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Misbehavior or 'Noblesse Oblige'? : Propensity to cheat after preferential customer treatment in loyalty programs

Navn: Oliver Dypedal, Håkon Storsand Ekse

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Oliver Dypedal

Håkon Ekse

Abstract

This paper is centered around preferential treatment in loyalty programs, and how it affects the customers' probability to engage in fraudulent behavior. Through an experimental survey this paper intended to provide evidence that belonging to a particular status group causes differences in the customers' probability of engaging in fraudulent behavior. It was hypothesized that elevated status would cause the customers to either misbehave or lead to a phenomenon known as noblesse oblige. Although the current paper found no evidence for elevated status alone causing these differences, it provides evidence for the effect of elevated status on probability of engaging in fraudulent behavior being mediated by perceptions of superiority. Additionally, the current paper identifies the moderating role of potential gain (in this case; size of mistake) in the relationship between elevated status and probability of engaging in fraudulent behavior. The results imply that managers should focus on providing their gold or silver status customers with preferential treatment that makes the customer perceive themselves as more superior, as this seems to cause noblesse oblige effects.

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1.0 Introduction

A firm rewarding its most loyal customers through preferential treatment is not new (Lacey, Suh & Morgan, 2007), and the concept of preferential treatment is often accompanied by a loyalty program. Loyalty programs are initialized by a company with the intention to reward loyal customers and can be found in a wide variety of sectors. For instance, in the travelling industry, for instance, airlines may provide their most frequent flyers with perks such as fast track and their own service counter. Since loyalty programs are widespread and come in different designs (e.g. tenth cup of coffee for free vs. offered fast track by an airline), the concept has been researched quite extensively. Researchers have shown that loyalty programs positively influence purchase behavior (Lal & Bell, 2003), leads to increased purchase frequencies (Lewis, 2004), and Leenheer, Van Heerde, Bijmolt, & Smidts (2007) found similar results when controlling for the “endogenous nature of loyalty programs”. Evidently, loyalty programs have a positive effect for the firm, but are there potential downsides?

Although, the effectiveness of loyalty programs has been researched extensively, little attention has been given to the potential downsides of preferential treatment through loyalty programs. Research has shown that even though loyal customers are less price sensitive, loyal customers want to pay less. Further, Wieseke, Alavi, & Habel (2014) argue that the customers will demand more in order to remain loyal. Viewing their findings in relation to loyalty programs, it would be reasonable to assume that customers would also demand more preferential treatment in order to remain loyal.

Interestingly, Dreze and Nunes (2008) found that being a gold and/or a silver customer (vs. customer with no status) causes the customers to perceive themselves as more superior. If we relate the perceptions of superiority to social exchange theory, it becomes reasonable to assume that customers who feel superior compared to other customers will feel entitled to more preferential treatment. This is due to the social consistency norm in social exchange theory (Meeker 1971; Cropanzano & Mitchell 2005), which according to Wetzel, Hammerschmidt & Zablah (2014) implies that customers of higher status will

expect extra effort from the company to accommodate their elevated status. Thus, loyal customers demanding more preferential treatment may not just be due to them serving their own self-interest; it may actually be the preferential treatment itself causing customers to feel superior (compared to their peers), and therefore feeling entitled to more preferential treatment by the company. Furthermore, Fisk & Neville (2011) have demonstrated that consumer entitlement can have a negative impact on both the physical and emotional well-being of service employees. In other words, consumer entitlement may lead to customers misbehaving.

Although the argued positive relationship between perceptions of superiority and potential misbehavior is worth exploring, there is another potential result of perceptions of superiority that should not be left unnoticed: the noblesse oblige effect. According to Fiddick & Cummins (2007, p. 16), noblesse oblige is “*the obligation of high-ranking individuals to act honorably and beneficently towards subordinates*”. In this setting, noblesse oblige would be the exact opposite of misbehavior, in that instead of perceptions of superiority leading to misbehavior, it could actually lead to better behavior from customers with an elevated status. The aim of this study is thus not to investigate whether loyalty programs lead to customers demanding more, but rather to investigate whether feeling superior due to preferential treatment with loyalty programs leads to customer misbehavior or if it leads to noblesse oblige effects.

The rest of the paper is structured as follows: first we dig into how loyalty programs cause a perception of superiority and we explore the link between superiority and entitlement, before discussing the consequences of entitlement. Next, we form hypotheses and present the results. The paper is wrapped up with discussion, implications, limitations and recommendations for future research.

2.0 Literature review

2.1 Loyalty programs, preferential treatment and superiority

As previously mentioned, loyalty programs have been researched quite extensively, but the potential downsides have yet to be given as much attention. Dreze and Nunes (2008) showed that loyalty programs that provide the customers

with elevated status (gold or silver status) make the participants to feel more superior (vs. no status). The findings were robust across several conditions, even when the benefits received through the loyalty program were fuzzy. Even though they do not test the effect on behavior, Dreze and Nunes (2008) argue that the feeling of superiority impacts short-term behavior the most. This raises the following question; what kind of behavior does the sense of superiority result in?

One manifestation of superiority was discovered by Fiddick and Cummins (2007) who found a noblesse oblige effect when participants in their study were cheated by someone inferior. In other words, participants were more tolerant of cheating when it came from someone with a lower rank. This is an interesting finding, as it suggests that if customers perceive themselves as superior to the store clerk or receptionist, they would refrain from misbehaving because with privileges comes responsibility. Additionally, this could mean that elevated status customers would be more tolerant of misbehavior from lower status customers.

However, research conducted by Krauss and Callaghan (2014), illustrates that higher status does not always result in better behavior. They studied how differences in status among politicians in the U.S. House of Representatives affects their support towards economic inequalities in their legislative behavior. The results showed that high status member of the U.S. House of Representatives was more likely to vote in favor of maintaining the economic inequalities than their low status counterparts. This finding and simple anecdotal evidence suggest that a noblesse oblige effect does not always exist. It is unreasonable to assume that whenever someone feels superior, they will automatically behave responsibly; just the fact that greed exist should be evidence enough. A noblesse oblige effect caused by status elevation through loyalty programs is still plausible, but it is perhaps more likely that it would lead to misbehavior, as perceptions of superiority have also been linked to entitlement (Wetzel et. al. 2014).

