use the ascribed attribute of gender to offer free entrance to female customers on selected “ladies’ nights.”¹ “Gentlemen’s night” has also been used as a promotion strategy for dinner buffets.² Other ascribed attributes, such as birthdate³ and height,⁴ are employed as the requirement for preferential treatment offering incentives to customers.

¹ <http://www.lifestyleasia.com/hk/en/dining/drink/feature/5-best-ladies-nights-in-hong-kong> (accessed 16 February 2015).

² <http://www.getjetso.hk/wp-content/uploads/2011/07/0126.jpg> (accessed 16 February 2015).

³ <http://travel.ulifestyle.com.hk/DetailNews.php?id=ADsRYhEpA3w> (accessed 16 February 2015).

Not only customers' ascribed attributes (e.g., gender, birthdate, height) but also their achieved attributes (e.g., bonus points, accumulated mileage) can be held up as a requirement for offering preferential treatment to selected customers. Typically, customers may receive a higher discount if their purchases meet a certain consumption level (e.g., "spend \$1000 and get \$200 off). Also, many airline companies design their VIP programs mainly based on customers' accumulated mileage.

In addition, customers from different nations may value different attributes related to VIP treatment. For example, the VIP seats in airline services may contain achieved attributes related to service features (e.g., leg room and seat comfort) and ascribed attributes related to prestigious social status (i.e., label of prestigious passenger) simultaneously. Airline customers who come from achievement-oriented cultures (e.g., the U.S.) may put more emphasis on service features related to personal enjoyment (i.e., achievement attributes such as leg room and seat comfort) than prestigious social status (i.e., ascription attributes), while the reverse is true for consumers from ascription-oriented cultures (e.g., France) (Overby, Gardial, & Woodruff, 2004).

In sum, the above two types of requirements for enjoying VIP treatment based on either customers' ascribed attributes or customers' achieved attributes may have predictive powers to study the psychological mechanism in eliciting non-VIP customers' benign envy to obtain VIP treatment. Moreover, cultural differences

⁴ http://shanghaiist.com/2014/12/11/chongqing_restaurant_offers_free_me.php (accessed 16 February 2015).

between an ascription-oriented society and achievement-oriented society may influence customers' judgment.

4.5 Two Types of VIP Granting Methods (Ascription vs. Achievement)

Since VIP status is one type of social status, this thesis argues that VIP status can either be granted by customers' achieved attributes (i.e., accumulated bonus points by spending effort) or assigned by customers' ascribed attributes (i.e., birthdate or gender). Based on the conceptualization of ascribed attributes and achieved attributes together with their key differences discussed above, this research extends the concept of ascribed attributes and achieved attributes to develop two types of VIP granting methods, as described in the following sections.

Achievement-oriented VIP granting methods. Achievement-oriented VIP granting methods, in the current research, refer to those approaches of selecting customers to enjoy VIP treatment or better treatment based on customers' achieved attributes such as consumption points and accumulated mileage related to the operation revenue of practicing firms. For example, Cathay Pacific Airways established its mileage-based Marco Polo Club more than four decades ago to attract and reward its customers in terms of passengers' accumulated mileage.⁵

In daily life, VIP treatment is commonly granted by achieved attributes. Using this type of VIP granting method, marketers can motivate customers to purchase more to earn and enjoy extra benefits (e.g., free airline tickets) or preferential treatment

⁵ https://www.cathaypacific.com/cx/en_HK/frequent-flyers/about-the-club/club-tiers.html (accessed 16 February 2015)

(e.g., discounts). In turn, relevant companies can generate more profit by using this business tactic.

Ascription-oriented VIP granting methods. In this study, ascription-oriented VIP granting methods refer to the approach of selecting customers to enjoy VIP treatment or better treatment based on their ascribed attributes such as gender and birthdate. For example, some restaurants may give a special discount to customers born in a specific month.⁶ VIP treatment granted by ascribed attributes (e.g., age, gender, ID number) provides certain customers with a relative advantage compared to other customers (Kivetz & Simonson, 2003). Moreover, such limited accessibility to VIP treatment magnifies the perception of advantage, thus increasing the overall perceived value of the VIP membership, which in turn increases non-VIP customers' feelings of longing and desire due to this perceived advantage (e.g., Schindler, 1989, 1998; Thaler, 1985). In addition, marketers sometimes favor existing customers with better treatment rather than new customers to maintain and improve existing relationships, reflecting an ascription-oriented competition strategy, because "old" and "new" customers are distinguished by the date they first bought or used a product or service. Prior studies have support such behavior because it may be five times as costly to attract a new customer as to keep an old one (Peters, 1988; Rust & Zahorik, 1993).

Ascription-oriented VIP granting methods are quite common. For instance, customers' ascribed attributes (i.e., birthdate) can be used in promotional practice (e.g., VISA, Wendy's, Huggies, Honda, eBay, Tyson) (Kalra & Shi, 2010). Unearned preferential treatment based on ascribed attributes sometimes occurs when special

⁶ <http://www.shangri-la.com/hongkong/kowloonshangrila/press-room/press-releases/kowloon-shangri-la-hong-kong-celebrates-32nd-anniversary-with-food-and-beverage/> (accessed 16 February 2015)

perks are conferred spontaneously, without explicit reason (Jiang, Hoegg, & Hahl, 2013). Thus, regardless of justification, firms may offer a cheaper price, free accessories with a purchase, a room or car rental upgrade, or a free service to some customers but not others (e.g., Jiang, Hoegg, & Hahl, 2013; Butori & De Bruyn, 2013).

4.6 Effect of Types of VIP Granting Methods on Benign Envy of Non-VIP Customers via Perceived Attainability

The categorization of VIP granting methods and achievement-oriented VIP granting methods is developed from the concepts of ascribed attributes and achieved attributes in sociology (e.g., Linton, 1936; Foladare, 1969). Similarly, the major differences between two types of VIP granting methods are listed in the following paragraphs based on major differences between ascribed attributes and achieved attributes (see section 4.3).

Sources of VIP granting methods. Two types of VIP granting methods offer VIP treatment to selected customers in terms of customers' ascribed attributes (e.g., birthdate) or achieved attributes (e.g., accumulated bonus points). This reflects that VIP treatment is granted in two different ways, either assigned to selected customers based on a specific ascribed attribute or customers' spending effort. Due to this difference, the two types of VIP granting methods are based on personal attributes with different levels of changeability.

Changeability of VIP granting methods. One of the most important differences between ascription-oriented VIP granting methods and achievement-oriented granting methods is whether non-VIP customers have the ability to become

VIP customers and enjoy VIP treatment. This difference stems from the key differences between ascribed attributes and achieved attributes. As mentioned earlier (see 4.3 section), ascribed attributes (e.g., age, gender) are fixed and predetermined at the moment of birth, but achieved attributes can be improved by personal effort (e.g., Schnore, 1961; Foladare, 1969). Similarly, an ascription-oriented VIP granting method is designed for select customers' specific ascribed attributes (e.g., gender, birthdate) as the requirement for being a VIP customer. Once the criteria based on ascribed attributes are confirmed, the chance to obtain the VIP treatment will be clear. In this situation, non-VIP customers are excluded from enjoying VIP treatment if their ascribed attributes do not match the established criteria.

Compared with ascription-oriented VIP granting methods, achievement-oriented VIP granting methods are used to select VIP customers through their consumption efforts. Marketers will establish one or more tiers of VIP treatment based on the required level of spending (e.g., Drèze & Nunes, 2009). Non-VIP customers can increase their chances to obtain different levels of VIP treatment by their spending efforts. Although non-VIP customers may be limited in enjoying VIP treatment in terms of low purchasing ability, they still have hopes and opportunities to earn VIP treatment. In sum, the second difference between the proposed two types of VIP granting methods is whether non-VIP customers have the chance to use their personal effort (e.g., spending) to increase the probability of receiving the VIP treatment.

In VIP treatment contexts, benign envy can be specifically conceptualized as envious non-VIP customers' motivation to obtain VIP treatment to catch up with VIP customers to cope with their envy emotion caused by the treatment differences. This

thesis argues that envious non-VIP customers' perceived attainability of VIP treatments may affect their benign envy to obtain the VIP treatment.

Prior research has suggested that the attainment of a personal goal (e.g., obtaining VIP treatment) is affected by perceived attainability (Garland, 1984). Moreover, different levels of perceived attainability may generate different responses to upward social comparison (i.e., non-VIPs vs. VIPs). In detail, high perceived attainability in upward social comparison is perceived as inspiring, but low perceived attainability is considered to be inferiority-provoking (e.g., Burleson et al., 2005; Cohen, 2007). Thus, a high level of perceived attainability helps to reduce the difference in upward social comparison.

Previous research has indicated that individuals' motivation to obtain superiorities in upward social comparison is affected by their perception of the likelihood that superiorities are attainable (Lockwood & Kunda, 1997). In detail, when superiorities are attainable with reasonable effort, envious persons will be more motivated to pursue superiorities. However, envious persons' motivation will be extinguished if superiorities are unattainable (Kivetz & Simonson, 2003). Similarly, to cope with the emotion of envy caused by treatment differences, envious non-VIP customers may have a high (vs. low) level of benign envy to obtain VIP treatment when they have a high (vs. low) level of perceived attainability to get VIP treatment.

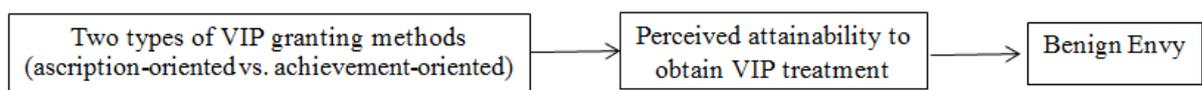
Without attainability, benign envy will be lower in reducing the painful feeling of envy, as low attainability reduces the motivation to improve oneself and may shift attention from the envied object to the envied customer (Crusius & Lange, 2014). By the same token, when non-VIP customers have low perceived attainability to obtain VIP treatment, their benign envy to obtain the desired VIP treatment will be reduced.

The link between the two types of VIP granting methods and benign envy of non-VIP customers can be established by specific factors influenced by both types of VIP granting methods and leading to different intensity in non-VIP customers' benign envy. As mentioned above, one possible psychological process leading to benign envy during the social comparison process is related to evaluating the envious person's attainability of the envied objects. Based on the key differences between ascription-oriented VIP granting methods and achievement-oriented VIP granting methods, this study argues that the effect of two types of granting methods will influence envious non-VIP customers' high or low perceived attainability of VIP treatment and then affect the intensity of their benign envy toward VIP treatment. Based on this psychological process stimulated by the two types of VIP granting method, I propose the second hypothesis as follows (see Figure 3):

H1: Envious non-VIP customers' perceived attainability mediates the relationship between the effect of the two types of VIP granting methods and envious non-VIP customers' benign envy.

Figure 3

Mediation Role of Perceived Attainability between VIP Granting Methods and Non-VIP customers' Benign Envy



4.6.1 Effect of Types of VIP Granting Methods on Envious Non-VIP Customers' Perceived Attainability: Moderating Effect of Personal Salience Attribute

As discussed earlier (section 4.1.1), ascribed attributes and achieved attributes may serve as personal salient attributes for social comparison. An investigation departing from this perspective may address the existing knowledge gap in predicting benign envy of envious non-VIP customers. Envious customers and envied customers may share similarities and dissimilarities in both ascribed attributes (e.g., age, gender) and achieved attributes (e.g., purchasing power). However, the relative salience of the two types of attributes in comparison may vary across situations. In some situations, non-VIP customers and VIP customers are similar or dissimilar in both dimensions. In those situations, the comparison between the two persons would typically be predicted by previous social comparison theory (e.g., Smith & Kim, 2007).

However, the comparison would be more complicated in situations where non-VIP customers and VIP customers are similar in one dimension but dissimilar in another. Whether non-VIP customers would feel they are similar to VIP customers or not depends on which type of attribute is more salient in the comparison. Judgment-relevant knowledge is accessible when judgment (i.e., social comparison) is made (Higgins, 1996). A comparison increases the accessibility of the knowledge related to the comparison dimension (e.g., Mussweiler, 2001; Mussweiler, Rüter, & Epstude, 2004). Similarly, non-VIP customers may subjectively compare many accessible aspects (e.g., wealth, social class, profession) with VIP customers, but treatment differences motivate non-VIP customers to compare VIP customers in the dimension related to the requirement for being a VIP customer. Thus, this thesis suggests that the VIP granting method will trigger the relevant type of personal attribute to become salient in the comparison between non-VIP customers and VIP customers.

Since envious customers will be stimulated to evaluate and compare themselves with VIP customers along the specific dimension emphasized in the VIP privilege granting method, the relative salience of ascribed versus achieved attributes in the comparison of similarity is contingent on the VIP granting method.

Since ascribed attributes are difficult to change while achieved attributes can be improved by personal effort, when an envious person and an envied person are similar in ascribed attributes (e.g., age) and dissimilar in achieved attributes (e.g., job performance), the envious person has a chance to improve his or her achieved attributes to reduce the gap between them. However, if they are similar in achieved attributes (e.g., job performance) and dissimilar in ascribed attributes (e.g., family background), the envious person will find it difficult to change his or her ascribed attributes (e.g., family background), as these were predetermined at birth.

When envious non-VIP customers are similar to VIP customers in a personal salient attribute, envious non-VIP customers will be more likely to believe they can obtain the same VIP treatment based on this similar attribute. In this condition, envious customers will perceive a high level of attainability regardless of which types of VIP granting methods are employed to differentiate VIP customers from non-VIP customers.

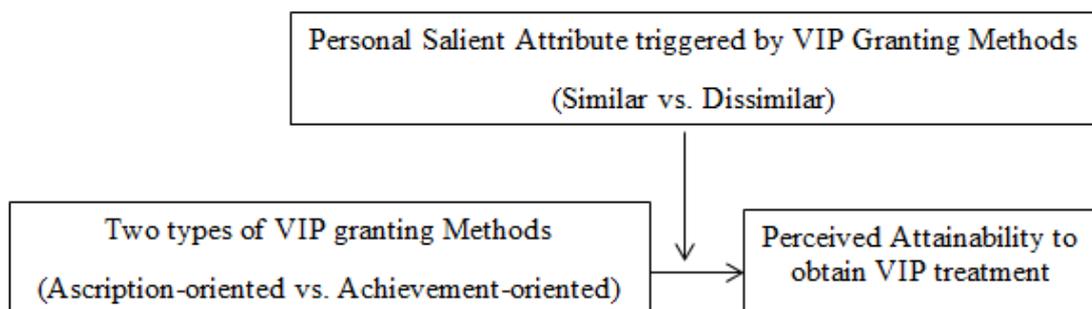
When envious non-VIP customers are dissimilar to VIP customers in personal salient attributes, the effect of types of VIP granting methods on perceived attainability of envious non-VIP customers is contingent on which type of VIP granting method marketers use. As mentioned earlier, when envious customers and envied customers are dissimilar in salient ascribed attributes triggered by ascription-oriented VIP granting methods, envious customers will perceive a low chance to attain VIP treatment because ascribed attributes are usually irreversible and fixed and

therefore envious customers may have a low level of perceived attainability of VIP treatment. However, when envious customers and envied customers are dissimilar in salient achieved attributes triggered by achievement-oriented VIP granting methods, envious customers will more likely perceive that they still have an opportunity to acquire VIP treatment by improving their achieved attributes (e.g., bonus points) through personal effort. Based on this key difference between the effects of these two types of VIP privilege granting methods, I propose the following hypothesis (see Figure 4):

H2: Personal salient attribute moderates the relationship between the effect of two types of VIP granting methods and perceived attainability of VIP treatment. Such relationship is stronger (vs. weaker) when envied and envious customers are dissimilar (vs. similar) in personal salient attribute.

Figure 4

Moderation Role of Personal Salient Attribute



4.7 Effect of Types of VIP Granting Methods on Benign Envy of Non-VIP Customers via Perceived Deservingness

Prior studies in the theory of deservingness have stated that the deserved outcome or success requires more personal effort than undeserved situations (Feather & Sherman, 2002; Smith & Kim, 2007; Van de Ven, Zeelenberg, & Pieters, 2011). Moreover, feelings of undeservingness and subjective injustice may elicit the emotion of envy with a hostile motivation (Feather, 1994; Smith et al., 1994), but feelings of deservingness may induce the emotion of envy without hostile motivation (e.g., Feather & Sherman, 2002; Van de Ven, Zeelenberg, & Pieters, 2009). Empirical studies have indicated that undeserved (vs. deserved) outcomes are more (vs. less) likely to induce aggression of envious customers (e.g., Kulik & Brown, 1979; Pastore, 1952; Rule, Dyck, & Nesdale, 1978) because envious customers want to restore the balance between the envious and the envied and to release uncomfortable feelings. In a word, the envied advantage with low effort would be judged as less positive and less appropriate than the envied advantage with high effort (Feather & Sherman, 2002).

In the current research, I argue that non-VIP customers' benign envy may not only be affected by the evaluation of perceived attainability, but also may depend on the judgment of deservingness of VIP treatment. I argue that the effect of deservingness of VIP treatment on benign envy is independent of perceived attainability. Envious non-VIP customers may have high or low perceived attainability of VIP treatment regardless of the judgment of deservingness to obtain VIP treatment, and vice versa. In the following, I will illustrate how the proposed two types of VIP granting methods influence envious non-VIP customers' judgment of deservingness and then lead their benign envy to obtain VIP treatment.

When marketers employ ascription-oriented VIP granting methods, VIP customers are selected based on their ascribed attributes (e.g., gender, birthdate) without any personal efforts in obtaining VIP treatment. If achievement-oriented VIP granting methods (e.g., accumulated bonus points) are used to attract potential customers, customers need to make the required purchasing efforts to meet the requirement for being a VIP customer. Drawing on the theory of ascription and achievement (i.e., Linton, 1936; Foladare, 1969; Trompenaars, 1998), the current research argues that the effort put in to get VIP treatment by an ascription-oriented VIP granting method is less than by an achievement-oriented VIP granting method. Thus, VIP treatments by an achievement-oriented VIP granting method is perceived by envious non-VIP customers as more deserved than those VIP treatments by an ascription-oriented VIP granting method.

