An empirical investigation into the influence of emotional intelligence on consumer behavior

Altani Panagiotopoulou
Athens University of Economics and Business
Paraskevas Argouslidis
Athens University of Economics and Business

Cite as:
Panagiotopoulou Altani, Argouslidis Paraskevas (2022), An empirical investigation into the influence of emotional intelligence on consumer behavior. *Proceedings of the European Marketing Academy*, 50th, (111746)

Paper from the EMAC Regional 2022 Conference, Kaunas, Lithuania, September 21-23, 2022

An empirical investigation into the influence of emotional intelligence on consumer behavior

Abstract

Although previous studies have linked emotional intelligence (henceforth EI) with various aspects of human behavior, little attention has been given to the impact of EI on consumer behavior. This paper hypothesizes and finds a) significant effects of EI on impulsive and ethical consumption and b) a significant moderating role of emotional affect in the above associations. The findings contribute to the EI literature and have useful implications for managerial practice.

Keywords: EI, Impulsive Consumption, Ethical Consumption

1. Introduction

Over the last twenty years, EI has received much attention in the fields of psychology, management, and marketing. The exponential growth of EI in scholarly work has been partially fueled by claims that EI captures essential actions, reactions, and decisions. One finding that has emerged in previous studies concerns the negative association between EI and impulsive behavior (Kidwell, Hardesty, and Childers, 2008; Kidwell, Hasford, and Hardesty, 2015). Prior research also indicates that, as an aspect of EI, emotion regulation is a strong predictor of ethical behavior (Eisenberg, 2000; Monin, Pizzaro, and Beer, 2007; Matsumoto, Yoo, and Nakagawa, 2008). However, our understanding of the mechanisms through which EI, impulsive consumption (henceforth IC), and ethical consumption (henceforth EC) are associated is limited. The present paper aims to contribute to consumer behavior literature by examining two under-researched issues: a) whether EI has main effects on IC and EC and b) whether emotional affect moderates such main effects. The following sections present the study's theoretical background, hypotheses, method, empirical implementation and theoretical/managerial implications. A concluding section identifies limitations and opportunities for future research.

2. Theoretical background and hypotheses

Since its appearance in the early 1990s, scholars have defined EI in several important ways. Currently, there exist two distinct construct models with which to conceptualize EI: a) an ability EI model, and b) a trait EI model (Day, Therrien, and Carroll, 2005). Ability-based models view EI as a skill set reflecting humans' ability to recognize, express, and regulate emotions in the self and others (Mayer & Salovey, 1990). Trait-based models frame EI as a non-cognitive characteristic that impacts individuals' capability to cope with pressures of everyday life (Day et al., 2005). Given their wider recognition and better conceptual fit with our focal variables, we use a trait-based operationalization of EI (Brackett, Rivers, Shiffman, Lerner, and Salovey, 2006). We propose a conceptualization that views a) EI as a driver of IC and EC, and b) emotional affect as a moderator of the effects of EI on IC and EC.

Proponents of EI view it as an important force in life success since it provides individuals with inter- and intra-personal skills. Driven by such skills, emotionally intelligent individuals are adept at regulating their emotions, handling difficult situations and making high-quality decisions (Mayer, Roberts, and Barsade, 2008; Ermer, Kahn, Salovey and Kiehl, 2012). This claim appears to be supported by Kidwell et al. (2008), who suggest that individuals with EI abilities may regulate their emotions to avoid impulsive behaviors and spontaneous decisions such as falling into temptations and overeating (Kidwell et al., 2008; Kidwell et al., 2015). Emotion regulation involves activities including restricting urges, avoiding impulsive spending, and behaving ethically (Baumeister, 2002; Eisenberg et al., 2019).

The ethics literature has discussed the extent to which emotion regulation influences ethical behaviors and has shown that it is a tool through which humans control emotions and make ethical decisions (Eisenberg, 2000; Monin et al., 2007; Matsumoto et al., 2008). In particular, emotion regulation enables individuals to exhibit a heightened self-control, adopt a strong moral identity, struggle against wrongdoings and perform behaviors such as protecting rights and charitable giving (Gino, Ayal, and Ariely, 2009; Aquino, McFerran, and Laven, 2011; Rua, Lawter, and Andreassi, 2017). Prior research suggests that as an aspect of emotion regulation, EI increases ethical behaviors and decreases dishonest and deviant actions

(Eisenberg, 2000; Monin et al., 2007; Matsumoto et al., 2008). However, a key concern regarding EI, is whether it is associated with consumption decisions such as impulsive and ethical purchases. Drawing on the above background, we propose that EI exerts a negative and a positive influence on IC and on EC, respectively. Formally:

H1. EI has a negative effect on IC.