2.2 Consequences of entitlement

Imagine you are visiting your local grocery store on a Sunday to buy one specific product. Since it is Sunday, the store is restricted to only have a smaller part of the store open with a limited selection of products available. You are a regular shopper and you prefer this store above others. You cannot seem to find what you

are looking for and ask the personnel if they can help you, but unfortunately, they do not have the product you are looking for. You ask if they could pick it up for you in the regular store, but due to the restrictions they are not allowed to do so. This has made you feel frustrated and a little bit angry because you consider yourself to be a loyal customer, and they should be able to accommodate your request.

The feeling of anger or resentment described above is likely to be a result of entitlement. Entitlement is a concept within the consumer behavior literature, which according to Campbell, Bonacci, Shelton, Exline, and Bushman (2004) is described as ‘*a stable and pervasive sense that one deserves more and is entitled to more than others*’ (p. 31), or as Boyd and Helms (2005) describes it: ‘*the extent to which a customer expects special treatment in retail environments*’ (p. 271). Both definitions describe entitlement sufficiently, as they are stating that consumers feel a claim to certain privileges. It is a notion of expecting more than you objectively deserve, but you certainly believe that you do. Because you have put in the effort, you are important and the company should view you as a valuable customer.

Reviewing the literature on customer entitlement, it becomes apparent that customer entitlement is negative, as it can lead to suboptimal outcomes for the company. Wetzel et al. (2014) found that customer entitlement behavior can, under some circumstances, undermine account profitability and lead to decreased perceived fairness from customers (Xia & Kukar-Kinney, 2013). Customer entitlement can for instance occur in situations where customer undeservingly feel entitled to lower prices, extra services, free shipping, or other perks, merely because they are loyal customers. In other words, the customers are feeling they are entitled to more than others, claiming more than they are objectively entitled to. If their unreasonable demands is not satisfied, customer entitlement can lead to customer misbehavior, as demonstrated by Fisk & Neville (2011), who found that consumer entitlement impact service employees physical and psychological well-being negatively. Customer misbehavior, which according to Fullerton and Punj (1993) can be interpreted as any “exchange setting that deliberately violates the generally accepted norms of conduct in such situations” will be discussed in the following section.

2.3 Customer misbehavior

Customer misbehavior is inherently negative and can be understood as aberrant behavior (Fullerton and Punj 1993). One form of customer misbehavior was studied by Rosenbaum, Kuntze and Wooldridge (2011) who explored customers buying and using different products, and then intentionally returning the tainted product. The rationale behind this behavior is somewhat unclear, but one might assume the customers felt the price was unfair or the customer did not need the product. Opportunistic behavior which lead the customer to intentionally misbehave may be another possible explanation.

Customer misbehavior is unpleasant, not only for the company, but in many cases also for the frontline employee, as the front-line employee is often the one who has to handle the customer first. Wirtz and McColl-Kennedy (2010) describe a form of misbehavior called fraudulent claiming behavior, which includes fake insurance claims, property theft and tax deception, all for financial benefits and personal gains. This behavior may, for instance, be a result of unfair prices or unsatisfactory service encounters, either perceived or true. Customer misbehavior at its worst is illustrated by Patterson, McColl-Kennedy, Smith and Lu (2010), who identified other unintentional situations where customers would verbally and physically attack frontline employees. This may be the result of customers being angered by external factors relating to the situation, employee or company. Sometimes the anger may be misdirected, but not in the eyes of the customer.

Linking back to the discussions of entitlement, it may be the case that the misbehavior of the customer is due to entitlement. E.g. the customer perceived the price to be unfair because they felt entitled to a better price, or the customer deemed the service encounter unsatisfactory as a loyal customer such as themselves should be rewarded with preferential treatment. Customer misbehavior is a problem for a company, not only because they may lose money due to fraudulent behavior, but also because customer misbehavior may result in negative word-of-mouth. Therefore, if there is a link between loyalty programs and misbehavior, a loyalty program may in some cases actually harm the company.

2.4 Hypothesis development

Existing literature shows that perceptions of superiority due to preferential treatment in loyalty programs may lead to one of two effects: (1) Superior customers may be less inclined to misbehave due to his/her elevated status, or (2) superior customers may be more inclined to misbehave due to his/her elevated status.

Thus far, the rationale behind customer misbehavior is related to characteristics of the customer and/or the situation. However, based on anecdotal evidence such as observations of close ones, customer misbehavior may occur when the price is fair, the service and product are satisfactory, and the customer exhibits no personality traits that would call for customer misbehavior. Although customer misbehavior may be a result of a myriad of variables, it is already established that loyalty programs and preferential treatment can lead to feeling superior. As perceptions of superiority are linked to entitlement, which is also a cause of customer misbehavior, it is reasonable to assume that there is a link between being a customer with elevated status and misbehavior.

However, we cannot ignore the potential noblesse oblige effects. Even though noblesse oblige may not occur in every scenario, it may occur in this study. Since noblesse oblige effects cannot be completely ruled out, the effect of status elevation may actually be inverted; a customer with elevated status is less inclined to engage in misbehavior. Existing literature makes it tempting to believe that misbehavior is more likely than noblesse oblige, but the potential of noblesse oblige cannot be overlooked, and therefore, based on the opposite theoretical perspectives we formulate two alternative hypotheses:

H1a: Customers with elevated status (vs. no status at all) are more inclined to engage in fraudulent behavior.

H1b: Customers with elevated status (vs. no status at all) are less inclined to engage in fraudulent behavior.

Should H1a not be supported, it may be due to the effects of being part of an elevated status group are not strong enough in itself to change behavior. Dreze

and Nunes (2008) showed that status elevation through loyalty programs makes the customers perceive themselves as superior, and investigations of perceptions of superiority have shown that it can lead to entitlement or noblesse oblige effects (Wetzel et. al. 2014; Fiddick and Cummins 2007). It is thus reasonable to assume that if being part of an elevated status group is not enough to cause a reaction, there must be another explanatory variable in play as well. For instance, the customer must also perceive themselves as superior due to their elevated status. In other words, the higher the perceived superiority in an elevated status customer, the higher (or lower) the probability of engaging in fraudulent behavior (vs. no status customer). This allows us to hypothesize that:

H2: The effect of elevated status on probability of engaging in fraudulent behavior is mediated by perceptions of superiority.