Prior studies have suggested that motivational directions of envy are affected by deservingness (Feather & Sherman, 2002; Feather & Nairn, 2005; Van de Ven, Zeelenberg, & Pieters, 2011). Deserved results with high effort lead to motivation through self-improvement to obtain superiorities. However, undeserved outcomes with low effort lead to motivation with hostile feelings toward the envied persons (e.g., Feather & Sherman, 2002; Van de Ven, Zeelenberg, & Pieters, 2011) because low (vs. high) effort is evaluated as less positive behavior in an achievement context. Accordingly, envious persons may employ two distinct directional motivations to cope with the envy emotion to maintain their belief in a just world. In a similar vein, when envious non-VIP customers consider that VIP treatment is deserved by VIP customers, envious non-VIP customers will be more willing to get the VIP treatment through their own efforts rather than releasing discontent or hostile feelings.

Previous researchers have suggested that getting preferential treatment with low effort may lead to an uncomfortable and unsafe feeling (e.g., Jiang, Hoegg, & Dahl, 2013) because customers (i.e., VIP customers) receiving unearned preferential treatment may be concerned about suffering resentment or hostility from observing customers (i.e., non-VIP customers) who do not receive the same benefits. Moreover, envious customers may engage in brand-switching behavior if they find that envied customers are undeserving of the envied products (Van de Ven, Zeelenberg, & Pieters, 2011). This is because envious customers may release negative responses to related firms that design preferential treatment to restore the balance between envious customers and envied customers. In sum, deserved (vs. undeserved) VIP treatment containing high effort is likely to induce benign envy of envious non-VIP customers to obtain VIP treatment to cope with the envy emotion.

Hypothesis 1 argued that the link between the two types of VIP granting methods and benign envy can be established by the mediation of envious non-VIP customers' perceived attainability. This mediation role to connect VIP granting methods and benign envy of non-VIP customers is concentrated on the evaluation of envious non-VIP customers' own ability to obtain VIP treatment. However, deservingness is related to the evaluation of the effort of envied VIP customers' in getting VIP treatment. In this section, I argue that not only perceived attainability can link two types of VIP granting methods and benign envy, but also perceived deservingness of VIP treatment from the perspective of envious non-VIP customers can take the mediation role (see Figure 5).

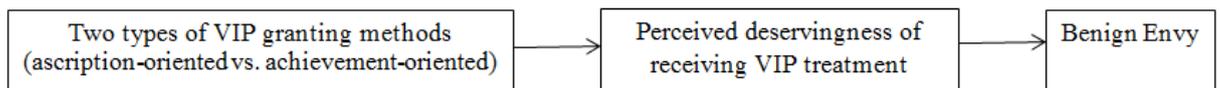
Due to the differences in the personal efforts put in to obtain VIP treatment between ascription-oriented VIP granting methods and achievement-oriented VIP granting methods, the effect of the two types of VIP granting methods influence the

judgment of the deservingness of VIP treatment in different ways. As discussed above, perceived deservingness positively affects envious customers' benign envy to obtain VIP treatment. Thus, I propose that:

H3: Perceived deservingness of VIP treatment mediates the relationship between the effect of the two types of VIP treatment granting methods and envious non-VIP customers' benign envy.

Figure 5

Mediation Role of Perceived Deservingness between VIP Granting Methods and Non-VIP Customers' Benign Envy



4.8 Effect of Personal Salient Attribute Triggered by Ascription-Oriented VIP Granting Method on Non-VIP Customers' Perceived Deservingness

As discussed above, obtaining VIP treatment by an ascription-oriented VIP granting method (i.e., birthdate) is less deserved than by an achievement-oriented granting method (i.e., accumulated bonus points) in terms of effort expended (e.g., Feather & Sherman, 2002). However, an ascription-oriented VIP granting method is still frequently used as a marketing tactic in service industries (e.g., hospitality, tourism). In the following paragraphs, the current research investigates how a personal salient attribute (similar vs. dissimilar) influences the deservingness of VIP treatment given by an ascription-oriented VIP granting method.

Deservingness is a subjective judgment (Van de Ven, Zeelenberg, & Pieters, 2011) and may be contingent on self-interest and personal values. As mentioned above, granting methods based on achieved attributes are generally regarded as a deserved way to attain a desired advantage in an achievement context. Although VIP granting methods based on ascribed attributes are likely to be seen as less deserved than those based on achieved attributes, I argue that the deservingness of VIP treatment based on ascription-oriented granting methods is contingent on the salient personal attribute in a similarity comparison between envious non-VIP customers and envied VIP customers.

Extending the theory of interpersonal attraction proposed by Byrne (1969, 1971), Taormina and Messick (1983) found that people tend to favor those who are similar to them because shared similarity (e.g., appearance, values, background) increases the probability that one will attain consensual validation of one's own views, which usually is experienced as rewarding and therefore leads to an increase in positive feelings (e.g., favoritism) toward the other person (Frank & Hackman, 1975). Furthermore, this favor will tend to be stronger if shared attributes benefit the one offered the favor because individuals have the desire to protect their own self-esteem and self-interest (e.g., Dasgupta, 2004).

In a similar vein, envious non-VIP customers will judge the outcome of VIP treatment received by envied customers as more deserved when envious non-VIP customers and envied VIP customers are similar in personal salient attributes than when they are dissimilar. In other words, envious non-VIP customers will be more likely to assign personal preference and subjective reasonableness to ascription-oriented VIP granting methods when envious non-VIP customers are the actual

beneficiaries involved in attaining VIP treatment granted by the ascribed attributes.

Therefore, I propose the following hypothesis:

H4: Similarity (vs. dissimilarity) between envious non-VIP customers and envied customers in personal salient attributes triggered by ascription-oriented VIP granting methods increases (vs. reduces) envious non-VIP customers' feeling of deservingness of VIP treatment.

In addition, VIP treatment based on an achievement-oriented VIP granting method requires customers' effort to accumulate the required bonus points. In view of deservingness theory, customers are more deserving of VIP treatment given by an achievement-oriented (vs. ascription-oriented) VIP granting method. In this regard, perceived deservingness of VIP treatment tends to be indifferent to envious non-VIP customers regardless of envious non-VIP customers being similar or dissimilar to VIP customers in the personal salient attribute triggered by the achievement-oriented VIP granting method.

4.9 Effect of Personal Salient Attribute Triggered by Ascription-Oriented VIP Granting Method on Non-VIP Customers' Perceived Deservingness-Moderating Role of Ascription-Achievement Culture

As mentioned earlier, deservingness is a subjective judgment and may vary between cultures. Moreover, the deservingness theory is concentrated on the achievement context (e.g., Feather, 1999; Feather & Sherman, 2002), but little is known about it in other contexts, such as an ascription-oriented culture. Feather (1989) noted that if the high status of an individual is acquired by way of ascription (e.g.,

inherited wealth) rather than personal achievement, the deservingness judgment of that high status in various societies may differ in terms of their social norms and cultural values. This hints that judgment of deservingness may be contingent on cultural values.

As mentioned above (4.2.1 section), extant studies in cross-cultural research have found that people from different societies or nations value either ascribed attributes or achieved attributes (e.g., Linton, 1936; Trompenaars & Hampden, 1998; Gilbert & Tsao, 2000; Luque & Mommer, 2000; Lee & Peterson, 2001; Cullen, Parboteeah, & Hoegl, 2004; Overby, Gardial, & Woodruff, 2004; Morris, Podolny, & Sullivan, 2008). Linton (1936) also pointed out that people in different cultures have different values related to ascription and achievement. Similarly, Smith and Trompenaars (1995) indicated value differences between ascription-oriented cultures and achievement-oriented cultures across different nations.

In ascription-oriented cultures, status and superiorities are mainly based on who or what a person is (e.g., Linton, 1936; Hampden-Turner & Trompenaars, 1993). Typical ascription-oriented cultures include Russia, India, and China. In this type of society, ascribed attributes (e.g., family background, social connection, age) are usually regarded as legitimate sources, causes, and means to obtain social status and social resources. For example, kinship is a legitimate reason for a young prince to become the new ruler in an ascription-oriented country (e.g., Chinese feudal society, caste system in India). People from ascription-oriented cultures respect, value, and emphasize ascribed attributes (e.g., family background, social connection) or status (e.g., prestige).

Since ascription-oriented individuals believe that superiorities granted by ascribed attributes are legitimate, envious non-VIP customers from an ascription-

oriented society may regard the outcome of receiving VIP treatment by customers' ascribed attributes (i.e., birthdate) as acceptable and supported by their own cultural values. The current research argues that envious non-VIP customers may perceive VIP treatment granted by ascribed attributes as less deserved when envious non-VIP customers are dissimilar (vs. similar) to the VIP customers in personal salient attributes (hypothesis 4). However, the judgment of envious non-VIP customers from an ascription-oriented society may be influenced by their cultural values and adjusted to fit the ascription-oriented society. In this situation, VIP treatment granted by ascribed attributes may be judged as deserved regardless of whether envious non-VIP customers are the actual beneficiary (i.e., similar to the VIP in the personal salient attribute).

Contrary to an ascription-oriented culture, people in an achievement-oriented culture are accorded status based on how well they perform their functions (e.g., Hampden-Turner & Trompenaars, 1993; Francis, 2007). Moreover, people from achievement-oriented culture (e.g., the U.S., Canada) value individuals' achieved attributes (e.g., personal effort, job performance) and achieved status (e.g., expertise in some field) more than their ascribed attributes (e.g., Linton, 1936; Hampden-Turner & Trompenaars, 1993). In this type of society, achieved attributes (e.g., professional skills, job performance) are seen as the legitimate way to obtain social status. Thus, people from achievement-oriented cultures usually attribute success or superiorities to personal effort or good performance.

When superiorities (i.e., VIP treatments) are based on unearned ascribed attributes, achievement-oriented people are more likely to judge such superiorities as less deserved than superiorities attained by personal effort. However, envious non-VIP customers from an achievement-oriented society may accept VIP treatment

granted by ascribed attributes as deserved when envious non-VIP customers are the actual beneficiaries involved in attaining VIP treatment granted by ascribed attributes.

Based on the above discussion about the different perceptions of VIP treatments granted by ascribed attributes between envious non-VIP customers from ascription-oriented societies and achievement-oriented societies, I propose the following hypothesis:

H5: There is an interaction effect between personal salient attribute (similar vs. dissimilar) and two types of cultures (ascription-oriented vs. achievement-oriented) on perceived deservingness of VIP treatment granted by ascribed attributes, such that the effect of the personal salient attribute on the perceived deservingness is more pronounced in an achievement-oriented culture than an ascription-oriented culture.

In sum, this chapter provides a theoretical model to predict the intensity of benign envy of envious non-VIP customers toward VIP treatment. Drawing on the theory of ascription and achievement, this research proposes two types of VIP granting methods (ascription-oriented and achievement-oriented) and investigates the influences of two types of VIP granting methods on the two different psychological processes in eliciting benign envy of envious non-VIP customers via perceived attainability and perceived deservingness.

In the next two chapters, two scenario-based experimental studies are conducted to test these proposed hypotheses. In chapter 5, study 1 was designed to test how the effect of types of VIP granting methods influence the benign envy of non-VIP customers via two separate mediators – perceived attainability and perceived deservingness. In this study, the moderation effect of personal salient attribute (similar

vs. dissimilar) on the relationship between the effects of VIP granting methods and non-VIP customers' perceived attainability/deservingness was studied.

In chapter 6, study 2 extended the findings from study 1 and further investigated whether the judgment of perceived deservingness of VIP treatment is influenced by cultural values. Specifically, study 2 used a cultural priming method to test how the type of culture (ascription-oriented vs. achievement oriented) moderates the relationship between the effect of a personal salient attribute (similar versus dissimilar) and perceived deservingness of VIP treatment granted by the ascribed attributes.

CHAPTER 5

THE EFFECT OF TYPES OF VIP GRANTING METHODS ON NON-VIP CUSTOMERS' BENIGN ENVY (STUDY1)

VIP strategies are commonly adopted by marketers in service industries, such as hotels, airline companies or retail stores. Prior envy literature in marketing context only used student samples (Van de Ven, Zeelenberg and Pieters, 2011). To improve the realism of study in this stream, the current research uses a sample of adult consumers in order to successfully investigate their benign envy to cope with their envy emotion caused by treatments differences in VIP treatment contexts.

To test proposed hypotheses in predicting benign envy in VIP contexts, a scenario-based experiment (Study 1) is presented in this chapter. Study 1 focuses on how the two types of VIP granting methods influence the benign envy of envious non-VIP customers via two separate mediators – perceived attainability (hereafter PA) and perceived deservingness (hereafter PD). Moreover, Study 1 tested how the joint effect between the effect of types of VIP granting methods and personal salient attribute influences envious non-VIP customers' perceived attainability and perceived deservingness.

5.1 The Benign Envy and Malicious Envy Scales

As discussed in chapter two, the conceptualizations of benign envy and malicious envy are unclear, because the substance and the consequences of envy are mixed in prior studies (Tai et al., 2012). Furthermore, measurements of benign envy and malicious envy are not well established in extant studies. Recent studies in envy

research used single item to measure the intensity of benign envy and malicious envy⁷ (e.g., Van de Ven, Zeelenberg and Pieters, 2011). In this regard, the current research proposes two multi-item scales, namely, benign envy and malicious envy, with reference to previous studies in psychology and marketing discipline.

According to the conceptualizations of benign envy in the current research, benign envy is employed by envious persons to cope with envy emotion targeting envied objects. Grounded on the features of benign envy, I adapted five items from the studies by Parrott and Smith (1993) and Van de Ven et al. (2009) which are related to motivations in envy context. These five items grasp the conceptualization of benign envy and indicate the degree of envious non-VIP customers' motivation to obtain VIP treatment to catch up with envied VIP customers. Another four items to measure malicious envy emotion are adapted from Belk (1985), Parrott and Smith (1993) and Van de Ven et al. (2009). These four items show the meaning of malicious envy and reflect the degree of envious non-VIP customers' negative emotion to pull envied VIP customers down to restore the balance between envious non-VIP customers and envied VIP customers.

Confirmatory factor analysis (CFA) using LISREL 8.14 (Jöreskog and Sörbom, 1996) is conducted to assess the reliability and validity of benign envy scale and malicious envy scale. One hundred and thirty passengers in Hong Kong International Airport participated in a pretest for confirmatory factor analysis. They responded to the 9 items on 9-point Likert scales (1 = strongly disagree; 9 = strongly agree). The composite reliability, average extracted variance and CFA fit statistics of benign envy and malicious envy are reported in Table 4. The standardized loadings of

⁷ Item extracted from Van de Ven's study (2011): "Are you benignly/maliciously envious of the person who had the internship?"

all measurement items are larger than 0.5 and average variance extracted for two constructs are larger than 0.5 (Hair et al., 1998). The composite reliabilities are all above 0.70 (Hair et al., 1998). The fit index of RMSEA is below 0.1, and indices of CFI and NNFI are above the common standard of 0.9 (e.g., Browne and Cudeck, 1993; Garman, Davis and Corrigan, 2003). These results indicate that the reliability and the convergent validity of benign envy and malicious envy measurements are assured (see table 4).

In addition, the results of CFA show that the square of the parameter estimate between benign envy and malicious envy ($\varphi^2 = 0.01$) is less than the average variance extracted estimates of the two constructs (Fornell and Larcker, 1981) (see table 4). Thus, the discriminant validity of benign envy and malicious envy are validated.

Table 4: Confirmatory Factor Analysis for Benign Envy and Malicious Envy

Code	Item Description	Standardized Loading	Composite Reliability	Variance Extracted
Benign envy (BE)			0.95	0.81
BE1	I'm longing for what VIP customers have.	0.86		
BE2	I'm feeling wishful to get the VIP treatment.	0.85		
BE3	I have the motivations to put my purchase effort to obtain the VIP treatment.	0.94		
BE4	I'm motivated to become a VIP customer.	0.91		
BE5	I will start to purchase more to obtain the VIP treatment.	0.94		
Malicious envy (ME)			0.95	0.53
ME1	I am bothered when I see people who get the VIP treatment.	0.80		
ME2	I feel unhappy when I see people enjoyed the VIP treatment.	0.90		
ME3	I feel upset when I see people enjoyed the VIP treatment.	0.98		
ME4	I hope that the VIP customers will not have the VIP treatment.	0.89		
Chi-square	46.14 (<i>d.f.</i> = 26, <i>p</i> < 0.01)			
RMSEA	0.077			
CFI	0.98			
NNFI	0.97			

5.2 Methods

5.2.1 Overall Design and Manipulation

Study 1 adopted a 2 (VIP granting methods: ascription-oriented versus achievement-oriented) \times 2 (personal salient attribute: similar versus dissimilar) between-subjects factorial design.

Manipulations

The two types of granting methods and personal salient attributes are manipulated in a scenario story related to VIP treatment in hotel industry (see Appendix 2).

Manipulations of two types of VIP granting methods. In this study, two types of VIP granting methods (ascription-oriented versus achievement-oriented) are manipulated in a hotel industry scenario. The ascription-oriented VIP granting method is manipulated based on a VIP treatment given to customers according to the month of birth selected by marketers. The achievement-oriented VIP granting method is manipulated in terms of required bonus points earned from purchases (see Appendix 2).

Manipulations of personal salient attribute. Personal salient attribute triggered by the ascription-oriented VIP granting method is manipulated by month of birth that qualified by the ascription VIP granting method (similar condition) and month of birth that is not qualified (dissimilar condition) (see Appendix 2). Similarly, the personal salient attribute triggered by the achievement-oriented VIP granting method is manipulated by adequate purchase bonus points (similar condition) and inadequate bonus points (dissimilar condition) (see Appendix 2).

5.2.2 Procedures

Sample. A total of one hundred and ninety-two passengers at the Hong Kong International Airport participated in this study (see table 5). To successfully induce the emotion of envy, screening questions were used to select participants who were non-VIP customers of hotels at which they stayed. As a token of appreciation, all participants were given a souvenir after they completed this study.

Table 5: Demographic Profile of Respondents (Study 1)

Age	Under 20	21 to 30	31 to 40	41 to 50	Over 50
	11.5%	39.5%	24%	13%	12%
Gender	Female		Male		
	40.1%		59.9%		
Education	University or above	High school	Junior high school	Primary school	
	82.8%	16.2%	0.5%	0.5%	
Income level	High level	Middle high level	Middle level	Low level	
	12%	38.5%	39.1%	10.4%	

Manipulation procedures. All participants were asked to read a story with a scenario related to a hotel VIP membership which qualified by either ascription-oriented VIP granting method (selected month of birth) or achievement-oriented VIP granting method (required bonus points) (see Appendix 2). Participants were asked to assume themselves are the non-VIP customers in the scenario story. In order to induce

an intense emotion of participants, the VIP treatments include attractive elements, such as a high discount on purchases, free breakfast buffet, and late check-out time (see Appendix 2). Personal salient attribute was manipulated by personal information of the non-VIP customer given in the scenario story, which is either similar or dissimilar to VIP customers in the attribute dimension related to the VIP granting methods.