H2. EI has a positive effect on EC.

The theorizing of Verplanken and colleagues is noteworthy in IC literature, in that they propose that one's current mood is an important precursor of impulsive buying behaviors (Verplanken & Herabadi, 2001; Vohs & Faber, 2007; Baron, Hmielesky, and Henry, 2012). Scholars agree that positive affect (henceforth PA) generates heuristic thoughts that are characterized by a reward sensitivity and boost individuals' desire to impulsively consume products and services (Verplanken & Herabadi, 2001; Verplanken & Sato, 2011; Baron et al., 2012). Although various discussions have focused on the positive association between PA and IC, another perspective suggests a positive association between negative affect (henceforth NA) and IC (Strack & Deutsch., 2006; Vohs & Faber, 2007). Chartrand, van Baaren, and Bargh (2006) supported the latter association by showing that a negative mood depletes a human's cognitive resources and makes him vulnerable to spontaneous buying. We propose that positive mood increases, and that negative mood decreases impulsive spending. As an antecedent of a heuristic way of thinking, a positive mood fosters IC (Verplanken & Herabadi, 2001; Verplanken & Sato, 2011; Baron et al., 2012). As a motivator of an analytical way of thinking, a sad mood causes a decline in IC (Chartrand et al., 2006; Strack & Deutsch., 2006; Vohs & Faber, 2007). Most importantly, we might expect that emotional affect interacts with EI to predict IC. Formally:

H3. The negative association between EI and IC is a) weakened by PA and b) strengthened by NA.

Current mood may also predate ethical and unethical behaviors (Wheatley & Haidt, 2005; Grant and Wrzesniewski, 2010; Chen, Tang, and Tang, 2014). Interestingly, Chen et al. (2014) argue that emotional affect has the strength to determine ethical and unethical actions based on mood valence (i.e. positive/negative) and arousal (i.e. high/low). The arousal affective states of pleasure and excitement may mobilize individuals to break small rules, fall into temptations and embrace harmful desires that may lead to unethical behaviors (Chen et al., 2014). In contrast, the negative valence self-conscious emotions of guilt and shame prevent individuals from wrongdoings and protect them from foolish temptations (Wheatley & Haidt, 2005; Grant & Wrzesniewski, 2010). Extending these findings in a consumption context, a negative mood may bolster the feelings of guilt and shame and prompt individuals to avoid temptations and exhibit ethical buying behaviors (Adaval, 2003; Monin et al., 2007). Stated differently, NA may strengthen, and PA may weaken the negative association between EI and EC:

H4. The positive association between EI and EC is a) weakened by PA and b) strengthened by NA.

Figures 1 and 2 illustrate the hypothesized associations. We control for the effects of age, gender and income.