According to Baron and Kenny (1986) H1b in our case cannot be significant or meaningful, if H1a is not significant and meaningful. This is due to the intuition that there has to be a significant direct effect to be mediated, and that there are only two types of mediation: Complete and partial mediation. However, Zhao, Lynch Jr. and Chen (2010) show that this not necessarily the case, and further argue that an X-Y test is never relevant in order to establish a mediation effect. This paper relies on the findings of Zhao et. al. (2010), and therefore argues that H1b can be supported even if H1a is not.

2.5 The size of the mistake impacts behavior

Even though we expect customers to be more or less inclined to engage in fraudulent behavior when their status is elevated, we do not expect this hypothesis to hold for any potential gain. Mazar, Amir and Ariely (2008) found that there is a band in which dishonest behavior is acceptable for honest people; as the potential gain gets larger, honest people get less inclined to behave dishonestly. This makes it reasonable to assume that for higher potential gains, participants will refrain from engaging in fraudulent behavior, and therefore, we hypothesize that

H3: High (vs. Low) value mistake will make the customer less inclined to engage in fraudulent behavior.

However, we also believe the size of the mistake (i.e size of potential gain) can be seen as a moderator. And if so, we should be able to find evidence of whether a noblesse oblige effect is in place, or if a sense of superiority makes a customer more inclined to misbehave. For instance, if the increased size of the potential gain increases the probability of a golden status customer to misbehave (vs. no status customer) it could be interpreted as a sign of a link between customer misbehavior and loyalty programs. If, on the other hand, the increased size of the potential gain reduces the probability of a golden customer to misbehave (vs. no status customer) it could be interpreted as evidence for the existence of noblesse oblige effects. Thus, we hypothesize that

H4: The effect of elevated status (vs. no status at all) on propensity to engage in fraudulent behavior is moderated by the size of the mistake (big vs. small)

3.0 Methodology

3.1 Study design

The aim of this study is to investigate if preferential treatment and elevated status make customers more inclined to engage in fraudulent behavior. The questionnaire was distributed online, to people above the age of 18. To narrow fraudulent behavior down, we have set the scenario in a hotel setting, and focus on one type of fraudulent behavior, namely; failing to tell the hotel receptionist that a mistake has been made in the customers favor. The participant will be told the price in the beginning of the scenario, before being told that the receptionist has made a mistake, and that the original price of NOK 5,000 is now NOK 4,500 or NOK 2,500 depending on their group assignment. This makes the study a 3 x 2 factorial design, with three levels of customer status (Gold status, silver status and no status) and two levels of price deviation (NOK 4,500 and NOK 2,500), and the participants will be randomly assigned to one of the treatment groups. Only two levels of customer status (e.g. gold vs. no status) would probably be sufficient as well, but we added a third level (silver) to see if there are differences in the propensity to cheat between tiers.

3.2 Stimuli

In all scenarios (see appendix 1), the participants were told to imagine that they have a job which requires them to travel, and in their travels, they always stay with the same hotel chain. The participants were told that based on their travels they were entitled to either a gold status, silver status or no status. The participants were told that other tiers exist because this makes their particular tier more exclusive, which enhance their perceptions of superiority (Dreze & Nunes, 2008). The participants were also told that this particular stay was at a hotel outside of their business region and that they have never been there before. This was done in order to avoid the risk of participants feeling some kind of conscience or relation to the hotel, which could alter their response to the manipulation. For instance, if the participants assumed that this is a hotel they visit regularly, it is reasonable to assume that they would avoid fraudulent behavior because they would have to interact with the hotel again at a later point.

Participants in the elevated status groups were told that they had enjoyed the preferential treatment that accompanies their status. What kind of preferential treatment the participant received is not specified, because according to Dreze and Nunes (2008), customers feel superior with an elevated status even when the benefits they receive are somewhat fuzzy. Gold and silver only differed in that a piccolo greeted the gold customers and carried the bags inside. This was done in order to enhance the effect of the golden status. The participants were also told that they were satisfied with their stay, before they were told that the receptionist had made a mistake that is either large or small.

3.3 Measurements

To test the likelihood of participants engaging in fraudulent behavior the participants answered two items on a 7-point scale. The measure included “How likely is it that you would tell the receptionist that a mistake has been made?” (very unlikely - very likely). A potential problem with this question is social desirability bias, the tendency of people to present themselves as better than they are, or to answer in accordance with popular norms and rules. In order to account for such bias, we added the following measure “How likely is it that customers with similar status to you would tell the receptionist that a mistake has been

made?” (very unlikely - very likely). This is an indirect question, where the aim is to project the actual thoughts of the participant over to other people similar to themselves, and this technique has been found to not be significantly affected by the social desirability bias (Fischer, 1993).

In addition, a manipulation check was included to see if the manipulation worked as intended, i.e. that participants in the elevated status groups felt more superior. This measure was adopted from Dreze and Nunes (2008) and consisted of four 9-point scales, which are designed to capture the participants' perceptions of superiority. The measures were as follows: “How special does the program make you feel?” (not at all - very), “The degree of status attained” (low - high), “How difficult would it be for others to earn similar status?” (not at all - very), and “how much more attention would you expect relative to a no-status customer?” (none at all - a great deal).

At the end of the survey we added a final measure based on the Marlowe-Crowne Social Desirability Scale. The Marlowe-Crowne Social Desirability Bias scale consists of 33 True/false statements which is impractical to use in this type of survey, which is best kept as short as possible. Therefore, we used a shortened version of the scale which was found to be both reliable and valid by Reynolds (1982). This scale consisted of 13 statements and was included in order to know which of the two “probability of telling”-scales mentioned above to rely on. If, for instance, the mean score on the social desirability scale is close to thirteen, that would mean that the sample is not prone to the social desirability bias, and the direct technique can be deemed as reliable.