Measurement for manipulation check. After that, participants were asked to answer questions from two measurement scales (see Appendix 4) to check the effectiveness and confounding of the experimental design. A 3-item personal efficacy scale ($\alpha = .90$, adopted from Paulhus, 1983) was used to check the manipulation of two types of VIP granting methods. Typical items are “I will get the VIP treatment of Star Hotels due to my purchase effort” and “The attainment of VIP treatment of Star Hotels is based on purchase effort” (see Appendix 4). Another 3-item scale (adapted from Sedikides, et al., 1999) was employed to check the manipulation of personal salient attribute ($\alpha = .92$). Typical items are “How similar is Jean⁸ to you” and “How close do you feel to Jean in general” (see Appendix 4).

Measurement of mediator variables. Participants were then asked to indicate their perceived attainability to get VIP treatment and perceived deservingness of VIP treatment by Jean. The measurement of perceived attainability was a 3-item scale ($\alpha = .90$; adopted from Li, Fock and Mattila, 2012) containing typical items such as “I

⁸ Jean is the fictitious envied VIP customer in the scenario (see Appendix2).

feel that I am able to get the VIP treatment of Star Hotels⁹” and “I feel it is easy to get the VIP treatment of Star Hotels”(see Appendix 4). Perceived deservingness was measured using a 4-item scale ($\alpha = .95$; adopted from Van de Ven, Marcel and Rik, 2011; Feather and Rebecca, 2002), including items such as “Jean deserves the VIP treatment of Star Hotels” (see Appendix 4).

Measurement of criterion variables. Finally, all participants rated their benign envy towards the envied VIP treatments and their malicious envy towards the VIP customers (see Appendix 4). Benign envy was measured with five items ($\alpha = .92$). Items of benign envy include: “I’m longing for what VIP customers of Star Hotels have” and “I’m motivated to become a VIP customer of Star Hotels.” Malicious envy was measured using a 4-item scale ($\alpha = .95$). Items of malicious envy include: “I feel unhappy when I see Jean enjoying the VIP treatment of Star Hotels” and “I hope that Jean will not have the VIP treatment of Star Hotels.”

5.3 Results

5.3.1 Manipulation Checks

Manipulation check for the two types of granting methods. A two-way ANOVA with two manipulated factors (two types of granting methods and personal salient attributes) as between-subjects factors and the personal efficacy scale as criteria variable was conducted. A main effect of the two types of VIP granting

⁹ Star Hotels is the fictitious hotel chain created for the scenario (see Appendix 2).

methods was revealed. Participants manipulated with achievement-oriented granting methods show higher scores than do participant manipulated with ascription-oriented granting methods) ($M_{achievement} = 6.37$, $M_{ascription} = 4.23$; $F(1, 188) = 68.20$, $p < .001$). All of the other main and interaction effects are not significant. Thus, the manipulation of the two types of VIP granting methods is successful.

Manipulation check for personal salient attributes. Another two-way ANOVA with two types of VIP granting methods and personal salient attributes (similar versus dissimilar) as the between-subjects factors and the similarity scale for personal salient attributes as the criterion variable was conducted. A main effect for personal salient attributes indicated that participants in similar condition show higher scores than do participants in dissimilar condition ($M_{similar} = 4.95$, $M_{dissimilar} = 4.18$; $F(1, 188) = 8.15$, $p < .01$). Other main and interaction effects are not significant. Therefore, the manipulation of personal salient attributes (similar versus dissimilar) triggered by the two types of granting methods is successful.

Given that created envied person named as “Jean” (a more girlish name) in the scenario, one-way ANOVA with gender as the between-subjects factor and the similarity scale for personal salient attributes as the criterion variable was conducted. The main effect of gender is not significant ($M_{male} = 4.68$, $M_{femal} = 4.39$; $F(1, 190) = .99, n.s.$), ruling out the confounding effect of gender on personal salient attribute.

5.3.2 Confirmatory Factor Analysis (CFA) for Measures

Although this is a scenario-based experiment, in which independent variables are manipulated by experimental scenario, mediators and criterion variables are measured. In order to validate these variables, confirmatory factor analysis with LISREL 8.80 (Jöreskog and Sörbom, 2006) was conducted with 16 measurement items of four scales involved in this study. The results were presented in table 6.

The model fitness is reflected by chi-square test, goodness-of-fit index (GFI), root mean square error of approximation (RMSEA), comparative fit index (CFI), and non-normed fit index (NNFI) (Hair et al., 2006). The CFA results indicated an acceptable fit of the measurement model ($\chi^2 = 243.16$, $df. = 98$, $p < 0.001$; $CFI = 0.96$; $NNFI = 0.95$; $GFI = 0.86$; $RMSEA = 0.089$). The variance extracted of all variables were adequate ($> .50$) and their composite reliabilities were all above $.70$ (Hair et al., 2006) (see table 6). Thus, these results demonstrated that convergent validity of the measurements. Table 6 also provides evidences for discriminant validity. It shows that the square of the parameter estimate between two factors (ϕ^2) is less than the average variance extracted estimates of the two factors (Fornell and Larcker, 1981). Thus, the discriminant validity of these variables including mediators and criterion variable are validated.

Table 6: Confirmatory Factor Analysis for Mediators and Dependent Variables

Code	Item Description	Standardized Loading	Composite Reliability	Variance Extracted		
Perceived Attainability(PA)			0.90	0.75		
PA1	I feel that I am able to get the VIP treatment of Star Hotels.	0.83				
PA2	I feel it is easy to get the VIP treatment of Star Hotels.	0.91				
PA3	I feel that it is not difficult to get the VIP treatment of Star Hotels that I desire.	0.85				
Perceived Deservingness(PD)			0.95	0.84		
PD1	Jean deserved the VIP treatment obtained from of Star Hotels.	0.92				
PD2	Jean is deserved to possess the VIP treatment of Star Hotels.	0.93				
PD3	VIP treatment of Star Hotels is deserved to own by Jean.	0.98				
PD4	Is it deserved that Jean have VIP treatment of Star Hotels?	0.83				
Benign envy (BE)			0.92	0.69		
BE1	I'm longing for what VIP customers of Star Hotels have.	0.76				
BE2	I'm feeling wishful to get the VIP treatment of Star Hotels.	0.75				
BE3	I have the motivations to put my purchase effort to obtain the VIP treatment of Star Hotels.	0.90				
BE4	I'm motivated to become a VIP customer of Star Hotels.	0.85				
BE5	I will start to purchase more to obtain the VIP treatment of Star Hotels.	0.87				
Malicious envy (ME)			0.95	0.82		
ME1	I am bothered when I see Jean get the VIP treatment of Star Hotels.	0.87				
ME2	I feel unhappy when I see Jean enjoyed the VIP treatment of Star Hotels.	0.95				
ME3	I feel upset when I see Jean enjoyed the VIP treatment of Star Hotels.	0.94				
ME4	I hope that Jean will not have the VIP treatment of Star Hotels.	0.86				
Chi-square	243.16 (<i>d.f.</i> = 98, <i>p</i> < 0.001)					
RMSEA	0.089					
GFI	0.86					
CFI	0.96					
NNFI	0.95					
Mean, Standard Deviation, and PHI ϕ Correlation Matrix						
	Mean	S.D.	PA	PD	BM	MM
Perceived Attainability	5.28	2.05	1.00			
Perceived Deservingness	5.94	1.90	.34**	1.00		
Benign Envy	5.03	1.83	.43**	.26**	1.00	
Malicious envy	3.33	1.82	.00	-.32**	.22**	1.00

*Significant at $p < .05$ level; **significant at $p < .01$ level.

5.3.3 Hypotheses Testing

Since Study 1 adopted a 2 (VIP granting methods: ascription-oriented versus achievement-oriented) \times 2 (personal salient attribute: similar versus dissimilar) between-subjects factorial design, a two-way ANCOVA analysis was conducted. Prior studies found that demographic information including age, gender, income level and education may be related to the emotion of envy (e.g., Vecchio, 2005) and social comparison (e.g., Duffy et al., 2012). Moreover, quasi-experiment is lack of random assignment (William, Shadish, Cook and Campbell, 2002. p.14) and therefore these demographic variables are controlled. Perceived attainability was entered as criteria variable. Results showed that perceived attainability of envious customers was significantly influenced by this interaction effect ($F(1, 184) = 5.80, p < .05$). The main effect of the types of granting methods on perceived attainability is significant ($M_{achievement} = 5.60, M_{ascription} = 4.97; F(1, 184) = 5.04, p < .05$). The main effect of personal salient attribute on perceived attainability is significant ($M_{similar} = 5.93, M_{dissimilar} = 4.64; F(1, 184) = 21.48, p < .001$). Moreover, perceived attainability of envious customers was significantly influenced by age ($F(1, 184) = 4.56, p < .05$) and insignificantly affected by gender ($F(1, 184) = 2.28, n.s.$), education ($F(1, 184) = 1.02, n.s.$) and income ($F(1, 184) = 1.52, n.s.$).

A follow-up simple effect analysis further demonstrated that the effect of the types of granting method on perceived attainability was more pronounced in the dissimilar condition of personal salient attribute ($M_{achievement} = 5.29, M_{ascription} = 3.99; F(1, 184) = 10.81, p < .01$) than in the similar condition of personal salient

attribute ($M_{achievement} = 5.90$, $M_{ascription} = 5.95$; $F(1, 184) = 0.02$, *n.s.*). Thus, the results validated hypothesis 2 (see Table 7& Figure 6).

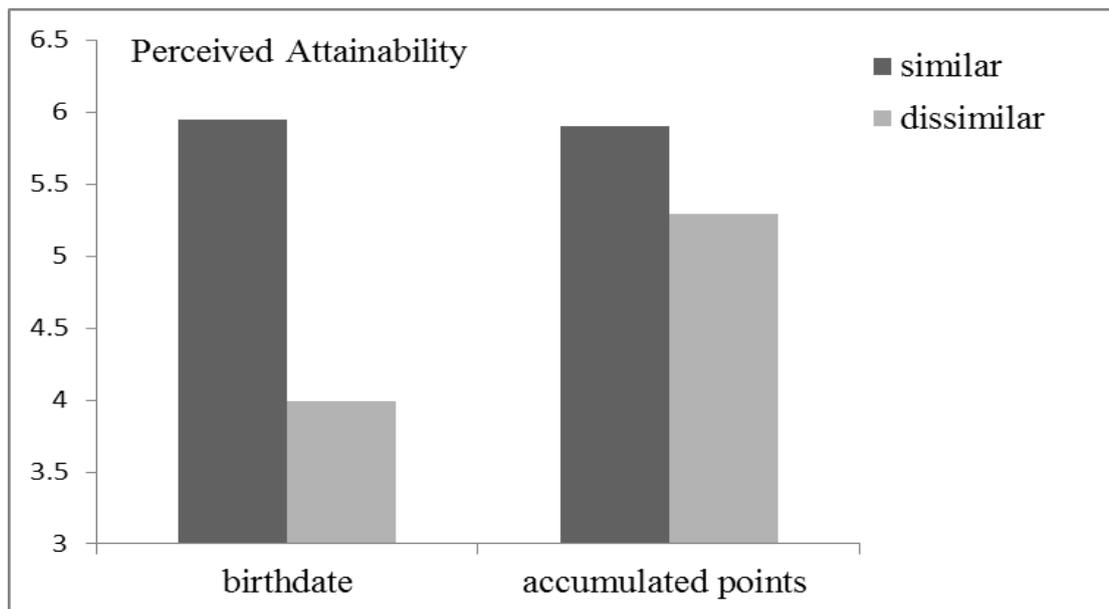
Table 7: Mean Ratings of Perceived Attainability to Obtain VIP Treatment

	Ascription-oriented VIP granting methods	Achievement-oriented VIP granting methods
Similar in personal salient attribute	5.95	5.90
Dissimilar in personal salient attribute	3.99	5.29

Notes. $n = 192$; 1 = very low evaluation, 9 = very high evaluation.

Figure 6

Joint Effects of Two Types of VIP Granting Methods and Personal Salient Attributes on Perceived Attainability



The mediation effect of non-VIP customers' perceived attainability between VIP granting methods and envious non-VIP customers' benign envy [GM →PA→BE (H1)]

To test the mediation effect of perceived attainability (H1), a mediation analysis using bootstrapping (Preacher and Hayes, 2008) was conducted to test the indirect effect of the two types of granting methods on benign envy via perceived attainability. Bootstrapping is related to the repeated extraction of samples from the data set (e.g., 5000 samples were taken) and the estimation of the indirect effect in each resampled data set (e.g., Yoon, Sarial-Abi and Gürhan-Canli, 2012). Age, gender, income level and education attainment were employed as control variables. Benign envy was entered as criteria variable. Results confirmed the mediation effect of perceived attainability to obtain VIP treatment (0 was not included in the 95% confidence interval; CI: .02, .47). Age ($\beta = -.22$, $t(186) = -1.74$, *n.s.*), gender ($\beta = -.35$, $t(186) = -1.17$, *n.s.*), education ($\beta = .35$, $t(186) = 1.04$, *n.s.*) and income level ($\beta = -.23$, $t(186) = -1.27$, *n.s.*) were not significant to predict perceived attainability. Meanwhile, age was significant to predict benign envy ($\beta = -.24$, $t(185) = -2.28$, $p=.02$), but gender ($\beta = .06$, $t(185) = .25$, *n.s.*), education ($\beta = -.08$, $t(185) = -.28$, *n.s.*) and income level ($\beta = -.05$, $t(185) = -.33$, *n.s.*) were not significant to predict benign envy. Thus, the mediation effect of perceived attainability to link the effect of types of granting methods and benign envy of envious non-VIP customers (H1) was supported.

Another mediation analysis using bootstrapping (Preacher and Hayes, 2008) is conducted by putting malicious envy as criteria variable. Results revealed that the mediation effect of perceived attainability linking the effect of types of granting methods and malicious envy of envious non-VIP customers is not significant (0 was

included in the 95% confidence interval; CI: -.06, .17). This is because malicious envy is not significantly influenced by perceived attainability ($\beta = .04$, $t(183) = .60$, *n.s.*).

The effect of types of VIP granting methods on non-VIP customers' perceived deservingness [GM → PD]

To test the effect of types of VIP granting methods on non-VIP customers' perceived deservingness, a two-way ANCOVA analysis was conducted with two manipulated factors (two types of granting methods and personal salient attributes) as between-subjects factors and the perceived deservingness as the criterion variable. Moreover, age, gender, educational attainment and income level were controlled in this analysis. Results showed that perceived deservingness of VIP treatment was not significantly influenced by the interaction effect ($F(1, 184) = 1.54$, *n.s.*) (see Figure 7). The main effect of types of granting method on perceived deservingness is significant ($M_{achievement} = 6.90$, $M_{ascription} = 4.94$; $F(1, 184) = 67.95$, $p < .001$). The main effect of personal salient attribute on perceived deservingness is marginal significant ($M_{similar} = 6.14$, $M_{dissimilar} = 5.71$; $F(1, 184) = 3.36$, $p = .07$). Age ($F(1, 184) = .22$, *n.s.*), gender ($F(1, 184) = .41$, *n.s.*), education ($F(1, 184) = .19$, *n.s.*) and income level ($F(1, 184) = .61$, *n.s.*) are not significant to predict perceived deservingness of VIP treatment.

In general, simple effects are conducted when the interaction is significant. "If the interaction ($A \times B$) is not significant, one may conduct the tests of $SS_{B@a1}$ and $SS_{B@a2}$ when the main effect of A is significant and B is not" (cf. Iacobucci et al., 2001, p.9). A follow-up analysis showed that perceived deservingness is higher in the

similar condition than in the dissimilar condition ($M_{similar} = 5.30$, $M_{dissimilar} = 4.57$; $F(1, 184) = 4.64$, $p < .05$) when ascription-oriented VIP granting method was used (see Table 8). Therefore, hypothesis 4 was supported. In addition, there was no significant difference for perceived deservingness when achievement-oriented VIP granting method is used ($M_{similar} = 6.98$, $M_{dissimilar} = 6.84$; $F(1, 184) = .17$, $n.s.$).

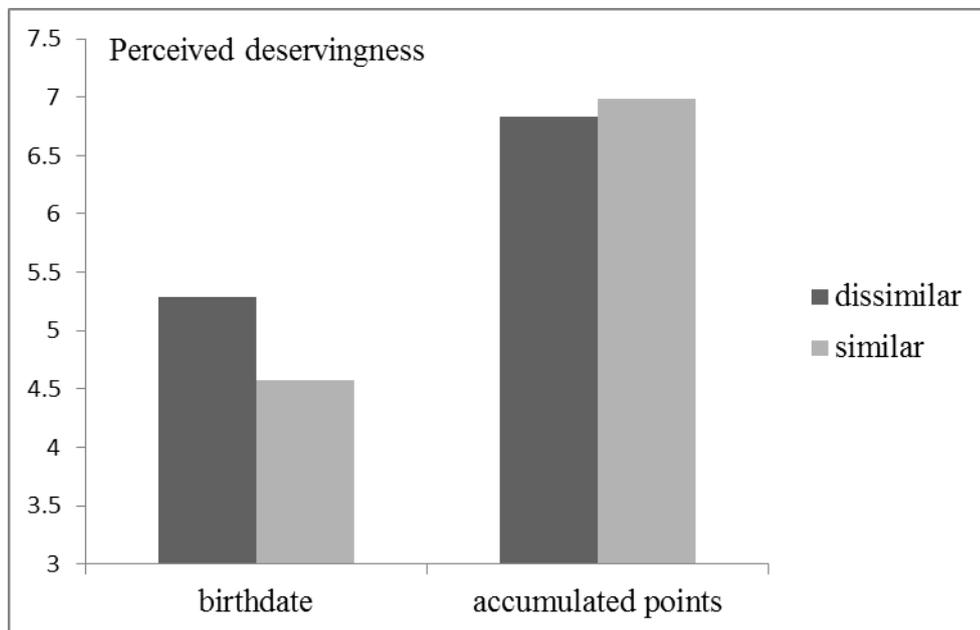
Table 8: Mean Ratings of Perceived Deservingness of VIP Treatment

Condition	Ascription-oriented VIP granting methods	Achievement-oriented VIP granting methods
Similar in personal salient attribute	5.30	6.98
Dissimilar in personal salient attribute	4.57	6.84

Notes. $n = 192$; 1 = very low evaluation, 9 = very high evaluation.