Figure 1. The moderating role of affect on the EI-to-IC association

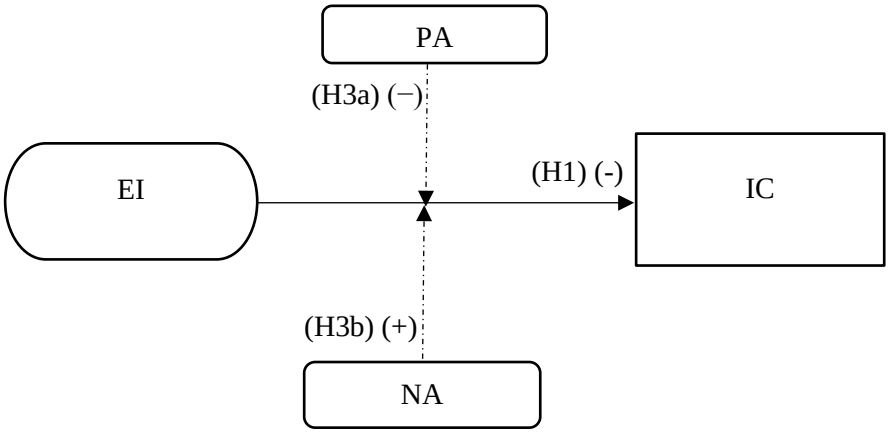
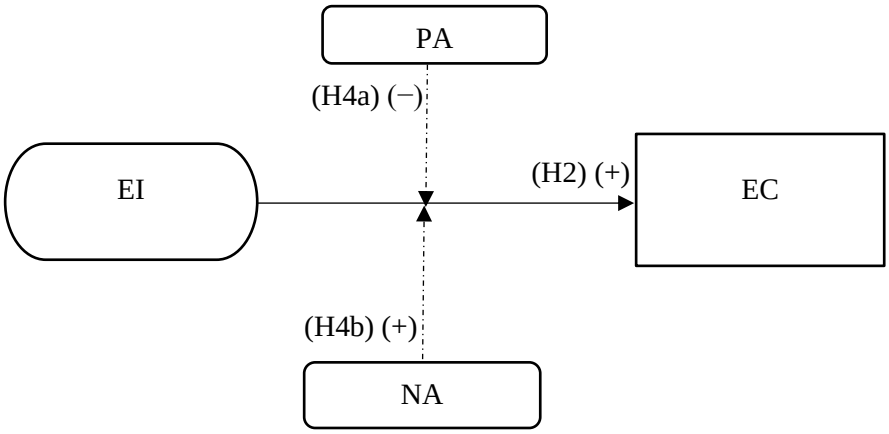


Figure 2. The moderating role of affect on the EI-to-EC association



3. Empirical implementation

3.1. Survey 1

Survey 1 investigates the main effects of EI on IC and EC. A sample of two hundred undergraduate and postgraduate students of an European university participated in the survey (51.7% female). The mean age was 24.2 (*SD* = 5.93) (53.5% female).

As discussed previously, we used a trait-based measure of EI. In particular, EI was assessed with the 19-item Self-Related EI Scale (SREIS) (Brackett et al., 2006) (α = 0.80). IC was operationalized using the 9-item Self-Related Buying Impulsiveness Scale (BIS) (Rook & Fisher, 1995) (α = 0.97). EC was assessed using the 31-item Self-Related Consumer Ethics Scale (CES) (Vitell & Muncy, 2005) (α = 0.84). All measures were anchored on 7-point agreement scales (1: strongly disagree, 7: strongly agree).

We estimated two separate regression models, with EI as the independent variable and with IC and EC as the dependent variables, one at a time (Table 1). In line with H1, EI has a

negative and significant effect on IC ($\beta_{unstandardized} = -0.24$, $t = -2.75$, $p < 0.01$). In support for H2, the association between EI and EC is positive and significant ($\beta_{unstandardized} = 0.46$, $t = 6.17$, $p < 0.001$). These associations persisted after controlling for age, gender, and income.

Table 1. Regression analysis for EI and IC and EC

Dependent variables: IC-EC							
Hypothesis	Independent variable	IC			EC		
		Unstandardized Coefficients			Unstandardized Coefficients		
		B	S.E.	*t-value*	B	S.E.	*t-value*
		34.36	8.29	4.14^{***}			
H1	EI	−0.24	0.08	-2.75^{**}			
					61.61	7.21	8.53^{***}
H2	EI				0.46	0.07	6.17^{***}
Controls	Gender	5.78	1.76	3.28^{*}	−0.76	1.53	−0.50
	Age	−0.04	0.15	− 0.29	0.07	1.13	0.58
	Income	−0.21	0.39	− 0.53	−0.02	0.34	−0.08

$^{**}p < 0.01$; $^{***}p < 0.001$

3.1. Survey 2

The purpose of Survey 2 is to a) re-examine the effects of EI on IC and EC and b) address the moderating role of emotional affect.

Two hundred students participated in this study. As in Survey 1, the sample consisted of undergraduate and postgraduate students at an European University. The mean age was 25.8 (*SD* = 5.20).