3.4 Data sampling

The data was collected using social networks (primarily Facebook, but to some extent also LinkedIn). This approach is a non-probability convenience sampling technique, which has the benefit of being both time and cost efficient. A trade-off had to be made between time and cost efficiency, and internal validity. It is a trade-off because while a non-probability convenience sampling technique is time and cost efficient, it can lead to procedural confounds due to difficulties with keeping situational characteristics equal between groups, which inevitably harms the internal validity of the experiment (Malhotra, 2010). Procedural confounds,

i.e. inability to keep situational characteristics constant across conditions, will in this particular experiment be hard to overcome. However, we are aware of this drawback with the chosen approach, but due to limited time and other resources, there was no other suitable solution than to trade off strong internal validity with time and cost efficiency.

A non-probability convenience sampling technique may also result in person confounds, because with a non-probability convenience sampling approach, differences between individuals in each group may be allowed to covary with the treatment. This risk, however, is mitigated with randomization. This means that even though sample is not sampled at random, we can reduce the risk of person confounds by randomly assign participants to each condition. This randomization helps to eliminate most other sources of systematic variation, and thus helps to ensure that the variation between the groups is only caused by the manipulation (Field, 2009).

A non-probability convenience sampling technique also reduces the external validity, but an experiment is not the best practice for external validity in the first place. Hence, the findings of this experiment is not generalizable outside of the sample, which is due to the chosen sampling technique and the general approach of the paper.

4.0 Data exploration

In this section of the paper we will first discuss the data cleaning, before going into the descriptives of interesting variables. Next, we conduct a confirmatory factor analysis to ensure the validity of the perceptions of superiority scale, before checking the reliability the of the construct with Cronbach's Alpha. The final step before hypothesis testing is the manipulation check, a test where the aim is to see whether the manipulation actually worked.

4.1 Data cleaning

A total of 352 participants entered the survey, but 148 responses were removed initially due to (1) lack of response on critical survey items (i.e the participant exited the survey too early), and (2) failing the attention check (i.e. not answering

6 when asked to do so). The rest of the analysis will concentrate on the remaining 204 participants. A concern with removing so many responses is that the failure to complete the survey and/or failing the attention check may follow a pattern, that for instance most of the responses originate from one particular group. However, looking at the distribution of participants in each group, it seems as though participants have dropped out and/or failed the attention check at random since the remaining participants are relatively evenly distributed across groups, ranging from 29 participants in group 4 to 37 participants in group 5.

	Frequency	Percent
Gold - Big Deviation	36	17.6%
Gold - Small Deviation	32	15.7%
Silver - Big Deviation	36	17.6%
Silver - Small Deviation	29	14.2%
No status - Big Deviation	37	18.1%
No Status - Small Deviation	34	16.7%
Total	204	100%

Table 1. Group Frequencies

To determine if the number of drop outs and attention check failures for each condition varied, we created a grouping variable (0 = removed from the survey, 1 = not removed). Next, we ran an analysis of variance to determine if the number of removed participants significantly differed between conditions. The ANOVA was not significant ($F = .393$, $p = .853$), i.e. the number of removed participants does not significantly differ between conditions.

In general, approximately 41% of the participants were male and 48% were female, 1 participant identified as 'other'. Further, most of the participants were in the age group of 18 to 27 (69%), which is as expected, since the survey was posted in Facebook groups which consist mostly of students.

4.2 Confirmatory factor analysis

In order to test whether the construct perception of superiority was measured adequately, we performed a confirmatory factor analysis (CFA). CFA is used to “... confirm if the number of factors (or constructs) and the loadings of observed (indicator) variables on them conform to what is expected on the basis of theory.” (Malhotra, 2010). According to De Pelsmacker, Van Kenhove, Janssens, & Wijnen, (2008, p. 255) there are three requirements that determine if a factor analysis is appropriate: (1) Number of variables, (2) Keyser-Meyer-Olkin (KMO) measure of sample adequacy (MSA), and (3) Bartlett’s test of sphericity. Firstly, the sample size was more than ten times the number of variables and the requirement regarding the number of respondents was met (n=204). Secondly, we conducted a KMO MSA test. This test should be at minimum +.3 or +.4 and preferably over +.5 to secure construct validity (Hair, Black, Babin & Anderson 2014, p. 116), and our test gave a score of .675. Finally, to ensure that there was a sufficient degree of correlation between the measures, we conducted a Bartlett's test of sphericity which was significant (p<.001). Accordingly, the data set was suitable for a factor analysis.

KMO of Sampling Adequacy		.675
Bartlett’s Test of Sphericity	Approx. Chi-Square	310.973
	df	6
	Sig.	< .001

Table 2. KMO and Bartlett’s Test of Sphericity

On a scale from 1 to 7, how special did the benefit program make you feel?	.881
On a scale from 1 to 7, how much status did you feel you attained from the benefit program?	.885
On a scale from 1 to 7, how difficult would it be for others to attain a similar status?	.729
On a scale from 1 to 7, how much more attention would you expect relative to a not status customer?	.570

Table 3. Component Matrix

All items were measured on the same 7-point Likert scale, and all had higher factor loadings than .5 ($=.881, .885, .729$ and $.570$). We therefore concluded that all four items capture a part of the construct perceptions of superiority and could thus be combined into one construct.

Additionally, we used Cronbach's Alpha to measure the internal consistency reliability of the variable perception of superiority. This coefficient varies from 0 to 1 and a construct is usually seen as sufficiently reliable if the alpha score is above 0.7. The Cronbach's alpha returned a score of .774, which means that the construct is a reliable measure of perceptions of superiority (Hair et al., 2014, p. 123; Gliem & Gliem 2003, p. 87; Field 2014, p. 709)

4.3 Manipulation check

In order to be sure that the manipulation test worked as intended (i.e. participants assigned to an elevated group feels more superior), we did an ANOVA with Bonferroni as the post hoc test.