Figure 7

Joint Effects of Two Types of VIP Granting Methods and Personal Salient Attributes on Perceived Deservingness



The mediation effect of perceived deservingness on the relationship between VIP granting methods and benign envy [GM → PD → BE (H3)]

To test the mediation effect of perceived deservingness between the effect of types of VIP granting methods and benign envy (H3), a mediation analysis using bootstrapping (Preacher and Hayes, 2008) was conducted. Age, gender, income level, and education attainment were controlled. The analysis results showed that H3 was supported by proposed mediator of perceived deservingness (PD) of receiving VIP treatment (0 was not included in the 95% confidence interval; CI: .14, .84). Age ($\beta = -.03$, $t(186) = -.32$, *n.s.*), gender ($\beta = -.18$, $t(186) = -.71$, *n.s.*), education ($\beta = .13$, $t(186) = .49$, *n.s.*) and income level ($\beta = -.12$, $t(186) = -.78$, *n.s.*) were not significant to predict perceived deservingness. Meanwhile, age was significant to predict benign envy ($\beta = -.31$, $t(185) = -2.79$, $p = .01$), but gender ($\beta = -.02$, $t(185) = -.07$, *n.s.*), education ($\beta = .01$, $t(185) = .04$, *n.s.*) and income level ($\beta = -.10$, $t(185) = -.63$, *n.s.*) were not significant to predict benign envy. Thus, Hypothesis 3 was supported. Additionally, using the same procedure, I found that perceived deservingness mediated the relationship between the effect of types of granting methods and malicious envy (0 was not included in the 95% confidence interval; CI: -.89, -.11).

In summary, analyses in this chapter confirm that the effect of types of granting methods influence the two different mediators – namely, perceived attainability and perceived deservingness – and thereby affect high/low intensity of benign envy. Moreover, the joint effect between the effect of types of VIP granting methods and personal salient attribute influences envious non-VIP customers' perceived attainability and perceived deservingness are demonstrated.

CHAPTER 6

JOINT EFFECT OF PERSONAL SALIENT ATTRIBUTE AND CULTURE ON PERCEIVED DESERVINGNESS (STUDY2)

Study 2 is designed to test if cultural values (ascription-oriented vs. achievement-oriented) are a boundary condition for the effect of personal salient attribute on perceived deservingness of VIP treatment granted by ascribed attribute (H5). Study 2 extends the findings of hypothesis 4 in Study 1 and concentrates on the perception differences of perceived deservingness under the influenced of ascription-oriented and achievement-oriented cultural values.

6.1 Cultural Priming Issues

Cultural priming techniques allow researchers to compare responses of participants who are presently focused on one type of cultural values with participants who are not (Oyserman, Coon and Kimmelmeier, 2002; Hong et al., 2000). The theoretical foundations of cultural priming techniques stem from social cognition research, which shows that accessible knowledge influences behavior; temporarily accessible and chronically salient knowledge produces equivalent effects in the laboratory (for details, refer to Bargh, Bond, Lombardi, and Tota, 1986; Oyserman, Coon and Kimmelmeier, 2002).

Cultural values of participants in an experimental setting may be switched through priming methods such as being shown different cultural icons (e.g., the Great Wall of China versus the Statue of Liberty) (Hong and Mallorie, 2004). According to

the basic mechanism of cultural priming (e.g., Hong, et al., 2000), this technique could be used to engender switching between ascription-oriented and achievement-oriented cultural values of the respondents. Regardless of their chronic cultural orientations, our participants may be primed with ascription-oriented or achievement-oriented values for testing of hypothesis 5.

6.2 Methods

6.2.1 Overall Design and Manipulation

The purpose of Study 2 is to test the interaction effects of cultures (ascription versus achievement) and personal salient attribute (similar versus dissimilar) on perceived deservingness towards envied VIP treatment based on ascribed attribute (i.e., month of birth) (H5). To further verify the theoretical prediction, this study also examines this interaction effects in the contents of achievement-oriented VIP granting method (i.e., bonus points). Specifically, Study 2 employs a 2 (VIP granting methods: ascription-oriented versus achievement-oriented) \times 2 (personal salient attributes: similar versus dissimilar) \times 2 (culture: ascription-oriented versus achievement-oriented) between-subjects factorial design.

Manipulations

Study 2 replicates the procedure in study 1 to manipulate two types of VIP granting methods and personal salient attribute triggered by VIP granting methods

(see Appendix 2). Cultural priming instruments are conducted before the manipulations of granting methods and personal salient attribute.

This study adopts the cultural priming method (Wang, 2013) to manipulate ascription-oriented and achievement-oriented cultural values. I first asked participants to read a statement describing personal development and social attainment (e.g., career) under the influence of either family background (ascribed attribute) or individual efforts and performance (achieved attribute) (see Appendix 3). Thereafter, participants are asked to write down two examples in daily life to support why ascribed or achieved attributes are important to personal development and social attainment. Participants are then asked to describe one of these examples in detail in order to reinforce the priming effects (see Appendix 3). To check the effectiveness of the cultural priming, participants' temporary value orientation are evaluated by a 3-item measurement scale (see Appendix 4) adapted from Trompenaars and Hampden (1998).

6.2.2 Procedure

Sample. A total of one hundred and ninety passengers intercepted at the Hong Kong International Airport participated in this study (see table 9). As a token of appreciation, all participants were given a souvenir after this study was completed.

Table 9: Demographic Profile of Respondents (Study2)

Age	Under 20	21 to 30	31 to 40	41 to 50	Over 50
	7.5%	34.7%	28.9%	20%	8.9%
Gender	Female		Male		
	45.8%		54.2%		
Education	University or above	High school	Junior high school	Primary school	
	75.3%	18.9%	4.2%	1.6%	
Income level	High level	Middle high level	Middle level	Low level	
	15.8%	35.2%	35.8%	13.2%	

Manipulation design. All participants were asked to read a statement describing personal development and social attainment (e.g., career) dependent on either family background (ascribed attribute) or individual efforts (achieved attribute) (see Appendix 3). Thereafter, participants were asked to write down two examples in daily life to support why ascribed or achieved attributes are important to personal development and social attainment. To reinforce the priming effects, participants were then asked to describe one of these provided examples in detail (see Appendix 3). After cultural priming task, all participants follow the same procedure mentioned in Study 1 to read the same story related to hotel VIP membership to finish the task related to the manipulation of two types of VIP granting methods and personal salient attribute triggered by VIP granting methods (see Appendix 2).

Measurement for manipulations check. Participants then were asked to evaluate their temporary value orientation to check the cultural priming effectiveness. A3-item scale adapted from Trompenaars and Hampden (1998) is employed. Typical

items are “At this moment, I believe that a great success is based on ascribed attributes, like age, social connections, or family background” and “At this moment, good working performance is based on ascribed attributes, like age, social connections, or family background”. Study 2 used same scales mentioned in study 1 to check the manipulation of the effect of two types of VIP granting methods and personal salient attribute (see Appendix 4).

Measurement of dependent variable. All participants were required to evaluate the perceived deservingness of VIP treatment granted by ascribed attribute. Perceived deservingness is measured by using a 4-item scale ($\alpha = .95$ adopted from Van de Ven, Marcel, and Rik, 2011; Feather and Rebecca, 2002) (see Appendix 4).

6.3 Results

6.3.1 Manipulation Checks

Manipulation check for cultural priming. A three-way ANOVA with three manipulated factors (two types of culture, two types of methods and personal salient attribute) as between-subjects factors and the ascription-achievement value scale ($\alpha = .87$) as the dependent variable showed a main effect for cultural priming such that participants primed with achievement-oriented values rate lower scores than participants primed with ascription-oriented values ($M_{\text{achievement}} = 4.58$, $M_{\text{ascription}} = 5.13$; $F(1, 182) = 4.25$, $p < .05$). All other main and interaction effects were not significant. Thus, the manipulation of two types of culture was successful.

Manipulation check for two types of VIP granting methods. Following the same procedure, another three-way ANOVA with three manipulated factors (two types of culture, two types of methods and personal salient attribute) as between-subjects factors and the personal efficacy scale ($\alpha = .90$) as the dependent variable reveals a main effect for the two types of VIP granting methods such that participants manipulated with achievement-oriented granting methods show higher scores than do participant manipulated with ascription-oriented granting methods) ($M_{achievement} = 5.85, M_{ascription} = 4.26; F(1, 182) = 35.53, p < .001$). All other main and interaction effects were not significant. Thus, the manipulation of two types of VIP granting methods was successful.

Manipulation check for personal salient attribute. Another three-way ANOVA with three manipulated factors (two types of culture, two types of methods and personal salient attribute) as the between-subjects factors and the similarity scale for the personal salient attribute ($\alpha = .92$; adopted from Sedikides et al., 1999) as the dependent variable showed a main effect for personal salient attribute such that participants in the similar condition rate higher scores than participants in the dissimilar condition ($M_{similar} = 5.05, M_{dissimilar} = 4.35; F(1, 182) = 7.25, p < .01$). All other main effects and interaction effects were not significant. Therefore, the manipulation of personal salient attribute was successful.

Given that created envied person named as “Jean” (a more girlish name), one-way ANOVA with gender as the between-subjects factor and the similarity scale for personal salient attributes as the criterion variable was conducted. The main effect of

gender is not significant ($M_{male} = 4.79$, $M_{femal} = 4.61$; $F(1, 188) = .47, n.s.$), ruling out the confounding effect of gender on personal salient attribute.

6.3.2 Hypotheses Testing (H5)

To investigate the joint effect of the type of granting methods, personal salient attribute and two types of culture on perceived deservingness, a three-way ANCOVA analysis was conducted. The above three manipulated factors were entered as independent variables, and perceived deservingness was the dependent variable. Age, gender, and education attainments were controlled as covariates.

The effect of three-way interaction of the effect of the types of methods, personal salient attribute and culture on perceived deservingness is a marginal significance ($F(1, 179) = 2.82, p < .1$). The interaction effect of the effect of the types of methods and personal salient attribute on perceived deservingness is not significant ($F(1, 179) = .52, n.s.$). The interaction effect of the effect of the types of methods and culture on perceived deservingness is not significant ($F(1, 179) = .30, n.s.$). The interaction effect of personal salient attribute and culture on perceived deservingness is not significant ($F(1, 179) = 2.45, n.s.$). The main effect of the types of VIP granting methods on perceived deservingness is significant ($M_{achievement} = 6.88$, $M_{ascription} = 4.99$; $F(1, 178) = 68.84, p < .001$). Age ($F(1, 179) = .46, n.s.$), gender ($F(1, 179) = .04, n.s.$) and education ($F(1, 179) = 1.32, n.s.$) are not significant to predict deservingness of VIP treatment.

Given that the interaction term reached marginal significance ($p < .1$) and the main effect of the types of VIP granting methods on perceived deservingness is

significant, simple effect tests were conducted (cf. Iacobucci et al., 2001, p.9). Results showed that the effect of personal salient attribute on perceived deservingness was more pronounced in ascription-oriented culture ($M_{similar} = 5.42$, $M_{dissimilar} = 4.09$; $F(1, 179) = 8.24$, $p < .01$) than in achievement-oriented culture ($M_{similar} = 5.14$, $M_{dissimilar} = 5.29$; $F(1, 179) = .11$, $n.s.$) when VIP granting method is based on selected birthdate. Although empirical results showed a significant effect to predict perceived deservingness, the results of simple effect analyses were different from the prediction (H5). Thus, hypothesis 5 was not supported (see Table 10 & Figure 8).

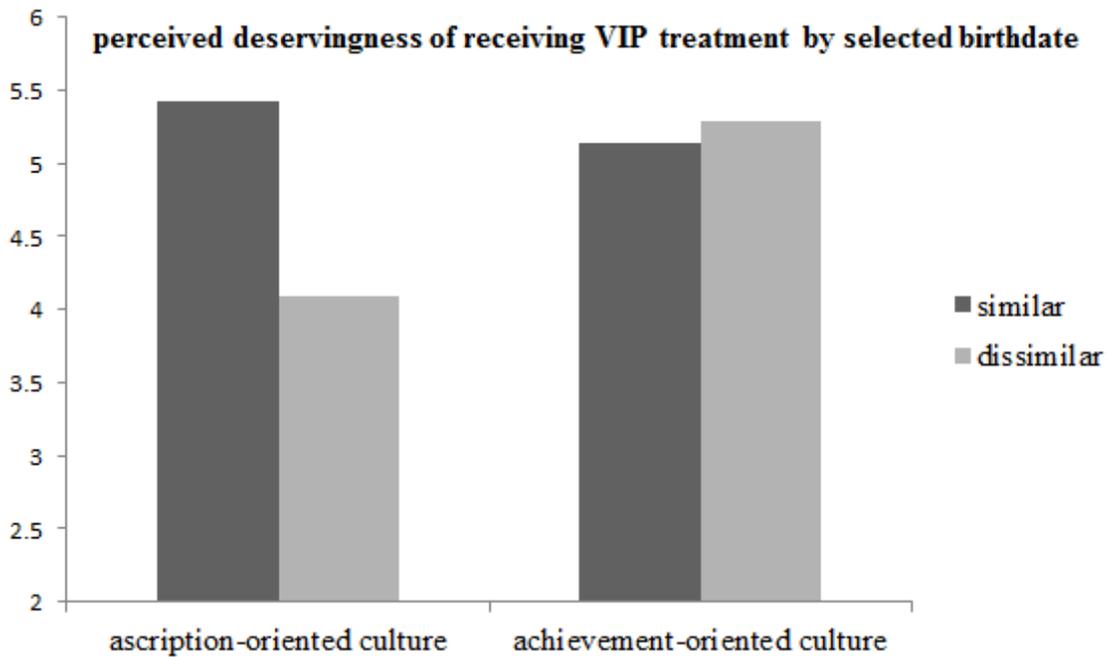
Table 10: Mean Rating of Perceived Deservingness of VIP Treatment

	Ascription-oriented granting methods		Achievement-oriented granting methods	
	Achievement-oriented culture	Ascription-oriented culture	Achievement-oriented culture	Ascription-oriented culture
Similar in personal salient attribute	5.14	5.42	7.13	6.90
Dissimilar in personal salient attribute	5.29	4.09	6.85	6.66

Notes. $n = 190$; 1 = very low evaluation, 9 = very high evaluation.

Figure 8

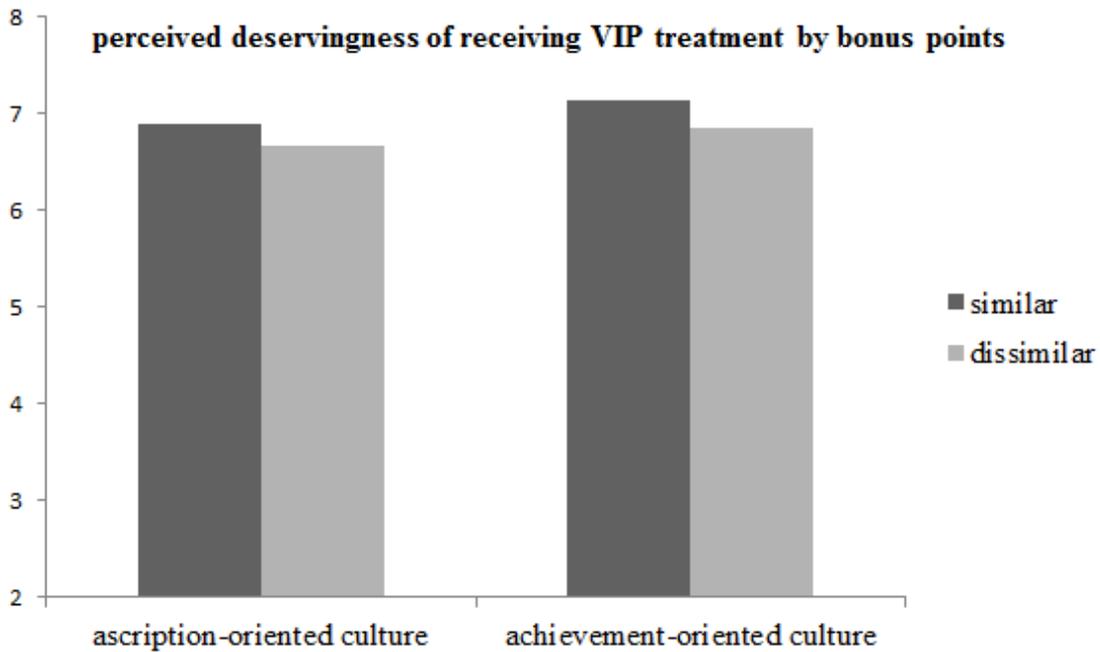
The Interaction Effect of Culture (Ascription versus Achievement) and Personal Salient Attribute (Similar versus Dissimilar) on Perceived Deservingness when VIP Granting Method is Based on Selected Birthdate



In addition, empirical results showed that achievement-orientated granting methods (i.e., bonus points) were perceived to be deserved in a high level regardless of the influences of achievement-oriented cultures ($M_{similar} = 7.13$, $M_{dissimilar} = 6.85$; $F(1, 179) = 0.40$, *n.s.*) or ascription-oriented culture ($M_{similar} = 6.90$, $M_{dissimilar} = 6.66$; $F(1, 179) = 0.28$, *n.s.*) (see Figure 9). The results related to judgment of deservingness of VIP treatment by achievement-oriented method may suggest that both people from ascription-oriented culture and achievement-oriented culture respect and value superiorities by personal efforts.

Figure 9

The Interaction Effect of Culture (Ascription versus Achievement) and Personal Salient Attribute (Similar versus Dissimilar) on Perceived Deservingness when VIP Granting Method is Based on Bonus points



In this chapter, we provide the findings (see table 11) of Study 1(chapter 5) and Study 2 (Chapter 6) to clarify the results of hypotheses testing. The theoretical contributions and managerial implications of these findings are summarized in the next chapter.