To measure EI, IC, and EC, we employed the same measures as in survey 1. Reliability analysis using Cronbach's Alpha reveals satisfactory internal consistency for all constructs, namely, the a) SREIS (α = 0.87), b) BIS (α = 0.96), and c) CES (α = 0.89). We also operationalized emotional affect using the 20-item Positive and Negative Affect Scale (PANAS) which is developed by Watson, Clark, and Tellegen (1988) (α = 0.84). All items were responded on a 7-point Likert scale (1 = strongly disagree to 7 = strongly agree).

We estimated regression models to re-test H1 and H2. Consistent with Survey 1, the results of Survey 2 indicate a negative and significant effect of EI on IC in support of H1 ($\beta_{unstandardized} = -0.24$, $t = -3.40$, $p < 0.01$). The results also provided support for H2. EI has a positive and significant effect on EC ($\beta_{unstandardized} = 0.56$, $t = 5.87$, $p < 0.001$). The predicted effects persisted when controlling for age, gender, income. Table 2 presents the results.

Table 2. Regression analysis for EI and IC and EC

Dependent variables: IC-EC							
Hypothesis	Independent variable	IC			EC		
		Unstandardized Coefficients			Unstandardized Coefficients		
		B	S.E.	*t-value*	B	S.E.	*t-value*
		34.97	7.23	4.83^{***}			
H1	EI	−0.24	0.07	-3.40^{**}			
					70.88	9.45	7.49^{***}
H2	EI				0.56	0.09	5.87^{***}
Controls	Gender	0.33	1.36	0.24	1.12	1.78	0.62
	Age	0.12	0.13	0.94	0.13	0.17	0.74
	Income	0.33	0.43	0.76	−0.01	0.57	−0.20

Notes: $^{**}p < 0.01$; $^{***}p < 0.001$

In order to examine the moderating role of emotional affect on the associations between EI and IC and EC, two moderation analyses were conducted with PROCESS Model 2 (Hayes, 2017). In the first analysis involving IC, the predicted interaction between EI and PA is significant. More precisely, in support of H3a, the results indicated that PA weakens the negative association between EI and IC (i.e. the negative link becomes less negative) ($\beta_{unstandardized} = -0.04$, $t = -2.57$, $p < 0.05$). The change in R^2 for the interaction model is also significant ($F = 3.61$, $p < 0.05$). EI significantly interacts with PA to predict IC even when age, gender, and image were controlled for. Meanwhile, EI has a nonsignificant interaction with NA on IC ($\beta_{unstandardized} = 0.00$, $t = -0.57$, $p > 0.05$). H3b is rejected. In the last analysis involving EC, the results fail to support H4a: EI and PA do not show a statistically significant interactive effect on EC ($\beta_{unstandardized} = -0.01$, $t = -0.33$, $p > 0.05$). Regarding the moderating role of NA on the EI-to-EC association the analysis indicates a negative parameter for the sign, which, however does not reach statistical significance ($\beta_{unstandardized} = -0.01$, $t = -1.50$, $p > 0.05$). H4b is not accepted. Overall, the study variables account for 10% of the variance in IC, and 20% of the variance on EC. The results are reported in Table 3.

Table 3. The moderating role of affect on the EI -to-IC and EI -to -EC-associations

Dependent variables: IC-EC							
Hypothesis	Independent variable	IC			EC		
		Unstandardized Coefficients			Unstandardized Coefficients		
		B	S.E.	*t-value*	B	S.E.	*t-value*
		−158.27	78.20	−2.02			
H3a	EI	1.99	0.91	2.18*			
	PA	3.91	1.48	2.63**			
	EI×PA	−0.04	0.01	−2.57*			
H3b	NA	0.30	0.64	0.46			
	EI×NA	−0.00	0.01	−0.57			
					16.44	101.71	0.16
H4a	EI				1.26	1.19	1.06
	PA				0.64	1.93	0.33
	EI×PA				−0.01	0.02	−0.33
H4b	NA				1.07	0.84	1.26
	EI×NA				−0.01	0.01	−1.50
Controls	Gender	0.27	1.35	0.20	0.85	1.75	0.48
	Age	0.12	0.13	0.93	0.17	0.17	1.01
	Income	0.32	0.44	0.72	−0.19	0.57	−0.32
Model Summary	R^2 (ΔR^2)	0.03 (0.03)			0.00 (0.01)		
	Adjusted R^2	0.10			0.20		
	Model F	3.61*			1.23		