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	27.122	2	13.56	9.91	<.001
Within Groups	275.123	201	1.37		
Total	302.245	203			

Table 4. Manipulation check – ANOVA table

		Mean difference	Std. Error	Sig.
Gold	Silver	.195	.203	>.999
	No status	.843	.199	.001
Silver	Gold	-.195	.203	>.999
	No status	.648	.201	.004
No status	Gold	-.843	.199	.001
	Silver	-.648	.201	.004

Table 5. Manipulation check - Bonferroni

The post hoc comparisons show that the manipulation worked as intended, as both Gold and Silver status customers perceive a significant higher level of superiority than the no status customer. There is, however, no significant difference between Gold and Silver status customers in their perceptions of superiority.

4.4 Social Desirability bias

The 13-item social desirability bias scale was included to test how prone the sample is to the bias. The scale consists, as mentioned above, of 13 true/false statements, where for 9 of the statements “True” gives 1 point and for the remaining “False” gives 1 point. The statements are worded in a way that almost everyone should be answering true on every statement, except the four questions who are reverse coded. If a respondent is not affected at all by the social desirability bias, the total score should be 13, in other words, the higher the score, the less prone the participant is to the social desirability bias.

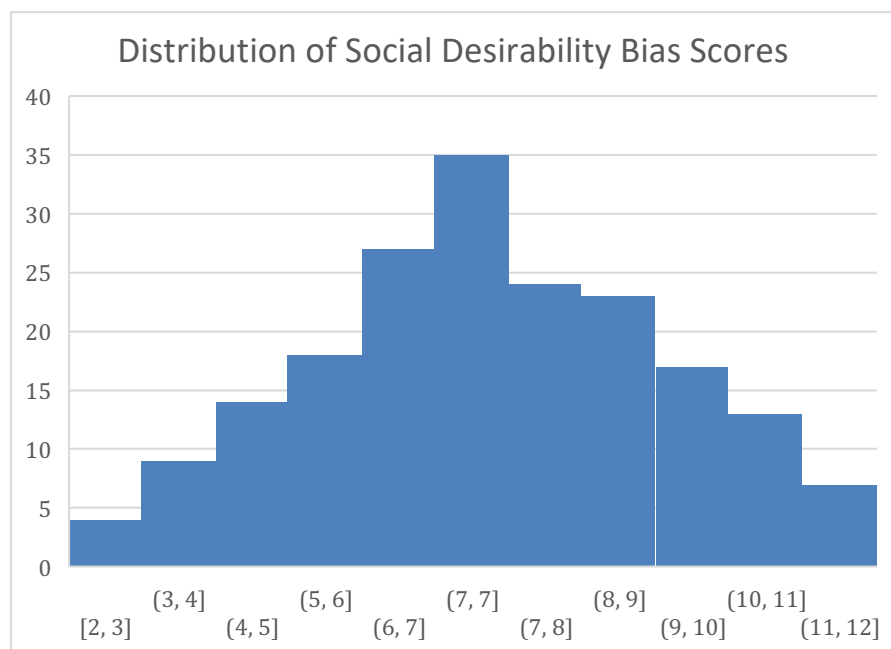


Figure 1. Distribution of Social Desirability Bias scores

The histogram above shows the distribution of the social desirability bias scale scores, and it shows that the scores follow a bell curve ($M = 7.25$, $SD = 2.42$). This means that some participants are very prone to the social desirability bias, some are not prone at all, and some are somewhere in between. Preferably, the distribution should have been skewed more to the right in order to be able to rule out the prevalence of the bias in this study. This means that we cannot rule out the

possibility that our participants responses are affected by the social desirability bias, and our analysis will thus include both the direct questioning and the indirect projection technique.

4.5 Hypothesis testing

4.5.1 Does status elevation increase or decrease probability of telling?

Hypotheses 1a was tested using an independent samples t-test. This analysis is suitable to test if the groups’ mean scores are significantly different from each other. The dependent variable was “On a scale from 1 to 7, how likely is it that you would tell the receptionist that a mistake has been made?” and in this instance we paired the gold and silver customers into one elevated customer groups. The remaining participants were in the no status group. Levene’s test for equality of variances was not significant ($F=1.92, p=.17$), which means that equal variances can be assumed (McCormick & Salcedo 2015, p. 242). The mean probability of telling for elevated status customers ($M = 4.37, SD = 2.10$) and no status customers ($M = 4.23, SD = 1.91$) do not significantly differ ($t(202) = -.49, p = .62$). I.e. even though there is a difference between the two groups, the difference may be completely random and not due to status elevation.

Group	N	Mean	Std. Deviation	Std. Error Mean
No Status	71	4.230	2.099	.249
Elevated	133	4.370	1.905	.165

Table 6. Group Statistics

	Levene’s Test for Equality of Variances		t-test for Equality of Means			
	F	Sig.	t	df	Sig. (2-tailed)	Mean difference
Equal variances assumed	1.919	.168	-.493	202	.623	-.143
Equal variances not assumed			-.479	131.593	.633	-.143

Table 7. Independent Samples T-test

We ran the independent sample t-test over again with the indirect measure “How likely is it that customers with similar status to you would tell the receptionist that a mistake has been made?” as the dependent variable, and the groups were the same as in the previous analysis. Once again, the Levene’s test for equality of variances was not significant ($f = .49, p = .82$), and the assumptions of equal variances was not violated. The mean probability of telling for no status customers ($M = 4.08, SD = 1.66$) and elevated status ($M = 3.98, SD = 1.64$) was still not significantly different ($t(202) = .41, p = .68$).