Table 11: Summary of Findings in Study 1 and Study 2

Hypotheses	Results
H1: Envious non-VIP customers' perceived attainability mediates the relationship between the effect of the two types of VIP granting methods and envious non-VIP customers' benign envy.	Supported
H2: Personal salient attribute moderates the relationship between the effect of two types of VIP granting methods and perceived attainability of VIP treatment. Such relationship is stronger (vs. weaker) when envied and envious customers are dissimilar (vs. similar) in personal salient attribute.	Supported
H3: Perceived deservingness of VIP treatment mediates the relationship between the effect of the two types of VIP treatment granting methods and envious non-VIP customers' benign envy.	Supported
H4: Similarity (vs. dissimilarity) between envious non-VIP customers and envied customers in personal salient attributes triggered by ascription-oriented VIP granting methods increases (vs. reduces) envious non-VIP customers' feeling of deservingness of VIP treatment.	Supported
H5: There is an interaction effect between personal salient attribute (similar vs. dissimilar) and two types of cultures (ascription-oriented vs. achievement-oriented) on perceived deservingness of VIP treatment granted by ascribed attributes, such that the effect of the personal salient attribute on the perceived deservingness is more pronounced in an achievement-oriented culture than an ascription-oriented culture.	Not supported

CHAPTER 7

CONCLUSIONS AND IMPLICATIONS

7.1 Summary of Key Findings and Theoretical Contributions

7.1.1 Conceptualization of Benign Envy in Envy Context

Prior studies in psychology, marketing, and management have introduced controversies in conceptualizing the envy emotion, especially in defining the concept of *benign envy*. Although recent studies have proposed a positive aspect of envy, namely, benign envy (e.g., Smith & Kim, 2007; Van de Ven, Zeelenberg, & Pieters, 2011; Crusius & Lange, 2014), these studies have not clearly explained the mechanism for how benign envy leads to positive motivation for envious persons. In these studies, both benign envy and malicious envy are defined as two distinct envy emotions depending on their motivational directions, showing that benign (vs. malicious) envy is aligned with positive (vs. negative) motivation. In fact, the nature of envy and the motivation elicited by envy are mixed with each other.

To avoid the controversy of the conceptualization of envy in existing studies, this thesis takes the advice of Tai et al. (2012) and defines envy as a single construct, namely, a painful emotion caused by envied others' superiorities. To further clarify the concept of envy and distinguish the nature of envy from its motivations, this research proposes a positive motivation to cope with the painful emotion of envy, namely, benign envy. By doing so, the substance and consequence of envy become more distinguishable and clearer in the research model. This also addresses the misunderstanding between the nature of envy and the behavioral outcomes of envy (Tai et al., 2012). It may even be helpful in resolving the conflicts in the

conceptualization of envy in previous studies (Tai et al., 2012; Van de Ven, Zeelenberg, & Pieters, 2011).

In sum, this study helps us better understand the psychological process of how envious persons cope with their envy emotion via positive motivation. In addition, the proposed benign envy as a positive motivation in the envy context contributes to the theory of preferential treatment. It will be useful for marketing scholars to further investigate the influences of VIP treatment on non-VIP customers via a vigorous conceptualization of envy without any ambiguity.

7.1.2 Advancement of the Conceptualization of Similarity

This research contributes to the theory of envy by advancing the conceptualization of similarity. As mentioned previously, many studies have shown that the degree of perceived similarity may predict the intensity of the envy emotion. In reality, individuals may be similar in one aspect but dissimilar in another. In this thesis, I propose that whether two persons are similar or not depends on the type of attributes used for comparison.

This thesis refines the concept of similarity along two dimensions of personal attributes for comparison, which are ascribed attributes given by birth (e.g., age, gender, family background) and achieved attributes attained by personal effort (e.g., working performance) (e.g., Linton, 1936; Foladare, 1969; Trompenaars 1998). Based on the key difference between ascribed attributes and achieved attributes, findings of this thesis shows that two dimensions of personal attributes have different predictive

powers to influence the intensity of benign envy, thereby enhancing our understanding of the social comparison process in inducing envy emotion.

7.1.3 Taxonomy of VIP Granting Methods: Ascription-Oriented versus Achievement-Oriented

Prior studies in VIP treatment have noted the important effect of VIP treatment on VIP customers' positive responses and non-VIP customers' negative responses (e.g., Bolton, Kannan, & Bramlett, 2000; Sharp & Sharp, 1997; Keh & Lee, 2006; McFerran & Argo, 2014). However, research on the classification of VIP granting methods in terms of the VIP requirements is barely explored. Moreover, the bulk of prior studies has investigated the impact of loyalty program structure on VIP customers' perceptions of status (e.g., Drèze & Nunes, 2009), but we know little about the impact of different types of VIP granting methods (i.e., ascription-oriented vs. achievement-oriented) on non-VIP customers' perceptions of obtaining VIP treatment. Drawing on the theory of ascription and achievement in sociology (e.g., Linton, 1936; Foladare, 1969), this research categorizes existing VIP granting methods into two types, namely, ascription-oriented VIP granting method (e.g., birthdate) and achievement-oriented VIP granting method (e.g., accumulated bonus points). This categorization is helpful to study the impact of different types of VIP granting methods on the perceptions of VIP customers and non-VIP customers by understanding the differences between two types of VIP granting methods.

7.1.4 Psychological Process in Eliciting Envious Non-VIP Customers' Benign Envy: The Mediating Role of Perceived Attainability of VIP Treatment

According to the key differences between two types of VIP granting methods, this research empirically demonstrates that the perceived attainability of VIP treatments is lower when VIP treatment granting methods are based on ascribed attributes rather than achieved attributes. Moreover, this research found that the effect of type of VIP granting method on envious non-VIP customers' perceived attainability is moderated by a personal salient attribute triggered by the granting method. In detail, the empirical results of hypothesis 2 show that the effect of the type of VIP granting method on perceived attainability is more pronounced when envied and envious customers are dissimilar (vs. similar) in the personal salient attribute. This interaction effect (H2) reflects the difference of changeability between two types of VIP granting methods. This finding contributes to the theory of preferential treatment to better understand the effect of different types of VIP granting methods (ascription-oriented vs. achievement-oriented) on customers' perceived attainability of VIP treatment.

According to the conceptualization of benign envy in this thesis, this research proposes a psychological process to induce envious non-VIP customers' benign envy to obtain VIP treatment. The current research empirically demonstrates that envious non-VIP customers' perceived attainability may perform a mediating role to link the effect of type of VIP granting method and envious non-VIP customers' benign envy (H1). In sum, the proposed mediation role of envious non-VIP customers' perceived attainability helps in understanding the psychological process in eliciting envious non-VIP customers' benign envy to obtain VIP treatment. This finding clarifies that the

role of perceived attainability serves to predict envious customers' benign envy (i.e., positive motivation) instead of customers' envy emotion. This suggests that marketers can improve VIP granting methods to elicit envious non-VIP customers to upgrade to VIP customer by enhancing envious non-VIP customers' perceived attainability.

7.1.5 Psychological Process in Eliciting Non-VIP Customers' Benign Envy: The Mediating role of Perceived Deservingness of VIP Treatment

The two types of VIP granting methods differ with regard to customer effort. This difference affects envious non-VIP customers' judgment of deservingness of VIP treatment. The empirical results indicate that VIP treatments given by an achievement-oriented VIP granting method (e.g., accumulated bonus points) are perceived by envious non-VIP customers as more deserved than those VIP treatments given by an ascription-oriented VIP granting method (e.g., birthdate). Although VIP treatments by an ascription-oriented VIP granting method are perceived as less deserved, the current research demonstrates that envious non-VIP customers, who are similar (vs. dissimilar) to VIP customers in a personal salient attribute, may perceive the attainment of VIP treatment by an ascription-oriented VIP granting method as more (vs. less) deserved (H4). Therefore, this thesis not only contributes to the theory of preferential treatment by investigating the effect of two types of VIP granting methods on deservingness of VIP treatment, but also provides a potential boundary condition to the theory of deservingness (i.e., Feather, 1999) in terms of self-interest bias (H4).

The empirical results of hypothesis 3 demonstrate the mediation role of perceived deservingness between the effect of the types of VIP treatment granting methods and envious non-VIP customers' benign envy. Moreover, findings in study 1 pointed out the mediation role of perceived deservingness of VIP treatment between the effect of type of VIP treatment granting method and envious non-VIP customers' malicious envy.

The proposed mediation role of perceived deservingness, which is independent of perceived attainability, is important in understanding the psychological mechanism of stimulating envious non-VIP customers' benign envy via deservingness judgments of VIP treatment. The proposed mediation role of perceived deservingness contributes to the theory of envy, suggesting a positive (vs. negative) correlation with benign (vs. malicious) envy. This finding clarifies the prediction by Van de Van (2009), who showed that deservingness influences the intensity of the *envy emotion*.

7.1.6 Perceptions Variances of Perceived Deservingness: Evidence from Ascription-Oriented versus Achievement-Oriented Values

Previous studies (e.g., Feather & Rebecca, 2002) have stated that the deservingness of envied superiorities is a subjective experience depending on the values of envious persons. Surprisingly, little is known about whether perceived deservingness is contingent on cultural differences or not. To test whether perceived deservingness is influenced by different cultures, this research extends deservingness theory by introducing cultural differences between ascription-oriented cultures and achievement-oriented cultures.

Using the cultural priming approach, the empirical results in the current research reveal that the effect of a personal salient attribute (similar vs. dissimilar) on perceived deservingness is more pronounced in an ascription-oriented culture than an achievement-oriented culture when the VIP granting method is based on ascribed attributes (e.g., birthdate). Although this finding did not support hypothesis 5, it provides an alternative explanation. It suggests that ascribed attributes are probably further divided into two types: one type (e.g., family background) is related to social ranking and the other (e.g., birthdate) is not related to social ranking. More particularly, only those ascribed attributes related to social ranking may support the prediction of hypothesis 5 because consumers from an ascription-oriented culture may only respect and value these ascribed attributes related to social ranking rather than all types of ascribed attributes. Further research with a refined categorization of ascribed attributes would help provide more insight on the envy theory.

In addition, the empirical results of study 2 demonstrated that VIP treatment granted by an achievement-oriented granting method (e.g., bonus points) is perceived to be deserved, regardless of cultural influences and self-interest bias. In other words, both ascription-oriented individuals and achievement-oriented individuals respect and endorse superiorities (i.e., VIP treatment) by personal efforts. This finding contributes to cross-culture research because it provides the insightful interpretation that individuals from an ascription-oriented culture may respect both successes and superiorities granted by ascribed attributes and achieved attributes simultaneously. In contrast, individuals from an achievement-oriented culture may only respect and accept successes or superiorities by achieved attributes. This provides initial hints

that an ascription-oriented culture may be not be the polar opposite of an achievement-oriented culture.

7.2 Managerial Implications

The results of two studies have clarified our understanding of two types of VIP granting methods in inducing envious non-VIP customers' benign envy via perceived attainability and perceived deservingness. In particular, findings of this research provide many insights for marketers and offer them directions and principles for designing VIP programs.

7.2.1 Implication for the design of VIP treatment

First, the current research provides evidence that the type of VIP granting method affects envious non-VIP customers' perceived attainability of VIP treatment. As mentioned earlier, marketers should not neglect the envious non-VIP customers who contribute to firms' economies of scale and total profits (e.g., Zeithaml, Rust, & Lemon, 2001; Johnson & Selnes, 2005). Achievement-oriented VIP granting methods give equal chances to every customer to obtain VIP treatment in terms of spending. Using achievement-oriented VIP granting methods, marketers can induce more and more potential VIP customers to engage in consumption to obtain VIP treatment and thereby increase profit. Ascription-oriented granting methods provide VIP privileges to customers according to the ascribed attributes selected by marketers. VIP customers that benefit from ascription-oriented granting methods may have positive responses

(e.g., positive word-of-mouth) (Lacey, Russell, Jaebeom, & Morgan, 2007). This study shows that when non-VIP customers who are dissimilar to VIP customers in a personal salient attribute triggered by an ascription-oriented VIP granting method (e.g., birthdate) will have very low perceived attainability of VIP treatment. This suggests that marketers cannot earn more profit by attracting non-VIP customers via ascription-oriented VIP granting methods. In this regard, this research suggests that achievement-oriented granting methods are the appropriate way to induce benign envy of envious non-VIP customers via their perceived attainability.

Envious non-VIP customers may not have the motivation to upgrade to be a VIP customer, but they may have negative responses (e.g., brand-switching, negative word-of-mouth) when they find that the procedure for attaining VIP treatment is unfair (Mikula, Scherer, & Athenstaedt, 1998), thereby reducing companies' total profits. This research proposes a mediator, namely, perceived deservingness, providing direction to guide VIP program design to avoid inducing malicious envy of envious customers. Empirical results of this research indicate that VIP treatments granted by achieved attributes (e.g., bonus points) are more deserved than by ascribed attributes (e.g., birthdate). Based on these empirical results, this study advises marketers to use achievement-oriented granting methods as a sustainable VIP scheme to attract more envious non-VIP customers to induce their benign envy rather than malicious envy.

Although VIP treatment by an ascription-oriented granting method is perceived to be less deserved by envious non-VIP customers, the current research provides tips for marketers when they use an ascription-oriented VIP granting method.

Empirical results of hypothesis 4 indicate that envious non-VIP customers perceive VIP treatment by an ascription-oriented granting method as more deserved when envious non-VIP customers are similar rather than dissimilar to the VIP customers in a personal salient attribute. This suggests that marketers should try to offer preferential treatment (e.g., free ticket) to every customer when they used ascription-oriented VIP granting methods. This is supported by many examples in real life. For example, Hong Kong Ocean Park offers free tickets to every Hong Kong resident on his or her birthday.¹⁰ In this situation, everyone has an equal chance to get a free ticket although such special offer is granted by an ascribed attribute.

7.2.2 Implications for VIP treatment in a cross-cultural context

In addition, this research suggests that marketers should pay attention to cultural variations when they design their VIP granting methods. Findings in study 2 suggest that customers in ascription-oriented societies may value the contents of VIP treatment related to prestigious social status (e.g., label of prestigious customers). Customers in achievement-oriented societies may value the contents of VIP treatment related to service performance (e.g., Overby, Gardial, & Woodruff, 2004). Based on customers' cultural values, marketers can use advertisements and salespersons to induce potential VIP customers to focus on the contents of VIP treatment related to either prestigious social status or service performance. To earn more profits,

¹⁰ <http://m.oceanpark.com.hk/html/en/ticket-information/> (accessed 16 February 2015)

international marketers are advised to promote VIP treatments by focusing on different aspects to incorporate cultural values of the host country.

7.3 Limitations and Future Research

No study can be perfect. This research contains the following limitations and suggests improvement directions for future research. The first limitation of the current research is that the contents of the scenario in two studies are limited to the hotel industry. Although the current research uses scenario-based experiments to validate the proposed causal relationship, generalizations of these findings should be tested in other service industries (e.g., airline industry, banking industry).

Second, this research uses birthdate as the requirement for enjoying VIP treatment to represent an ascription-oriented VIP granting method. This may not capture all characteristics of ascription-oriented VIP granting methods. Future research may use other ascribed attributes (e.g., gender, kinship, alumni identity) to compare other differences between ascription-oriented VIP granting methods and achievement-oriented VIP granting methods.

Third, empirical results of study 2 show a backfire for the prediction of hypothesis 5 by magnifying rather than reducing the effect of the personal salient attribute on perceived deservingness in an ascription-oriented culture. Ascribed attributes (e.g., family background, caste, race, social connection, age) are usually related to social ranking or social class. Individuals from an ascription-oriented society respect these ascribed attributes related to social ranking (e.g., Linton, 1936; Trompenaars & Hampden, 1998; Lee & Peterson, 2001; Cullen, Parboteeah, & Hoegl, 2004; Morris, Podolny, & Sullivan, 2008). However, not all types of ascribed

attributes are associated with social ranking and inherited wealth. In fact, several ascribed attributes, such as birthday and body height, reflect natural features or biological characteristics and thus should be excluded from the category of social ranking-relevant ascribed attributes. Individuals from an ascription-oriented society may not respect and value such ascribed attributes (e.g., birthdate, body height) which are irrelevant to social ranking. Future research should note this difference within ascribed attributes and reexamine cultural influences on the judgment of deservingness by using these ascribed attributes related to social class.

Fourth, only one cultural dimension (ascription vs. achievement) is studied in this research. Future research may extend this study by covering other relevant cultural dimensions, such as the dimensions of power-distance (Hofstede, 1980) and incremental versus entity (Hong et al., 1999) to enrich our knowledge of the theory of envy across cultures. For example, individuals may be less (vs. more) envious from high (vs. low) power distance societies because individuals from a high power distance society tend to be more (vs. less) obedient toward superior others and authorities (e.g., Hofstede & Bond, 1984; Bigoness & Blakely, 1996). Incremental (vs. entity) beliefs may intensify (vs. attenuate) envious persons' perceived attainability and then lead to high (vs. low) intensity of benign envy to obtain envied objects or superiorities because individuals with incremental (vs. entities) beliefs consider personal attributes and character to be malleable (vs. fixed) (Hong et al., 1999).

Fifth, according to the unintended findings of study 2, the present study might provide a new research direction for cross-culture research. Results in study 2 show that achievement-orientated granting methods (i.e., bonus points) are perceived to be

deserved in both achievement-oriented culture and ascription-oriented culture ($M_{achievement-oriented} = 6.99$, $M_{ascription-oriented} = 6.78$, *n.s.*). This hints that individuals both from ascription-oriented culture and achievement-oriented culture respect and value personal effort. It is likely that the cultural dimension of ascription-achievement using “ascription” and “achievement” as two poles does not represent the cultural reality and is inappropriate. Future studies in cross-culture research can investigate the potentiality and feasibility of separating them into two independent cultural dimensions, namely, cultural ascription and cultural achievement. Moreover, study 2 directly manipulated the individual level value (ascription-oriented vs. achievement-oriented) by a cultural priming mechanism to test the cultural influence on perceived deservingness of VIP treatment, which is inadequate to fully explain the effect of national cultural value on judgments of deservingness. Future research can conduct a multinational survey to triangulate the findings of study 2.

Sixth, this research categorizes existing VIP granting methods in terms of customers’ ascribed attributes and achieved attributes. Future research is suggested to classify VIP granting methods in different ways (e.g., contractual preferential treatment vs. non-contractual preferential treatment, cf. Butori & Bruyn, 2013; the visibility of rewards, cf. Steinhoff & Palmatier, 2014) to further investigate non-VIP customers’ responses (i.e., bystander effects) when they observe treatment differences in a VIP context.

Last, not all antecedents are covered that predict benign envy. For example, the role of domain relevance, affecting the intensity of envy (e.g., Smith & Kim, 2007), is not included in the conceptual model. Future research is suggested to

identify more antecedent conditions (e.g., counterfactual thinking) and contingent factors (e.g., cultural values, individual differences) to understand benign envy so as to advance the theory of envy.

