

THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

Departmental Research Seminar

It Feels Like My Money (but Not for Me): Impact of Psychological Ownership (and Infringement Perceptions) on the Effectiveness of Incentives

By

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Date : 25 Oct 2024 (Fri)
Time : 10:30 am – 12 noon
Venue : M802, PolyU

Abstract

Incentives are widely used in both public and private sectors to motivate consumers toward certain behaviors. However, the effectiveness of such incentives is often lower than anticipated. While prior research has identified a myriad of factors that moderate the effectiveness of incentives, the present research investigates how to improve incentive effectiveness through the lens of psychological ownership. The first part of the research introduces a "consumer-funded effect," namely, acknowledging consumers' contributions—such as tax contributions to the government or profit contributions to a frequently visited store—as the source of funding for an incentive can increase consumers' psychological ownership of the incentive, which increases the likelihood of their participation in the incentivized behavior. The second part of the research reveals a potential challenge when inducing consumers' psychological ownership of an incentive: If the incentivized behavior is not congruent with the target audience's identity, reminding the target audience of their contributions to the incentive will increase both their psychological ownership of the incentive and infringement perceptions for their contributions. While psychological ownership increases incentive effectiveness, infringement perceptions trigger reactance against the infringer and decrease incentive effectiveness.

Dr Zoe Lu is an assistant professor of marketing at the Tulane University, USA. She earned her PhD in marketing at the University of Wisconsin-Madison with a minor in social psychology. She has diverse research interests, mainly in psychological ownership, promotion, and prosocial behaviors. Her research has been published in *Journal of Consumer Research*, *Journal of Marketing Research*, *Journal of the Academy of Marketing Science*, *Journal of Personality and Social Psychology*, *Psychological Science*, and so on. Her recent findings on psychological ownership have been highlighted by prominent media outlets, including *The Wall Street Journal* and *National Public Radio's Morning Edition*.

All interested are welcome.



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