Group	N	Mean	Std. Deviation	Std. Error Mean
No Status	71	4.08	1.663	.197
Elevated	133	3.98	1.638	.142

Table 8. Group Statistics

	Levene’s Test for Equality of Variances		t-test for Equality of Means			
	F	Sig.	t	df	Sig. (2-tailed)	Mean difference
Equal variances assumed	.049	.824	-.411	202	.681	.100
Equal variances not assumed			.409	141.196	.683	.100

Table 9. Independent Samples t-Test

As the independent samples t-test did not provide any evidence that belonging to an elevated status group makes a customer more or less inclined to engage in fraudulent behavior, we decided to dig deeper, to see if there were any differences between the three tiers. The ANOVA tests the null hypothesis that $\mu_1 = \mu_2 = \mu_3 = \dots = \mu_n = 0$, which means that if there is a significant difference between one of the tiers, the ANOVA returns a significant F-value; the analysis was not significant in this case ($F = .12, p = .88$), which was further confirmed by the Bonferroni post hoc test below:

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.981	2	.490	.125	.882
Within Groups	787.308	201	3.917		
Total	788.289	203			

Table 10. ANOVA table

		Mean difference	Std. Error	Sig.
Gold	Silver	-.032	.343	>.999
	No status	.128	.336	>.999
Silver	Gold	.032	.343	>.999
	No status	.159	.340	>.999
No status	Gold	-.128	.336	>.999
	Silver	-.159	.340	>.999

Table 11. Bonferroni Post Hoc Test

As the analysis above shows that this sample was somewhat prone to the social desirability bias, we have reasons to believe that the results might be different with the indirect questioning technique, i.e. what the participants thought that other people with similar status would do in their place. However, the analysis of variance provided no evidence of that being the case either ($F = .44, p = .64$).

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.395	2	1.198	.441	.644
Within Groups	545.526	201	2.714		
Total	547.922	203			

Table 12. ANOVA table

		Mean difference	Std. Error	Sig.
Gold	Silver	.241	.286	>.999
	No status	.018	.280	>.999
Silver	Gold	-.241	.286	>.999
	No status	-.223	.283	>.999
No status	Gold	-.018	.280	>.999
	Silver	.223	.283	>.999

Table 13. Bonferroni Post Hoc Tests

In conclusion, we found no significant evidence that supports either hypothesis 1a and 1b.

4.5.2 The Mediating Role of Perceptions of Superiority

In the buildup to the hypotheses we discussed how perceptions of superiority may lead to one of two things; (1) entitlement, which would make the customer more inclined to engage in fraudulent behavior, and (2) noblesse oblige effects, which would make the customer less inclined to engage in fraudulent behavior. This makes it reasonable to assume that merely being part of an elevated status group is not enough to cause a reaction, the customer must also deem themselves as superior as a result of their elevated status. In other words, the higher the perceived superiority in an elevated status customer, the higher (or lower) the probability of telling is (vs. no status customer). We therefore ran a mediation analysis to test H2: The effect of elevated status on probability of engaging in fraudulent behavior is mediated by perceptions of superiority.

Figure 2 illustrates that there is a significant indirect effect of status on probability of telling through perceptions of superiority (b (gold status) = .36, $p < .05$, and b (silver status) = .28, $p < .05$).

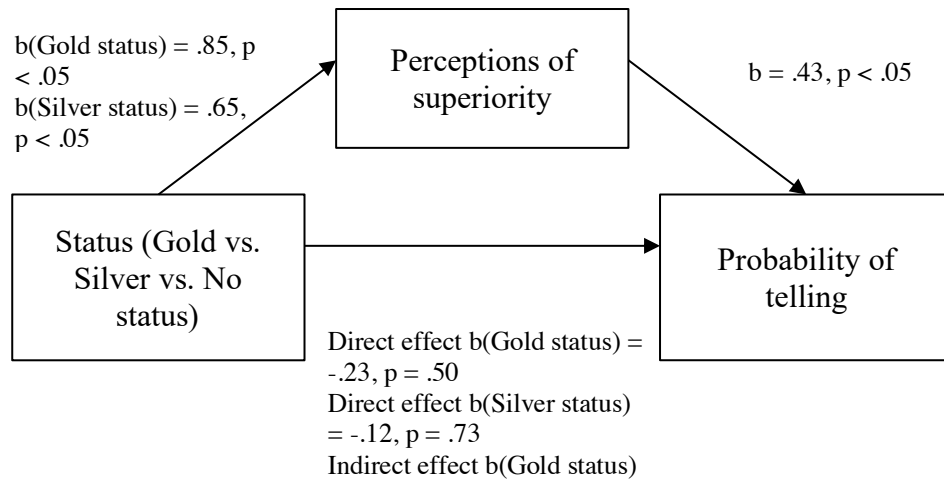


Figure 2. Indirect and direct effects

We also ran the test over again with the indirect questioning as the dependent variable. Figure 3 suggests that there is an significant indirect effect of status on probability of telling through perceptions of superiority ($b(\text{Gold status}) = .22, p < .05$, $b(\text{Silver status}) = .17, p < .05$).

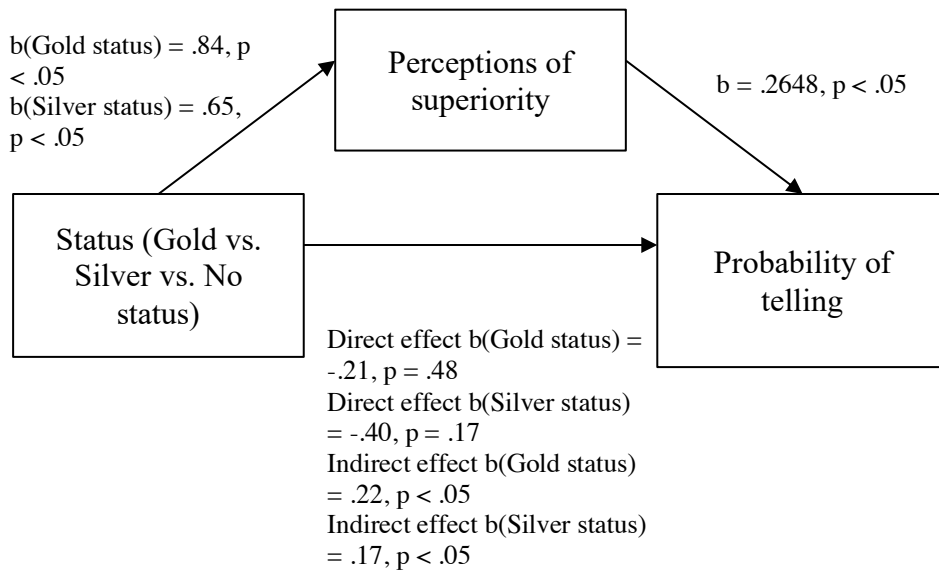


Figure 3. Indirect and direct effects

In conclusion, H2 is supported for both the indirect and direct questioning techniques, the effect of status on probability of telling is mediated by perceptions of status.