REFERENCES

- Ackerman, D., MacInnis, D., & Folkes, V. (2000). Social Comparisons of Possessions: When It Feels Good and When It Feels Bad. *Advances in Consumer Research*, 27(1), 173-178.
- Algoe, S. B., & Haidt, J. (2009). Witnessing excellence in action: the 'other-praising' emotions of elevation, gratitude, and admiration. *The Journal of Positive Psychology*, 4(2), 105-127.
- Aristotle. (350BC/1954). *The rhetoric and the poetics of Aristotle* (W. R. Roberts, Trans.). New York: Modern Library.
- Ashwin, M. (2005). *Cronos and his children: Envy and reparation*. Unpublished manuscript. <http://human-nature.com/ashwin/chap2.html>
- Au, K. Y. (1999). Intra-cultural Variation: Evidence and Implications for International Business. *Journal of International Business Studies*, 30(4), 799-812.
- Bagozzi, R. P., & Yi, Y. (1988). On the evaluation of structural equation models. *Journal of the Academy of Marketing Science*, 16(1), 74-94.
- Bargh, J. A., Bond, R. N., Lombardi, W. J., & Tota, M. E. 1986. The additive nature of chronic and temporary sources of construct accessibility. *Journal of Personality and Social Psychology*, 50(5), 869-878.

- Barnes, J. G. (1997). Closeness, strength, and satisfaction: Examining the nature of relationships between providers of financial services and their retail customers. *Psychology & Marketing, 14*(8), 765-790.
- Basavanthappa, B. T. (2007). *Psychiatric mental health nursing*. JAYPEE BROTHERS PUBLISHERS.
- Belk, R. W. (1985). Materialism: Trait Aspects of Living in the Material World. *Journal of Consumer Research, 12*(3), 265-80.
- Belk, R. W. (1984). Three scales to measure constructs related to materialism: Reliability, validity, and relationships to measures of happiness. *Advances in consumer research, 11*(1), 291-297
- Belk, R. W., Ger, G., & Askegaard, S. (2003). The fire of desire: A multisited inquiry into consumer passion. *Journal of consumer research, 30*(3), 326-351.
- Belk, R. (2011). Benign envy. *AMS Review, 1*(3-4), 117-134.
- Ben-Ze'ev, A. (1992). Envy and inequality. *Journal of Philosophy, 89*, 551–581.
- Blanton, H. (2001). Evaluating the self in the context of another: The three-selves model of social comparison assimilation and contrast. *In Cognitive social*

psychology: The Princeton symposium on the legacy and future of social cognition (pp. 75-87). Mahwah, NJ: Erlbaum.

Bigoness, W. J., & Blakely, G. L. (1996). A Cross-National Study of Managerial Values. *Journal of International Business Studies*, 27(4), 739-748.

Bolton, R. N., Kannan, P. K., & Bramlett, M. D. (2000). Implications of loyalty program membership and service experiences for customer retention and value. *Journal of the academy of marketing science*, 28(1), 95-108.

Brewer, M. B., & Gardner, W. (1996). Who is this "we"? levels of collective identity and self-representations. *Journal of Personality and Social Psychology*, 71(1), 83-93.

Brown, J. D., Novick, N. J., Lord, K. A., & Richards, J. M. (1992). When gulliver travels: Social context, psychological closeness, and self-appraisals. *Journal of Personality and Social Psychology*, 62(5), 717-727.

Browne, M. W., & Cudeck, R. (1993). *Alternative ways of assessing model fit*. Sage Focus Editions, 154, 136-136.

Burleson, K., Leach, C. W., & Harrington, D. M. (2005). Upward social comparison and self-concept: Inspiration and inferiority among art students in an advanced programme. *British Journal of Social Psychology*, 44(1), 109-123.

Buunk, B. P., Collins, R. L., Taylor, S. E., Van Yperen, N. W., & Dakof, G. A. 1990.

The affective consequences of social comparison: Either direction has its ups and downs. *Journal of Personality and Social Psychology*, 59(6), 1238–1249.

Butori, R., & De Bruyn, A. (2013). So you want to delight your customers: The perils of ignoring heterogeneity in customer evaluations of discretionary preferential treatments. *International Journal of Research in Marketing*, 30(4), 358-367.

Byrne, D. (1969). Attitudes and attraction. *Advances in experimental social psychology*, 4, 35-89.

Byrne, D. *The attraction paradigm*. New York: Academic Press, 1971.

Chan, H., Wan, L. C., & Sin, L. Y. (2009). The contrasting effects of culture on customer tolerance: Interpersonal face and impersonal fate. *Journal of Consumer Research*, 36(2), 292-304.

Cherunilam, F. (2007). *International business: text and cases*. New Delhi: Prentice Hall of India Private Limited.

Cialdini, R. B., & Richardson, K. D. (1980). Two Indirect Tactics of Image Management: Basking and Blasting. *Journal of Personality and Social Psychology*, 39(3), 406-415.

- Cohen-Charash, Y. (2009). Episodic envy. *Journal of Applied Social Psychology*, 39(9), 2128-2173.
- Cohen-Charash, Y., & Mueller, J. S. (2007). Does perceived unfairness exacerbate or mitigate interpersonal counterproductive work behaviors related to envy? *Journal of Applied Psychology*, 92(3), 666-680.
- Collins, R. L. (1996). For Better or Worse: The Impact of Upward Social Comparison on Self-Evaluations. *Psychological Bulletin*, 119(1), 51-69.
- Crusius, J., & Mussweiler, T. (2012). When people want what others have: the impulsive side of envious desire. *Emotion*, 12(1), 142-153.
- Crusius, J., & Lange, J. (2014). What catches the envious eye? Attentional biases within malicious and benign envy. *Journal of Experimental Social Psychology*, 55, 1-11.
- Csikszentmihalyi, M. (2000). The costs and benefits of consuming. *Journal of Consumer Research*, 27(2), 267-272.
- Cullen, J. B., Parboteeah, K. P., & Hoegl, M. 2004. Cross-national differences in managers' willingness to justify ethically suspect behaviors: A test of institutional anomie theory. *Academy of Management Journal*, 47(3), 411-421.

- Dasgupta, N. (2004). Implicit ingroup favoritism, outgroup favoritism, and their behavioral manifestations. *Social Justice Research, 17*(2), 143-169.
- Dai, X., & Hsee, C. K. (2013). Wish versus worry: Ownership effects on motivated judgment. *Journal of Marketing Research, 50*(2), 207-215.
- De Luque, M. F. S., & Sommer, S. M. 2000. The impact of culture on feedback-seeking behavior: An integrated model and propositions. *Academy of Management Review, 25*(4), 829-849.
- Drèze, X., & Nunes, J. C. (2009). Feeling superior: the impact of loyalty program structure on consumers' perceptions of status. *Journal of Consumer Research, 35*(6), 890-905.
- Di Paula, A., & Campbell, J. D. (2002). Self-esteem and persistence in the face of failure. *Journal of Personality and Social Psychology, 83*(3), 711-724.
- Dreze, X., & Nunes, J. C. (2009). Feeling superior: The impact of loyalty program structure on customers' perceptions of status. *Journal of Consumer Research, 35*(6), 890-905.
- Dryer, D. C., & Horowitz, L. M. (1997). When do opposites attract? Interpersonal complementarity versus similarity. *Journal of Personality and Social Psychology, 72*(3), 592-603.

- Duffy, M. K., & Shaw, J. D. (2000). The Salieri syndrome consequences of envy in groups. *Small Group Research, 31*(1), 3-23.
- Duffy, M. K., Scott, K. L., Shaw, J. D., Tepper, B. J., & Aquino, K. (2012). A social context model of envy and social undermining. *Academy of Management Journal, 55*(3), 643-666.
- Edson Escalas, J., & Bettman, J. (2003). You are what they eat: The influence of reference groups on customers' connections to brands. *Journal of Consumer Psychology, 13*(3), 339-348.
- Exline, J. J., & Lobel, M. (1999). The perils of outperformance: sensitivity about being the target of a threatening upward comparison. *Psychological Bulletin, 125* (3), 307-337.
- Feather, N. T. (1994). Attitudes toward high achievers and reactions to their fall: Theory and research concerning tall poppies. *Advances in Experimental Social Psychology, 26*, 1-73.
- Feather, N. T. (1999). *Values, achievement, and justice: Studies in the psychology of deservingness*. Plenum Publishing Corporation.
- Feather, N. T. (1998). Judgments of deservingness: studies in the psychology of justice and achievement. *Personality and social psychology review, 3*(2), 86-107.

- Feather, N. T. (2008). Perceived Legitimacy of a Promotion Decision in Relation to Deservingness, Entitlement, and Resentment in the Context of Affirmative Action and Performance¹. *Journal of Applied Social Psychology*, 38(5), 1230-1254.
- Feather, N., & McKee, I. R. (2009). Differentiating emotions in relation to deserved or undeserved outcomes: A retrospective study of real-life events. *Cognition and Emotion*, 23(5), 955-977.
- Feather, N., & Sherman, R. (2002). Envy, resentment, schadenfreude, and sympathy: Reactions to deserved and undeserved achievement and subsequent failure. *Personality and Social Psychology Bulletin*, 28(7), 953-961.
- Feather, N. T., Wenzel, M., & McKee, I. R. (2013). Integrating multiple perspectives on schadenfreude: The role of deservingness and emotions. *Motivation and Emotion*, 37(3), 574-585.
- Feinberg, F. M., Krishna, A., & Zhang, Z. J. (2002). Do we care what others get? A behaviorist approach to targeted promotions. *Journal of Marketing Research*, 39(3), 277-291.
- Festinger, L. (1954). A theory of social comparison processes. *Human Relations*, 7(2), 117-140.

- Fiske, S. T. (2010). Envy up, scorn down: how comparison divides us. *American Psychologist*, 65(8), 698-706.
- Foladare, I. S. (1969). A clarification of "Ascribed status" and "Achieved status". *Sociological Quarterly*, 10(1), 53-61.
- Folkes, V. S. (2011). Changes in the consequences of consumer envy due to ease of coping and social comparison targets. *AMS review*, 1(3-4), 135-136
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39-50.
- Fournier, S. (1998). Customers and their brands: Developing relationship theory in Consumer Research. *Journal of Consumer Research*, 24(4), 343-353.
- Frank, L. L., & Hackman, J. R. (1975). Effects of Interviewer-Interviewee Similarity on Interviewer Objectivity in College Admissions Interviews. *Journal of Applied Psychology*, 60(3), 356-360.
- Frank, R. H. (1999). *Luxury fever: Money and happiness in an era of excess* Princeton University Press.
- Frijda, N. H. (1988). The laws of emotion. *American Psychologist*, 43(5), 349.

- Fournier, S., Dobscha, S., & Mick, D. G. (1998). The Premature Death of Relationship Marketing. *Harvard business review*, 76(1), 42-51.
- Garland, H. (1984). Relation of effort-performance expectancy to performance in goal-setting experiments. *Journal of Applied Psychology*, 69(1), 79-84.
- Garman, A. N., Davis-Lenane, D., & Corrigan, P. W. (2003). Factor structure of the transformational leadership model in human service teams. *Journal of Organizational Behavior*, 24(6), 803-812.
- Gelfand, M., & Dyer, N. (2000). A cultural perspective on negotiation: Progress, pitfalls, and prospects. *Applied Psychology*, 49(1), 62-99.
- George M. Foster, R. J. Apthorpe, H. Russell Bernard, Bernard Bock, Jan Brogger, Judith K. Brown, Stephen C. Cappannari, Jean Cuisenier, Roy G. D'Andrade, James Faris, Susan T. Freeman, Pauline Kolenda, Michael MacCoby, Simon D. Messing, Isidoro Moreno-Navarro, John Paddock, Harriet R. Reynolds, James E. Ritchie, Vera St. Erlich, Joel S. Saviahinsky, J. D. Seddon, Francis Lee Utley and Beatrice Blyth Whiting (1972). The anatomy of envy: A study in symbolic behavior . *Current anthropology*, 13 (2), 165-202.

- Gibbons, F. X., & Buunk, B. P. (1999). Individual differences in social comparison: development of a scale of social comparison orientation. *Journal of personality and social psychology*, 76(1), 129-142.
- Gilbert, D., & Tsao, J. 2000. Exploring Chinese cultural influences and hospitality marketing relationships. *International Journal of Contemporary Hospitality Management*, 12(1), 45-54.
- Goethals, G. R., & Darley, J. (1977). Social comparison theory: An attributional approach. *Social comparison processes: Theoretical and empirical perspectives* (pp. 259-278). Washington, DC: Halsted/Wiley.
- Gold, B. T. (1996). Enviousness and its relationship to maladjustment and psychopathology. *Personality and Individual Differences*, 21(3), 311-321.
- Grant, A. M. (2008). Does intrinsic motivation fuel the prosocial fire? motivational synergy in predicting persistence, performance, and productivity. *Journal of Applied Psychology*, 93(1), 48-58.
- Grönroos, C., & Ojasalo, K. (2004). Service productivity: towards a conceptualization of the transformation of inputs into economic results in services. *Journal of Business Research*, 57(4), 414-423.

- Gwinner, K. P., Gremler, D. D., & Bitner, M. J. (1998). Relational benefits in services industries: The customer's perspective. *Journal of the Academy of Marketing Science*, 26(2), 101-114.
- Habimana, E., & Massé, L. (2000). Envy manifestations and personality disorders. *European psychiatry: the journal of the Association of European Psychiatrists*, 15, 15-21.
- Hair, J. F., Tatham, R. L., Anderson, R. E., & Black, W. (2006). *Multivariate data analysis* (Vol. 6). Upper Saddle River, NJ: Pearson Prentice Hall.
- Hareli, S., & Weiner, B. (2002). Dislike and envy as antecedents of pleasure at another's misfortune. *Motivation and Emotion*, 26(4), 257-277.
- Harper Baird (2011). Review of Russ Belk's Benign Envy. *AMS Review*, 1, 117-134
- Heider, F. (1958). *The psychology of interpersonal relations*. Psychology Press.
- Hennig-Thurau, T., Gwinner, K. P., & Gremler, D. D. (2002). Understanding relationship marketing outcomes an integration of relational benefits and relationship quality. *Journal of Service Research*, 4(3), 230-247.
- Higgins, E. T. (1996). Knowledge activation: Accessibility, applicability, and salience. In E. T. Higgins & A. W. Kruglanski (Eds.), *Social psychology: Handbook of basic principles* (pp. 133–168). New York: Guilford Press.

- Hill, S. E., DelPriore, D. J., & Vaughan, P. W. (2011). The Cognitive Consequences of Envy: Attention, Memory, and Self-Regulatory Depletion. *Journal of Personality and Social Psychology, 101*(4), 653-666.
- Hofstede, G. (1980). *Culture's consequences: International differences in work-related values*. Sage Publications, Incorporated.
- Hofstede, G., & Bond, M. H. (1984). Hofstede's culture dimensions an independent validation using rokeach's value survey. *Journal of cross-cultural psychology, 15*(4), 417-433.
- Hong, Y. Y., & Mallorie, L. M. (2004). A dynamic constructivist approach to culture: Lessons learned from personality psychology. *Journal of Research in Personality, 38*(1), 59-67.
- Hong, Y. Y., Chiu, C. Y., Yeung, G., & Tong, Y. Y. (1999). Social comparison during political transition: Interaction of entity versus incremental beliefs and social identities. *International Journal of Intercultural Relations, 23*(2), 257-279.
- Hong, Y. Y., Morris, M. W., Chiu, C. Y., & Benet-Martinez, V. (2000). Multicultural minds: A dynamic constructivist approach to culture and cognition. *American psychologist, 55*(7), 709-720.

- Hui, M. K., & Bateson, J. E. (1991). Perceived control and the effects of crowding and customer choice on the service experience. *Journal of Consumer Research*, 18(2), 174-184.
- Iacobucci, D., Tybout, A., Sternthal, B., Kepper, G., Verducci, J., & Meyers-Levy, J. (2001). Analysis of variance. *Journal of Consumer Psychology*, 10(1/2), 5-35.
- Jiang, L., Hoegg, J., & Dahl, D. W. (2013). Customer reaction to unearned preferential treatment. *Journal of Consumer Research*, 40(3), 412-427.
- Johnson, C. S., & Stapel, D. A. (2007). No pain, no gain: The conditions under which upward comparisons lead to better performance. *Journal of Personality and Social Psychology*, 92(6), 1051-1067.
- Johnson, M. D., & Selnes, F. (2005). Diversifying your customer portfolio. *MIT Sloan Management Review*, 46(3), 11-14.
- Jöreskog, K. G., & Sörbom, D. (2006). *LISREL* (version 8.80) [computer software]. Chicago: Scientific Software International.
- Judge, T. A., Jackson, C. L., Shaw, J. C., Scott, B. A., & Rich, B. L. (2007). Self-efficacy and work-related performance: The integral role of individual differences. *Journal of Applied Psychology*, 92(1), 107-127.

Judge, T. A., Locke, E. A., & Durham, C. C. 1997. The dispositional causes of job satisfaction: A core evaluations approach. *Research in Organizational Behavior*, 19: 151– 188.

Kalra, A., & Shi, M. (2010). Customer value-maximizing sweepstakes and contests. *Journal of Marketing Research*, 47(2), 287-300.

Kant, I. (1997). *Lectures on ethics*. Cambridge University Press.

Keh, H. T., & Lee, Y. H. (2006). Do reward programs build loyalty for services?: The moderating effect of satisfaction on type and timing of rewards. *Journal of retailing*, 82(2), 127-136.

Khan, A. K., Quratulain, S., & M Bell, C. (2014). Episodic envy and counterproductive work behaviors: Is more justice always good?. *Journal of Organizational Behavior*, 35(1), 128-144.

Kim, S., O'Neill, J. W., & Cho, H. M. (2010). When does an employee not help coworkers? The effect of leader–member exchange on employee envy and organizational citizenship behavior. *International Journal of Hospitality Management*, 29(3), 530-537.

- Kivetz, R., & Simonson, I. (2002). Earning the right to indulge: Effort as a determinant of customer preferences toward frequency program rewards. *Journal of Marketing Research*, 39(2), 155-170.
- Kivetz, R., & Simonson, I. (2003). The idiosyncratic fit heuristic: Effort advantage as a determinant of customer response to loyalty programs. *Journal of Marketing Research*, 40(4), 454-467.
- Kleinginna Jr, P. R., & Kleinginna, A. M. (1981). A categorized list of motivation definitions, with a suggestion for a consensual definition. *Motivation and emotion*, 5(3), 263-291.
- Kulik, J. A., & Brown, R. (1979). Frustration, attribution of blame, and aggression. *Journal of Experimental Social Psychology*, 15(2), 183-194.
- Kumar, N., Scheer, L. K., & Steenkamp, J. E. (1995). The effects of supplier fairness on vulnerable resellers. *Journal of Marketing Research*, 32(1), 54-65.
- Lacey, R., Suh, J., & Morgan, R. M. (2007). Differential effects of preferential treatment levels on relational outcomes. *Journal of Service Research*, 9(3), 241-256.