Notes: *$p < 0.05$; **$p < 0.01$; ***$p < 0.001$

4. Discussion

This paper investigated a) the main effects of EI on IC and EC and b) the moderating impact of emotional affect on the relationships between EI and IC and EC. In line with our predictions, the findings demonstrate a strong negative association between EI and IC and a strong positive association between EI and EC. We also extend previous work that focuses on

the direct effects of emotional affect on IC (Verplanken & Herabadi, 2001; Verplanken & Sato, 2011; Baron et al., 2012), by presenting an interaction model of how EI influences IC based on one's current mood. The results show that PA weakens the negative association between EI and IC. Consequently, we conclude that consumers with high level of PA are more likely to fall into temptations and less likely to avoid impulses even if they are high in EI.

5. Theoretical and managerial implications

The present surveys contribute to EI research by evaluating the potential for trait-based EI measures to predict IC and EC. What has come to be known as the facilitation of EI has been driven by claims related to a) the importance of EI in avoiding impulses (Kidwell et al., 2008; Kidwell et al., 2015) and b) the strength of emotion regulation to shape ethical behaviors (Eisenberg, 2000; Matsumoto et al., 2008). This research advances EI theory by investigating the effects of EI on IC and EC and by showing that EI enables individuals to inhibit impulsive purchases and adopt ethical consumption patterns (Surveys 1 and 2). Additionally, these studies extend research in emotional affect and highlights that PA underlies the effects of EI on IC (Survey 3). Overall, our studies provide an answer to the question of how EI and emotional affect elicit impulsive and ethical behaviors. From a managerial standpoint, the findings presented here provide empirically-based guidelines for better new product development processes and propose that firms may focus on producing products with more ethical and less hedonic attributes. Firms might also understand the importance of emotional affect in individuals' decisions, and hence, provide advertisements that may alter one's current mood and align their offerings according to the characteristics of their target market. The implications of these findings are also of significant importance in the field of services where emotionally intelligent personnel could be able to clarify consumers' emotions, effectively deal even with dissatisfied customers, and contribute to business success.

6. Limitations and future research

The present research suffers from some limitations that are related to research methodology. More precisely, the studies reported here are centered on measuring the investigated variables and exclude other research methods such as laboratory and field experiments. In addition, whereas most studies at literature are conducted using student samples because of their knowledge and it is important that 400 students volunteered to participate in the present surveys without any type of incentive, these people do not fully represent the overall population of consumers in the marketplace. Given that EI is thought to increase with maturity, we cannot entirely ascertain how our participants differ from the general adult population. Grounded on the empirical evidence provided in these surveys, we believe that there are several ways in which this research might be extended. In particular, future studies might define a sample able to better represent the general population. Regarding research method, future work could employ different measures of EI, IC, and EC to test whether such measures lead to the same pattern of results with that observed in our surveys. Finally, future studies could examine the relationships we investigated in this work in laboratory and field settings. Manipulating variables such as EI, IC, and EC may allow future studies to examine the causal relationships of such variables along with the psychological factors explaining them.

7. References

Adaval, R. (2003). How good gets better and bad gets worse: Understanding the impact of affect on evaluations of known brands. *Journal of Consumer Research*, 30(3), 352-367.

Aquino, K., McFerran, B., & Laven, M. (2011). Moral identity and the experience of moral elevation in response to acts of uncommon goodness. *Journal of Personality and Social Psychology*, 100(4), 703.

Baron, R. A., Hmieleski, K. M., & Henry, R. A. (2012). Entrepreneurs' dispositional positive affect: The potential benefits–and potential costs–of being "up". *Journal of Business Venturing*, 27(3), 310-324.

Baumeister, R. F. (2002). Yielding to temptation: Self-control failure, impulsive purchasing, and consumer behavior. *Journal of Consumer Research*, 28(4), 670-676.

Brackett, M. A., Rivers, S. E., Shiffman, S., Lerner, N., & Salovey, P. (2006). Relating emotional abilities to social functioning: a comparison of self-report and performance measures of emotional intelligence. *Journal of Personality and Social Psychology*, 91(4), 780.

Chartrand, T. L., van Baaren, R. B., & Bargh, J. A. (2006). Linking automatic evaluation to mood and information processing style: Consequences for experienced affect, impression formation, and stereotyping. *Journal of Experimental Psychology: General*, 135(1), 70.