4.5.3 Implications of mistake size

Although we did not find any significant evidence that supports hypothesis 1a, we were interested in examining if the differences in size of the mistake (high vs. low) would have any impact on the probability of telling the receptions that a mistake had been made. The hypothesis was tested using an independent samples t-test. The assumption of equal variances was not violated ($F=.039, p=.844$). The mean probability of telling with big deviation ($M = 4.41, SD = 1.949$) and small deviation ($M = 4.21, SD = 1.999$) did not significantly differ ($t(202) = .731, p = .466$). In other words, the variation in the two means could be caused by random variations, and not the deviations per se.

Group	N	Mean	Std. Deviation	Std. Error Mean
Big deviation	109	4.41	1.949	.187
Small deviation	95	4.21	1.999	.205

Table 14. Group Statistics

	Levene's Test for Equality of Variances		t-test for Equality of Means			
	F	Sig.	t	df	Sig. (2-tailed)	Mean difference
Equal variances assumed	.039	.844	.731	202	.466	.202
Equal variances not assumed			.729	196.741	.467	.202

Table 15. Independent Samples t-Test

We ran the analysis over again with the indirect question as the dependent variable, and the mean scores of the two groups did not significantly differ: ($M(\text{big}) = 3.96, SD(\text{big}) = 1.539, M(\text{small}) = 4.08, SD(\text{small}) = 1.760, t(202) = -.523, p = .601$).

Group	N	Mean	Std. Deviation	Std. Error Mean
Big Deviation	109	3.96	1.539	.147
Small Deviation	95	4.08	1.760	.181

Table 16. Group Statistics

	Levene's Test for Equality of Variances		t-test for Equality of Means			
	F	Sig.	t	df	Sig. (2-tailed)	Mean difference
Equal variances assumed	1.990	.160	-.523	202	.601	-.121
Equal variances not assumed			-.519	188.248	.605	-.121

Table 17. Independent Samples t-Test

These analyses do not offer any support for hypothesis 2a, and the differences observed in the means are likely to be due to chance and random variation within the sample, and not the deviations.

4.5.4 The moderating effect of mistake size

H2a was not supported, and size of mistake does not seem to impact probability of telling in this study. The table below shows the results derived from PROCESS in SPSS.

	b	SE B	t	p
Silver	-.362	.499	-.726	.469
Gold	-.531	.484	-1.093	.276
Deviation (big vs. small)	-.527	.469	-1.124	.262
Silver x big deviation	.972	.680	1.431	.154
Gold x big deviation	1.253	.670	1.869	.063

R² = .0228

Table 18. Moderation analysis

The results indicate that size of mistake tends to influence the effect of status on probability of telling. The main effects and interactions are not significant, but there is a tendency of elevated status customers having lower probability of telling than their no status counterpart. However, if the deviation is high the effect is reversed, and the elevated status customers have a higher probability of telling than their no status counterparts.

			Mean difference	Std. Error	Sig.
Small deviation	No status	Silver	.362	.499	.469
		Gold	.531	.486	.275
	Silver	No status	-.362	.499	.469
		Gold	.169	.506	.738
	Gold	No status	-.531	.486	.275
		Silver	-.169	.506	.738
Big deviation	No status	Silver	-.610	.462	.188
		Gold	-.721	.462	.120
	Silver	No status	.610	.462	.188
		Gold	-.111	.465	.811
	Gold	No status	.721	.462	.120
		Silver	.111	.465	.811

Table 19. Simple effects

The simple effects analysis above depicts a similar situation, even though the differences are not significant.

	b	SE B	t	P
Silver	-0.851	.415	-1.976	.050
Gold	-0.316	.405	-.782	.435
Deviation Gold (big vs. small)	-0.684	.390	-1.754	.081
Silver x big deviation	1.119	.566	1.978	.049
Gold x big deviation	.643	.558	1.152	.251

R² = .0251

Table 20. Moderation analysis

We ran the procedure again with the indirect question as the dependent variable. The tendency is the same, but now the silver customers is significantly less likely to tell than their no status counterparts (b = -.82, p = .05). However, if the deviation is large, the difference between silver customers and no status customers diminishes.

				Mean difference	Std. Error	Sig.
Small deviation	No status	Silver	820	.415	.050	
		Gold	.316	.405	.435	
	Silver	No status	-.820	.415	.050	
		Gold	-.504	.421	.233	
	Gold	No status	-.316	.405	.435	
		Silver	.504	.421	.233	
Big deviation	No status	Silver	-.299	.385	.438	
		Gold	-.327	.397	.397	
	Silver	No status	.299	.438	.438	
		Gold	-.028	.943	.943	
	Gold	No status	.327	.397	.397	
		Silver	.028	.943	.943	

Table 21. Simple effects

The simple effects analysis above displays the same results where the difference between silver and no status customers becomes not significant when the deviation is large.

In conclusion, H2b is partially supported, as the effect of status on probability of telling is moderated by size of deviation. The effect is significant for silver (vs. no status) customers when the participants are asked to project their feelings onto others.

5.0 Discussion and managerial implications

5.1 Discussion

The purpose of this paper is to get a better understanding of the research question: “*Do preferential treatment cause customers to misbehave?*”. Existing literature made it reasonable to link perceptions of superiority caused by preferential treatment to one of two effects: (1) A superior customer may be less inclined to misbehave due to his/her elevated status (Fiddick and Cummins 2007), or (2) a superior customer may be more inclined to misbehave due to his/her elevated status (Dreze & Nunes 2007; Fisk & Neville 2011). Where (1) is a phenomenon known as noblesse oblige, where people of higher rank are sometimes more likely to accept misconduct from lower ranking individuals, and (2) would be due to customers feeling entitled to more because they are superior. Based on these links we hypothesized that, customers with elevated status would be less or more inclined to engage in fraudulent behavior (H1a and H1b), and that this relationship could be mediated by perceptions of superiority (H2). Further, we expected that size of the mistake would make an impact on their behavior (H3), due to people having band where dishonest behavior is acceptable for honest people (Mazar, Amir & Ariely 2008). We predicted that size of potential gain could be a moderator on the effect of status on probability of telling (H4).