- Lange, J., & Crusius, J. (2014). Dispositional Envy Revisited Unraveling the Motivational Dynamics of Benign and Malicious envy. *Personality and social psychology bulletin*, In press.
- Latham, G. P., & Pinder, C. C. (2005). Work motivation theory and research at the dawn of the twenty-first century. *Annual review of psychology*, 56, 485-516.
- Lazarus, R. S. (1991). *Emotion and adaptation*. Oxford University Press New York.
- Lee, S. M., & Peterson, S. J. 2001. Culture, entrepreneurial orientation, and global competitiveness. *Journal of world business*, 35(4), 401-416.
- Lehmann, D. R. (2001). The impact of altruism and envy on competitive behavior and satisfaction. *International Journal of Research in Marketing*, 18(1), 5-17.
- Levine, E. L. (2010). Emotion and power (as social influence): Their impact on organizational citizenship and counterproductive individual and organizational behavior. *Human resource management Review*, 20(1), 4-17.
- Li, C., Fock, H., & Mattila, A. S. (2012). The Role of Cultural Tightness–Looseness in the Ethics of Service Recovery. *Journal of Global Marketing*, 25(1), 3-16.
- Linton, R. (1936). *The study of man: An introduction* Appleton-Century-Crofts New York.

- Lockwood, P., & Kunda, Z. (1997). Superstars and me: Predicting the impact of role models on the self. *Journal of Personality and Social Psychology*, 73(1), 91-103.
- Lockwood, P., Jordan, C. H., & Kunda, Z. (2002). Motivation by positive or negative role models: Regulatory focus determines who will best inspire us. *Journal of Personality and Social Psychology*, 83(4), 854-864.
- Lynch Jr, J. G. (1982). On the External Validity of Experiments in Consumer Research. *Journal of Consumer Research*, 9(3), 225-39.
- Mackie, D. M., Worth, L. T., & Asuncion, A. G. (1990). Processing of persuasive in-group messages. *Journal of Personality and Social Psychology*, 58(5), 812-822.
- Major, B., Testa, M., & Bylsma, W. H. (1991). Responses to upward and downward social comparisons: The impact of esteem-relevance and perceived control. In J. Suls & T. A. Wills (Eds.), *Social comparison: Contemporary theory and research*. Hillsdale, NJ: Erlbaum.
- Mangleburg, T. F., Doney, P. M., & Bristol, T. (2004). Shopping with friends and teens' susceptibility to peer influence. *Journal of Retailing*, 80(2), 101-116.
- Mattila, A. S., Hanks, L., & Zhang, L. (2013). Existential Guilt and Preferential Treatment: The Case of an Airline Upgrade. *Journal of Travel Research*, 52(5), 591-599.

- Matt, S. J. (2003). *Keeping up with the Joneses: envy in American consumer society, 1890-1930*. University of Pennsylvania Press.
- McFerran, B., & Argo, J. J. (2014). The Entourage Effect. *Journal of Consumer Research*, 40(5), 871-884.
- Mettee, D. R., & Smith, G. (1977). Social comparison and interpersonal attraction: The case for dissimilarity. In J. M. Suls & R. L. Miller (Eds.), *Social comparison processes: Theoretical and empirical perspectives* (pp. 69-101). Washington, DC: Hemisphere.
- Miceli, M., & Castelfranchi, C. (2007). The envious mind. *Cognition and Emotion*, 21(3), 449-479.
- Mikula, G., Scherer, K. R., & Athenstaedt, U. (1998). The role of injustice in the elicitation of differential emotional reactions. *Personality and social psychology bulletin*, 24(7), 769-783.
- Moskowitz, G. B. (Ed.). (2013). *Cognitive Social Psychology: The Princeton Symposium on the Legacy and Future of Social Cognition*. Psychology Press.
- Moorman, R. H., Blakely, G. L., & Niehoff, B. P. (1998). Does perceived organizational support mediate the relationship between procedural justice and

organizational citizenship behavior?. *Academy of Management journal*, 41(3), 351-357.

Morris, M. W., Podolny, J., & Sullivan, B. N. 2008. Culture and coworker relations: Interpersonal patterns in American, Chinese, German, and Spanish divisions of a global retail bank. *Organization Science*, 19(4), 517-532.

Mouly, V. S., & Sankaran, J. K. (2002). The enactment of envy within organizations insights from a new zealand academic department. *The Journal of Applied Behavioral Science*, 38(1), 36-56.

Mussweiler, T. (2001). 'Seek and ye shall find': antecedents of assimilation and contrast in social comparison. *European Journal of Social Psychology*, 31(5), 499-509.

Mussweiler, T., Ruter, K., & Epstude, K. (2004). The ups and downs of social comparison: Mechanisms of assimilation and contrast. *Journal of Personality and Social Psychology*, 87(6), 832-844.

Neu, J. (1980). Jealous thoughts. *Explaining Emotions*, 425-463.

Niehoff, B. P., & Moorman, R. H. (1993). Justice as a mediator of the relationship between methods of monitoring and organizational citizenship behavior. *Academy of Management Journal*, 36(3) , 527-556.

- Overby, J. W., Gardial, S. F., & Woodruff, R. B. (2004). French versus american consumers' attachment of value to a product in a common consumption context: a cross-national comparison. *Journal of the Academy of Marketing Science*, 32(4), 437-460.
- Ortony, A., Clore, G. L., & Collins, A. (1988). *The cognitive structure of emotions*. New York: Cambridge University Press.
- Oyserman, D., Coon, H. M., & Kimmelmeier, M. (2002). Rethinking Individualism and Collectivism: Evaluation of Theoretical Assumptions and Meta-Analyses. *Psychological Bulletin*, 128(1), 3-72.
- Parks, C. D., Rumble, A. C., & Posey, D. C. (2002). The effects of envy on reciprocation in a social dilemma. *Personality and Social Psychology Bulletin*, 28(4), 509-520.
- Parrott, W. G. (1991). The emotional experiences of envy and jealousy. In P. Salovey (Ed.), *The psychology of jealousy and envy* (pp. 3–30). New York: Guilford Press.
- Parrott, W. G., & Smith, R. H. (1993). Distinguishing the experiences of envy and jealousy. *Journal of Personality and Social Psychology*, 64(6), 906-920.

Pastore, N. (1952). The role of arbitrariness in the frustration-aggression hypothesis.

Journal of Abnormal and Social Psychology, 47(3), 728-731.

Paulhus, Delroy. 1983. Sphere-Specific Measures of Perceived Control. *Journal of*

Personality and Social Psychology, 44(6), 1253-1265.

Peters, Tom (1988), *Thriving on Chaos*, New York, NY: Alfred A. Knopf.

Polman, E., & Ruttan, R. L. (2012). Effects of anger, guilt, and envy on moral

hypocrisy. *Personality and Social Psychology Bulletin, 38(1), 129-139.*

Preacher, Kristopher J., and Andrew F. Hayes (2008), “Asymptotic and Resampling

Strategies for Assessing and Comparing Indirect Effects in Multiple Mediator

Models,” *Behavior Research Methods, 40 (3), 879–91.*

Rhoades, L., & Eisenberger, R. (2002). Perceived Organizational Support: A Review

of the Literature. *Journal of Applied Psychology, 87(4), 698-714.*

Rodriguez Mosquera, P. M., Parrott, W. G., & Hurtado de Mendoza, A. (2010). I fear

your envy, I rejoice in your coveting: On the ambivalent experience of being

envied by others. *Journal of personality and social psychology, 99(5), 842-854.*

- Rule, B. G., Dyck, R., & Nesdale, A. R. (1978). Arbitrariness of frustration: Inhibition or instigation effects on aggression. *European Journal of Social Psychology*, 8(2), 237-244.
- Rust, R. T., & Zahorik, A. J. (1993). Customer satisfaction, customer retention, and market share. *Journal of retailing*, 69(2), 193-215.
- Salovey, P., & Rodin, J. (1984). Some antecedents and consequences of social-comparison jealousy. *Journal of Personality and Social Psychology*, 47(4), 780-792.
- Schindler, Robert M. (1989), "The Excitement of Getting a Bargain: Some Hypotheses Concerning the Origins and Effects of Smart-Shopper Feelings," *Advances in Consumer Research*, 16(1), 447-53.
- Schindler, R. M. (1998). Consequences of perceiving oneself as responsible for obtaining a discount: evidence for smart-shopper feelings. *Journal of Customer Psychology*, 7(4), 371-392.
- Schaubroeck, J., & Lam, S. S. (2004). Comparing lots before and after: Promotion rejectees' invidious reactions to promotees. *Organizational Behavior and Human Decision Processes*, 94(1), 33-47.

Schneider, B., & Bowen, D. E. (1999). Understanding customer delight and outrage.

Sloan Management Review, 41(1), 35-45.

Schnore Leo F. Social Mobility in Demographic Perspective. (1961) *American*

Sociological Review. 26(3), 407-423

Schoeck, H. (1969). *Envy: A theory of social behavior* (D. Neid, Tans.). New York:

Harcourt, Brace, and World.

Sedikides, C., Campbell, W. K., Reader, G. D., & Elliot, A. J. (1999). The

relationship closeness induction task. *Representative Research in Social*

Psychology, 23, 1-4.

Sharp, B., & Sharp, A. (1997). Loyalty programs and their impact on repeat-purchase

loyalty patterns. *International journal of Research in Marketing*, 14(5), 473-486.

Silver, M., & Sabini, J. (1978). The perception of envy. *Social Psychology Quarterly*,

41, 105-117.

Smith, P. B., Dugan, S., & Trompenaars, F. (1996). National culture and the values of

organizational employees a dimensional analysis across 43 nations. *Journal of*

Cross-Cultural Psychology, 27(2), 231-264.

- Smith, R. H. (1991). Envy and the sense of injustice. In P. Salovey (Ed.), *The psychology of jealousy and envy*. New York: Guilford Press.
- Smith, R. H. (2004). *Envy and its transmutations*. The social life of emotions, p43-63.
- Smith, R. H., & Kim, S. H. (2007). Comprehending envy. *Psychological Bulletin*, 133(1), 46-64.
- Smith, R. H., Kim, S. H., & Parrott, W. G. (1988). Envy and jealousy semantic problems and experiential distinctions. *Personality and Social Psychology Bulletin*, 14(2), 401-409.
- Smith, R. H., Parrott, W. G., Ozer, D., & Moniz, A. (1994). Subjective injustice and inferiority as predictors of hostile and depressive feelings in envy. *Personality and Social Psychology Bulletin*, 20(6), 705-711.
- Smith, R. H., Parrott, W. G., Diener, E. F., Hoyle, R. H., & Kim, S. H. (1999). Dispositional envy. *Personality and Social Psychology Bulletin*, 25(8), 1007-1020.
- Smith, R. H., Turner, T. J., Garonzik, R., Leach, C. W., Urch-Druskat, V., & Weston, C. M. (1996). Envy and schadenfreude. *Personality and Social Psychology Bulletin*, 22(2), 158-168.

- Suls, J. E., & Wills, T. A. E. (1991). *Social comparison: Contemporary theory and research*. Lawrence Erlbaum Associates, Inc.
- Suls, J., Martin, R., & Wheeler, L. (2002). Social comparison: Why, with whom, and with what effect? *Current Directions in Psychological Science*, *11*(5), 159-163.
- Steinhoff, L., & Palmatier, R. W. (2014). Understanding loyalty program effectiveness: managing target and bystander effects. *Journal of the Academy of Marketing Science*, published online August 22, 2014.
- Tai, K., Narayanan, J., & McAllister, D. J. (2012). Envy as pain: Rethinking the nature of envy and its implications for employees and organizations. *Academy of Management Review*, *37*(1), 107-129.
- Takahashi, H., Kato, M., Matsuura, M., Mobbs, D., Suhara, T., & Okubo, Y. (2009). When your gain is my pain and your pain is my gain: neural correlates of envy and schadenfreude. *Science*, *323*(5916), 937-939.
- Taylor, S. E., & Lobel, M. (1989). Social Comparison Activity Under Threat: Downward Evaluation and Upward Contacts. *Psychological Review*, *96*(4), 569-575.

- Taormina, R. J., & Messick, D. M. (1983). Deservingness for foreign aid: Effects of need, similarity, and estimated effectiveness. *Journal of Applied Social Psychology, 13*(5), 371-391.
- Teitelbaum, J. (1976). The leer and the Loom—Social controls on handloom weavers. *The Evil Eye. C. Maloney, Ed. , 63-75.*
- Tesser, A. (1991). Emotion in social comparison and reflection processes. In J. Suls & T. A. Wills (Eds.), *Social comparison: Contemporary theory and research* (pp. 115–145). Hillsdale, NJ: Erlbaum
- Testa, M., & Major, B. (1990). The impact of social comparisons after failure: The moderating effects of perceived control. *Basic and Applied Social Psychology, 11*(2), 205-218.
- Thaler, R. (1985). Mental accounting and customer choice. *Marketing science, 4*(3), 199-214.
- Tse, D. K., Belk, R. W., & Zhou, N. (1989). Becoming a Consumer Society: A Longitudinal and Cross-cultural Content Analysis of Print Ads from Hong Kong, the People's Republic of China, and Taiwan. *Journal of Consumer Research, 15*(4), 457-72.

- Trompenaars, F., & Hampden-Turner, C. (1998). *Riding the waves of culture*
McGraw-Hill New York.
- Van de Ven, N., Zeelenberg, M., & Pieters, R. (2009). Leveling up and down: The experiences of benign and malicious envy. *Emotion, 9*(3), 419.
- Van de Ven, N., Zeelenberg, M., & Pieters, R. (2011). The envy premium in product evaluation. *Journal of Consumer Research, 37*(6), 984-998.
- Van de Ven, N., Zeelenberg, M., & Pieters, R. (2011). Why envy outperforms admiration. *Personality and Social Psychology Bulletin, 37*(6), 784-795.
- Van de Ven, N., Zeelenberg, M., & Pieters, R. (2012). Appraisal patterns of envy and related emotions. *Motivation and emotion, 36*(2), 195-204.
- Van de Ven, N., & Zeelenberg, M. (2014). On the counterfactual nature of envy: “It could have been me”. *Cognition and Emotion*, (ahead-of-print), 1-18.
- VanderZee, K., Buunk, B., & Sanderman, R. (1996). The relationship between social comparison processes and personality. *Personality and Individual Differences, 20*(5), 551-565.
- Van Dijk, W. W., Ouwerkerk, J. W., Goslinga, S., & Nieweg, M. (2005). Deservingness and Schadenfreude. *Cognition and Emotion, 19*, 933–939.

- Vecchio, R. P. (1997). *Leadership: Understanding the dynamics of power and influence in organizations* University of Notre Dame Press Notre Dame, IN.
- Vecchio, R. P. 2000. Negative emotion in the workplace: Employee jealousy and envy. *International Journal of Stress Management*, 7(3), 161–179.
- Vecchio, R. P. 2005. Explorations in employee envy: Feeling envious and feeling envied. *Cognition & Emotion*, 19(1), 69–81.
- Walcot, P. (1978). *Envy and the greeks: A study of human behavior* Aris & Phillips.
- Wang, Zhi, "From evaluating people to evaluating products : the effect of ascription versus achievement mind-set in consumer decisions" (2013). *Restricted Access Theses and Dissertations*. Paper 1476. http://repository.hkbu.edu.hk/etd_ra/1476
- William R.. Shadish, Cook, T. D., & Campbell, D. T. (2002). *Experimental and quasi-experimental designs for generalized causal inference*. Wadsworth Cengage learning.
- Wooten, D. B., Harrison, R. L., & Mitchell, N. (2011). Benign envy: is there a dark side of light green?. *AMS review*, 1(3), 137-139.

- Wulf, K. D., & Odekerken-Schröder, G. (2003). Assessing the impact of a retailer's relationship efforts on customers' attitudes and behavior. *Journal of Retailing and Customer Services*, 10(2), 95-108.
- Yoon, Y., Sarial-Abi, G., & Gürhan-Canli, Z. (2012). Effect of regulatory focus on selective information processing. *Journal of Consumer Research*, 39(1), 93-110.
- Young and Rubicam (2009), "All You Need Is Envy," <http://emea.yr.com/envy.pdf>.
- Zabin, Jeff and Gresh Brebach (2004), *Precision Marketing*. Hoboken, NJ: Wiley.
- Zeckhauser, R. (1991). *Strategy and choice* The MIT Press.
- Zeithaml, V. A., Rust, R. T., & Lemon, K. N. (2001). The customer pyramid: Creating and serving profitable customers. *California Management Review*, 43(4), 118-142.
- Zhou, X., Wildschut, T., Sedikides, C., Shi, K., & Feng, C. (2012). Nostalgia: The gift that keeps on giving. *Journal of Consumer Research*, 39(1), 39-50.