Chen, J., Tang, T. L. P., & Tang, N. (2014). Temptation, monetary intelligence (love of money), and environmental context on unethical intentions and cheating. *Journal of Business Ethics*, 123(2), 197-219.

Day, A. L., Therrien, D. L., & Carroll, S. A. (2005). Predicting psychological health: Assessing the incremental validity of emotional intelligence beyond personality, Type A behaviour, and daily hassles. *European Journal of personality*, 19(6), 519-536.

Eisenberg, I. W., Bissett, P. G., Enkavi, A. Z., Li, J., MacKinnon, D. P., Marsch, L. A., & Poldrack, R. A. (2019). Uncovering the structure of self-regulation through data-driven ontology discovery. *Nature Communications*, 10(1), 1-13.

Eisenberg, N. (2000). Emotion, regulation, and moral development. *Annual Review of Psychology*, 51(1), 665-697.

Ermer, E., Kahn, R. E., Salovey, P., & Kiehl, K. A. (2012). Emotional intelligence in incarcerated men with psychopathic traits. *Journal of Personality and Social Psychology*, 103(1), 194.

Gino, F., Ayal, S., & Ariely, D. (2009). Contagion and differentiation in unethical behavior: The effect of one bad apple on the barrel. *Psychological Science*, 20(3), 393-398.

Grant, A. M., & Wrzesniewski, A. (2010). I won't let you down… or will I? Core self-evaluations, other-orientation, anticipated guilt and gratitude, and job performance. *Journal of Applied Psychology*, 95(1), 108.

Hayes, A. F. (2017). Introduction to mediation, moderation, and conditional process analysis: A regression-based approach. *Guilford publications*.

Kidwell, B., Hardesty, D. M., & Childers, T. L. (2008). Emotional calibration effects on consumer choice. *Journal of Consumer Research*, 35(4), 611-621.

Kidwell, B., Hasford, J., & Hardesty, D. M. (2015). Emotional ability training and mindful eating. *Journal of Marketing Research*, 52(1), 105-119.

Monin, B., Pizarro, D. A., & Beer, J. S. (2007). Deciding versus reacting: Conceptions of moral judgment and the reason-affect debate. *Review of General Psychology*, 11(2), 99-111.

Matsumoto, D., Yoo, S. H., & Nakagawa, S. (2008). Culture, emotion regulation, and adjustment. *Journal of Personality and Social Psychology*, 94(6), 925.

Mayer, J. D., Roberts, R. D., & Barsade, S. G. (2008). Human Abilities: Emotional Intelligence. Annual Review of Psychology, 59(1), 507–536.

Rook, D. W., & Fisher, R. J. (1995). Normative influences on impulsive buying behavior. *Journal of Consumer Research*, 22(3), 305-313.

Rua, T., Lawter, L., & Andreassi, J. (2017). Desire to be ethical or ability to self-control: Which is more crucial for ethical behavior?. *Business Ethics: A European Review*, 26(3), 288-299.

Strack, F., & Deutsch, R. (2006). Reflective and impulsive determinants of consumer behavior. *Journal of Consumer Psychology*, 16(3), 205-216.

Verplanken, B., & Herabadi, A. (2001). Individual differences in impulse buying tendency: Feeling and no thinking. *European Journal of Personality*, 15(S1), S71-S83.

Verplanken, B., & Sato, A. (2011). The psychology of impulse buying: An integrative self-regulation approach. *Journal of Consumer Policy*, 34(2), 197-210.

Vitell, S. J., & Muncy, J. (2005). The Muncy–Vitell consumer ethics scale: A modification and application. *Journal of Business Ethics*, 62(3), 267-275.

Vohs, K. D., & Faber, R. J. (2007). Spent resources: Self-regulatory resource availability affects impulse buying. *Journal of Consumer Research*, 33(4), 537-547.

Watson, D., Clark, L. A., & Tellegen, A. (1988). Development and validation of brief measures of positive and negative affect: the PANAS scales. *Journal of Personality and Social Psychology*, 54(6), 1063.

Wheatley, T., & Haidt, J. (2005). Hypnotic disgust makes moral judgments more severe. *Psychological Science*, 16(10), 780-784.