APPENDICES

Appendix 1: The Conceptualizations of Envy in Psychology, Management, and Marketing

Discipline	Studies (Authors & Title): The Conceptualizations of Envy	Key Points
Psychology	<p>Parrott, W. G., & Smith, R. H. (1993). Distinguishing the experiences of envy and jealousy. <i>Journal of personality and social psychology</i>, 64(6), 906-920.</p> <p>“Envy occurs when a person lacks another’ superior quality, achievement, or possession and either desires it or wishes that the other lacked it. Envy includes feelings of inferiority, longing, resentment and ill will toward the envied person.” (p.906)</p>	<p>(1) Desired superior quality, achievement, or possession.</p> <p>(2) Feelings of inferiority, longing, resentment.</p>
	<p>Hill, S. E., DelPriore, D. J., & Vaughan, P. W. (2011). The Cognitive Consequences of Envy: Attention, Memory, and Self-Regulatory Depletion. <i>Journal of Personality and Social Psychology</i>, 101(4), 653-666.</p> <p>“Envy is experienced as a complex mix of unpleasant psychological states—including inferiority, injustice, and resentment. Envy is sometimes associated with increased motivation to improve oneself, or a “moving up motivation”, but envy is often accompanied by feelings of hostility and ill will toward the advantaged other.” (p.653)</p>	<p>(1) Inferiority, injustice, and resentment.</p> <p>(2) Motivation of self-improvement; hostile feelings.</p>
	<p>Rodriguez Mosquera, P. M., Parrott, W. G., & Hurtado de Mendoza, A. (2010). I fear your envy, I rejoice in your coveting: On the ambivalent experience of being envied by others. <i>Journal of personality and social psychology</i>, 99(5), 842-854.</p> <p>“Envy is an emotion characterized by intense coveting of what another has. The target of envy is the person who possesses that object, not the object itself. Thus, there are two objects in envy: the object of desire (i.e., what we covet) and the object of envy (i.e., the person who has what we covet). The object of desire creates a relational bond or tie between the envious person and the</p>	<p>The object of desire; the object of envy.</p>

	<p>envied person.” (p.843)</p> <p>Smith, R. H., Kim, S. H., & Parrott, W. G. (1988). Envy and jealousy semantic problems and experiential distinctions. <i>Personality and Social Psychology Bulletin</i>, 14(2), 401-409.</p> <p>The word envy is generally used only in one sense, as a social-comparison-based emotion.</p>	<p>Social comparison based.</p>
	<p>Smith, R. H., Parrott, W. G., Ozer, D., & Moniz, A. (1994). Subjective injustice and inferiority as predictors of hostile and depressive feelings in envy. <i>Personality and Social Psychology Bulletin</i>, 20(6), 705-711.</p> <p>Unfair advantage owned by envied persons elicits hostile feelings of envious persons. Envious persons’ feelings of inferiority result from envied persons’ advantages.</p>	<p>Unfairness as stimuli.</p>
	<p>Smith, R. H., Parrott, W. G., Diener, E. F., Hoyle, R. H., & Kim, S. H. (1999). Dispositional envy. <i>Personality and Social Psychology Bulletin</i>, 25(8), 1007-1020.</p> <p>Dispositional envy (DES) reflects individual differences. Participants who reported higher scores on the DES were more likely to have low self-esteem, to feel depressed, to experience various forms of interpersonal hostility, and to express unhappiness with their lives.</p>	<p>Chronic value.</p>
	<p>Smith, R. H., & Kim, S. H. (2007). Comprehending envy. <i>Psychological bulletin</i>, 133(1), 46-64.</p> <p>Definitions of envy emphasize that it is an unpleasant, often painful emotion characterized by feelings of inferiority, hostility, and resentment produced by an awareness of another person or group of persons who enjoy a desired possession (object, social position, attribute, or quality of being). “The word envy has at least two partially contradictory senses. One sense, ‘envy proper,’ is the meaning found in dictionary definitions and is the main focus of scholarship on envy. The other meaning, referred to as ‘benign envy’ or ‘non-malicious envy’, is different from envy</p>	<p>Two types of envy: envy proper vs. benign envy.</p>

	<p>proper in at least one core aspect: being free of hostile meaning.” (p. 47)</p>	
	<p>Parks, C. D., Rumble, A. C., & Posey, D. C. (2002). The effects of envy on reciprocation in a social dilemma. <i>Personality and Social Psychology Bulletin</i>, 28(4), 509-520.</p> <p>“Envy is a very specific emotion that arises when one compares their own outcomes against superior ones received by others and is characterized by feelings of resentment and inferiority, wanting of the better outcomes, pleasure when the envied person suffers a setback and a sense of injustice over being in a disadvantaged position, even when the disadvantage is purely subjective.” (p. 510)</p>	<p>Resentment; inferiority; wanting of; unfairness; schadenfreude.</p>
	<p>Van de Ven, N., Zeelenberg, M., & Pieters, R. (2010). Warding off the evil eye: when the fear of being envied increases prosocial behavior. <i>Psychological science</i>, 21(11), 1671-1677.</p> <p>“There are two types of envy that both activate the goal to level the difference between oneself and the envied person: for benign envy, the motivational tendencies are productive and aimed at improving one’s own position, whereas for malicious envy, the motivational tendencies are destructive and aimed at pulling down the envied person.” (p.1671)</p>	<p>Benign envy (destructive) versus malicious envy (productive).</p>
	<p>Fiske, S. T. (2010). Envy up, scorn down: how comparison divides us. <i>The American psychologist</i>, 65(8), 698-706.</p> <p>“Envy can be relatively benign (I wish I had what you have) or malicious (I wish you did not have what you have). Envy is directed up, toward the rich, professional, and entrepreneurial but also toward peers and allies doing better than the self. Envy can lead to going along with the higher status and with more powerful others, but also to sabotaging and attacking them.” (p.698)</p>	<p>(1) Upward comparison; parallel comparison (similarity-based); (2) benign vs. malicious.</p>

	<p>Crusius, J., & Lange, J. (2014). What catches the envious eye? Attentional biases within malicious and benign envy. <i>Journal of Experimental Social Psychology</i>, 55, 1-11.</p> <p>“Envious responses to superior others occur in two qualitatively distinct forms: malicious envy and benign envy. Malicious envy is characterized by hostile feelings toward the envied person and action tendencies intended to damage his or her position. In contrast, benign envy is characterized by a more positive regard of the other person, desire for the superior fortune and the action tendency to improve one's own position by moving upward. Benignly envious participants would deploy attention toward envy objects and envied persons to an equal extent. Benign envy but not within malicious envy, attention should be biased toward stimuli that are instrumental in attaining an envy object.” (p. 3)</p>	<p>The attention of benign envy is based on envied object, while malicious envy is based on envied person.</p>
	<p>Silver, M., & Sabini, J. (1978). The perception of envy. <i>Social Psychology</i>, 105-117.</p> <p>People use the term envy in at least two ways. A different sense of "envy" as a compliment-is often heard, e.g., "That's so wonderful, I envy you!" (p. 106)</p>	<p>Benign envy is free of hostile feelings.</p>
Management	<p>Tai, K., Narayanan, J., & McAllister, D. J. (2012). Envy as pain: Rethinking the nature of envy and its implications for employees and organizations. <i>Academy of Management Review</i>, 37(1), 107-129.</p> <p>“Envy is defined as a homeostatic emotion characterized by pain at another’s good fortune. Individual and situational factors that moderate envy’s effects on behavior, either aligning with negative outcomes or aligning with positive outcomes.”(p. 107)</p>	<p>Envy is pain and envious person will reduce this pain by different behaviors based on individual or situational factors.</p>
	<p>Duffy, M. K., Scott, K. L., Shaw, J. D., Tepper, B. J., & Aquino, K. (2012). A social context model of envy and social undermining. <i>Academy of Management Journal</i>, 55(3), 643-666.</p> <p>“The experience of envy has been conceptualized in work place as a general envy of others in an</p>	<p>Envy in workplace is very complex based on an existing state of multiple unflattering comparisons.</p>

	<p>environment, typically a work context or team, involving multiple referents or comparators. Individuals in work situations recognize differences in social standing, performance, and treatment with multiple comparators concurrently and that these comparisons may not be to a specific transient episode, but rather to an existing state of multiple unflattering comparisons.” (p. 645)</p>	
	<p>COHEN-CHARASH, Y., & MUELLER, J. S. (2007). Does perceived unfairness exacerbate or mitigate interpersonal counterproductive work behaviors related to envy?. <i>Journal of applied psychology</i>, 92(3), 666-680; Cohen-Charash, Y. (2009). Episodic envy. <i>Journal of Applied Social Psychology</i>, 39(9), 2128-2173; Khan, A. K., Quratulain, S., & M Bell, C. (2014). Episodic envy and counterproductive work behaviors: Is more justice always good?. <i>Journal of Organizational Behavior</i>, 35(1), 128-144.</p> <p>Envy is the negative emotion felt “when a person lacks another’s superior quality, achievement, or possession and either desires it or wishes that the other lacked it”. Envy occurs when the “thing” one lacks is in a domain that is central to one’s self-concept and the envious person perceives the envied person as similar to him or her. Envy is experienced because of a negative social comparison, when Person A notices that a similar other, Person B, has something (e.g., material or personal) that Person A wants but does not have, and the desired object or condition is central to A’s self-concept.</p>	<p>Episodic envy is experienced by situational-based negative social comparisons.</p>
Marketing	<p>Van de Ven, N., Zeelenberg, M., & Pieters, R. (2011). The envy premium in product evaluation. <i>Journal of Consumer Research</i>, 37(6), 984-998; Van de Ven, N., Zeelenberg, M., & Pieters, R. (2012). Appraisal patterns of envy and related emotions. <i>Motivation and emotion</i>, 36(2), 195-204.</p> <p>Envy is a powerful emotion that “arises when a person lacks another’s superior quality,</p>	<p>Two different routines between benign envy and malicious envy in feelings, thoughts, action tendencies, and motivational goals.</p>

	<p>achievement, or possession and either desires it or wishes that the other lacked it” A malicious form of envy aimed at derogating the envied person should be considered “envy proper,” which is different from a non-malicious form of envy. The distinction between malicious and benign envy can help to explain why envy activates both a desire to hurt the envied other and a motivation to do better. Benign envy is a non-malicious form aimed at improving one’s own situation, and malicious envy is aimed at pulling down the envied person. They differ in the feelings, thoughts, action tendencies, and motivational goals that comprise the emotional experience. (p. 195)</p>	
	<p>Van de Ven, N., Zeelenberg, M., & Pieters, R. (2011). Why envy outperforms admiration. <i>Personality and Social Psychology Bulletin</i>, 37(6), 784-795; Van de Ven, N., Zeelenberg, M., & Pieters, R. (2009). Leveling up and down: the experiences of benign and malicious envy. <i>Emotion</i>, 9(3), 419-429.</p> <p>“It is more likely that people experience benign envy if the advantage of the other is appraised as being deserved, whereas they are more likely to experience malicious envy if the advantage is appraised as being undeserved.” (p. 420)</p>	<p>The deservingness of outcome influences the intensity of benign envy.</p>
	<p>Belk, R. W. (1984). Three scales to measure constructs related to materialism: Reliability, validity, and relationships to measures of happiness. <i>Advances in consumer research</i>, 11(1), 291-297; Belk, R. W. (1985). Materialism: Trait Aspects of Living in the Material World. <i>Journal of Consumer Research</i>, 12(3), 265-80; Belk, R. W., Ger, G., & Askegaard, S. (2003). The fire of desire: A multisited inquiry into consumer passion. <i>Journal of consumer research</i>, 30(3), 326-351.</p> <p>Envy is an orientation toward others' possessions. The envious person is expected to desire some possessions (whether objects, experiences, or persons) of some other people. The envious person</p>	<p>Envy is an orientation toward desired possessions. Envy is a stimulus in signaling theory in marketing.</p>

	<p>should resent those who have desired possessions. The envious person should feel personally demeaned by others' possession of desired objects, especially if these others are seen as less worthy of the possessions.</p>	
	<p>Belk, R. (2011). Benign envy. <i>AMS review</i>, 1(3-4), 117-134. (see table 2 in Belk's study); Folkes, V. S. (2011). Changes in the consequences of consumer envy due to ease of coping and social comparison targets. <i>AMS review</i>, 1(3-4), 135-136; Harper Baird (2011). Review of Russ Belk's Benign Envy. <i>AMS Review</i>, 1, 117-134</p> <p>Benign envy is characterized as deservingness (close to what I deserve), motivation (striving), and behavior (desire/buy). Malicious envy is featured by deservingness (less than I deserve), motivation (harm envied other), and behavior (destroy other's possession; oneupsmanship; ignore). Envy is "malicious ill will directed toward a referent other who possess something of importance to us that we covet." Envy (of what others possess) is not the same as jealousy (of what we possess) or covetousness (of a particular object and not its owner).</p>	<p>Different features between benign envy and malicious envy.</p>

Appendix 2: Experimental Instruments

1. VIP treatments scenarios

Star Hotels has recently planned to improve its program of ‘Star Preferred Guest’ by adding new privileges and preferential treatments. VIP customers of Star Hotels can enjoy the following preferential treatments: (1) Stay every night for 40% off, (2) free breakfast buffet, (3) 4 p.m. late check-out, (4) one 50-minute spa treatment per person per stay.

2.1 Manipulation of VIP granting method using ascribed attribute

To celebrate its 30th anniversary, customers of Star Hotels have chances to be selected as VIP customers. In detail, if customers’ birthday is on the 30th of the month, they will be automatically upgraded to VIP customer and enjoy the VIP treatment of Star Hotels.

2.2 Manipulation of VIP granting method using achieved attribute

Whether customers will be selected as a VIP customer of Star Hotels is determined by the number of earned Star-points (bonus points of Star Hotels). If a customer meets the required number of Star-points or above, he or she will be selected as a VIP customer and enjoy VIP treatment of Star Hotels.

3.1 Fictitious envied VIP customer in VIP granting method using ascribed attribute

Jean’s birthday is on June 30, which meets the requirement of becoming a VIP customer. Thus, Jean will be upgraded free to be a VIP customer and enjoy the VIP treatment of Star Hotels.

3.2 Fictitious envied VIP customer in VIP granting method using achieved attribute

Jean's accumulated Star-points (bonus points) of Star Hotels are above the required number of Star-points. Thus, Jean will be upgraded free to be a VIP customer and enjoy the VIP treatment of Star Hotels.

4.1 Manipulation of personal salient attribute in VIP granting method using ascribed attribute

Assume that your birthday is on June 30 (**similar condition as Jean**).

Assume that your birthday is not the 30th of the month (**dissimilar condition as Jean**).

4.2 Manipulation of personal salient attribute in VIP granting method using achieved attribute

Assume that you have earned more than the required number of star-points of Star Hotels to be upgraded as a VIP customer (**similar condition as Jean**).

Assume that you have earned 90% of the required star-points of Star Hotels to be upgraded to a VIP customer (**dissimilar condition as Jean**).

Appendix 3: Cultural Priming Instruments

1 Priming Achievement-oriented values

People's success in personal development and social (e.g., career) attainment can be determined by many factors. Two of the most important of these factors are individual effort and hard work.

1.1 Please think of **two instances** in your life related to the good influence of one's personal efforts and hard work on one's success in attaining personal development and social attainment.

Please describe each one in a sentence.

1.2 Now pick one instance from the above and describe it in more detail.

2 Priming ascription-oriented values

People's success in personal development and social (e.g., career) attainment can be determined by many factors. Two of the most important of these factors are family background and kinship.

2.1 Please think of **two instances** in your life related to the good influence of one's family background and kinship on one's success in attaining personal development and social attainment. Please describe each one in a sentence

2.2 Now pick one instance from the above and describe it in more detail.

Source: Cultural priming instruments are adapted from Wang (2013).

Appendix 4: Scales Used in Field Studies

1 Manipulation check for two types of granting methods (personal efficacy scale) (Source: Paulhus, Delroy. 1983. Sphere-Specific Measures of Perceived Control. *Journal of Personality and Social Psychology*, 44(6), 1253-1265.)

1. I will get the VIP treatment of Star Hotels due to my purchase effort.
2. The attainment of VIP treatment of Star Hotels is based on purchase effort.
3. I will get the VIP treatment that I want because I put my purchase effort on it.

2 Manipulation check for personal salient attributes (similarity scale)

(Source: Sedikides, Constantine, W. Keith Campbell, Glenn D. Reeder, and Andrew J. Elliot (1999), "The Relationship Closeness Induction Task," *Representative Research in Social Psychology*, 23, 1-4.)

1. How similar is Jean to you?
2. How similar do you feel to Jean in general?
3. How close do you feel to Jean in general?
4. How similar do you think to Jean in general?

3 Manipulation check for cultural priming (ascription-achievement scale) (study 2) (Source: Trompenaars, F., & Hampden-Turner, C.(1998). *Riding the waves of culture*. New York: McGraw-Hill.)

1. At this moment, I believe that a great success is based on ascribed attributes, like age, social connections, or family background.
2. At this moment, good working performance is based on ascribed attributes, like age, social connections, or family background.

3. At this moment, a good job mainly depends on ascribed attributes, like age, social connections, or family background.

4 Perceived attainability (Source: Li, C., Fock, H., & Mattila, A. S. (2012). The Role of Cultural Tightness–Looseness in the Ethics of Service Recovery. *Journal of Global Marketing*, 25(1), 3-16.)

1. I feel that I am able to get the VIP treatment of Star Hotels.
2. I feel it is easy to get the VIP treatment of Star Hotels.
3. I feel that it is not difficult to get the VIP treatment of Star Hotels that I desire.

5 Perceived deservingness (Source: Van de Ven, Niels, Marcel Zeelenberg, and Rik Pieters (2011), “The Envy Premium in product evaluation,” *Journal of Consumer Research*, 37, 984-998; Feather, N. T. and Rebecca Sherman (2002), “Envy, Resentment, Shadenfreude, and Sympathy: Reactions to Deserved and Undeserved Achievement and Subsequent Failure,” *Personality and Social Psychology Bulletin*, 28, 953-961.)

1. Jean deserved the VIP treatment obtained from of Star Hotels.
2. Jean is deserved to possess the VIP treatment of Star Hotels.
3. VIP treatment of Star Hotels is deserved to own by Jean.
4. Is it deserved that Jean have VIP treatment of Star Hotels?

6 Benign envy

(Source: Parrott, W. Gerrod and Richard H. Smith (1993), “Distinguishing the Experiences of Envy and Jealousy,” *Journal of Personality and Social Psychology*, 64 (6), 906-20; Van de Ven,

Niels, Marcel Zeelenberg, & Rik Pieters. 2009. Leveling Up and Down: The Experiences of Benign and Malicious envy. *Emotion*, 9, 419-429.)

1. I 'm longing for what VIP customers of Star Hotels have.
2. I 'm feeling wishful to get the VIP treatment of Star Hotels.
3. I have the motivations to put my purchase effort to obtain the VIP treatment of Star Hotels.
4. I'm motivated to become a VIP customer of Star Hotels.
5. I will start to purchase more to obtain the VIP treatment of Star Hotels.

7 Malicious envy

(Source: Belk, R. W. (1985). Materialism: Trait aspects of living in the material world. *Journal of Consumer Research*, 265-280. Parrott, W. Gerrod and Richard H. Smith (1993), "Distinguishing the Experiences of Envy and Jealousy," *Journal of Personality and Social Psychology*, 64 (6), 906-20. Van de Ven, Niels, Marcel Zeelenberg, & Rik Pieters. 2009. Leveling Up and Down: The Experiences of Benign and Malicious envy. *Emotion*, 9, 419-429.)

1. I am bothered when I see Jean get the VIP treatment of Star Hotels.
2. I feel unhappy when I see Jean enjoyed the VIP treatment of Star Hotels.
3. I feel upset when I see Jean enjoyed the VIP treatment of Star Hotels.
4. I hope that Jean will not have the VIP treatment of Star Hotels.

CURRICULUM VITAE

Academic qualifications of the thesis author, Mr. YANG Xin, Morgan:

- Received the degree of Master of Applied Economics from Hong Kong Baptist University, July 2011.
- Received the degree of Bachelor of Management from Shanghai Ocean University, July 2010.

July 2015