The current study operates with two independent measures of probability of telling; one direct questioning technique, where the participant is asked directly how they would respond to the mistake, and one indirect, where the aim is to make the participant project their true response to others similar to themselves. By having the respondents project their true response, we hoped to limit any potential

influence from the social desirability bias. Preliminary analyses showed that the current sample may be prone to said bias, and hence, results from both measures were presented above. However, the tendencies and results do not differ much between the two measures and going forward we will focus on the results in general, and only discuss differences between the measures when necessary.

Hypothesis	Predictions	Conclusion
H1a	Customers with elevated status (vs. no status at all) are more inclined to engage in fraudulent behavior.	Not supported
H1b	Customers with elevated status (vs. no status at all) are less inclined to engage in fraudulent behavior.	Supported
H2	The effect of elevated status on probability of engaging in fraudulent behavior is mediated by perceptions of superiority.	Supported
H3	High (vs. Low) value mistake will make the customer less inclined to engage in fraudulent behavior.	Not supported
H4	The effect of elevated status (vs. no status at all) on propensity to engage in fraudulent behavior is moderated by the size of the mistake (big vs. small)	Supported

Table 22. Summary of Hypotheses

We ran both an Independent samples T-test with two groups (elevated status vs. no status) and an ANOVA with three groups (Gold, silver and no status) to test H1a and H1b, and performed the analysis twice, once with the direct question as the dependent variable and once with the indirect question. Neither of the analyses provided any significant evidence that being part of an elevated status group in a loyalty program would lead to a change in the customers behavior. There was, however, some change in direction of the effect when comparing the direct question to the indirect questions. When asked directly how they would respond to the mistake made by the receptionist, the elevated customer reported, though not significant, a higher probability of telling the receptionist that a mistake had been made compared to their no status counterparts. However, with the indirect

question the effect was reversed. Nevertheless, the analyses turned out not significant, and there is insufficient support for the hypothesis. The differences may be caused by random variation within the sample, or at best it can be interpreted as an indication of the social desirability bias being in play.

The lack of sufficient evidence does not necessarily mean that status elevation has no role in explaining probability of engaging in fraudulent behavior, it just does not seem to do so within this sample. However, as we found in the mediation analysis when including perceptions of superiority as a mediating variable, there is an indirect effect of status elevation on probability of telling through perceptions of superiority. This indicates that merely being part of an elevated status group was not enough to cause a reaction alone within this sample.

The current study hypothesized that if neither H1a nor H1b was not supported, another explanatory variable had to play a meaningful role in the relationship. The mediation analysis supports H2; the effect of elevated status on probability of engaging in fraudulent behavior is mediated by perceptions of superiority even though the direct effect is not significant. This is known as an indirect-only type of mediation (Zhao et. al. 2010). When asked directly about the likelihood of telling the receptionist that a mistake has been made, the indirect effect of elevated status on the probability of telling through perceptions of superiority is positive and significant. This relationship exhibits that perceptions of superiority are a meaningful variable in explaining the variations in probability of telling. Evidently, if a customer has elevated status (gold or silver), their probability of telling will increase the more superior they perceive themselves. This indirect effect may be a result of noblesse oblige, the notion of people behaving more responsible if they perceive themselves of having a superior position.

Size of the deviation from the original price (big vs. small) is not a significant predictor of probability of engaging in fraudulent behavior, as we find no sufficient evidence in support for H3. We predicted that there would be a difference in probability of engaging in fraudulent behavior between high and low size mistakes based on Mazar, Amir and Ariely's (2008) findings of honest people having an acceptable band dishonest behavior. Thus, we expected that at least one of potential gains should be within this band. One possible explanation for the

lack of support for this prediction may be because both deviations from the original price (NOK 500 and NOK 2,500) are outside of the acceptable band of dishonest behavior, and a pretest could have enabled us to discover such band.

However, this was only the case when size of mistake was the only predictor. The plots below, depicts how size of the mistake functions as a moderator of the relationship.

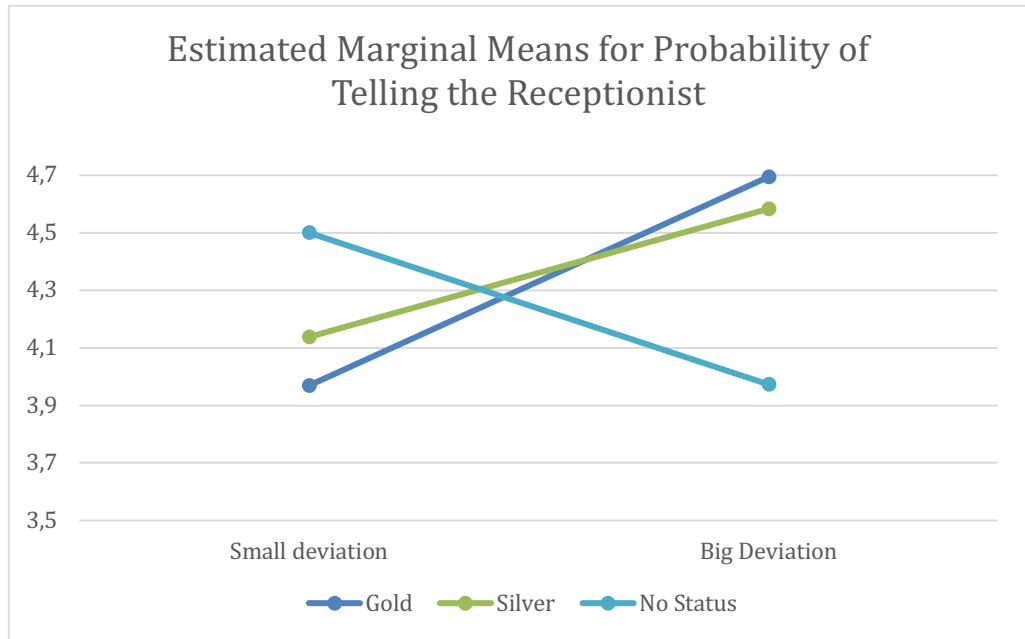


Figure 4. Profile plot A

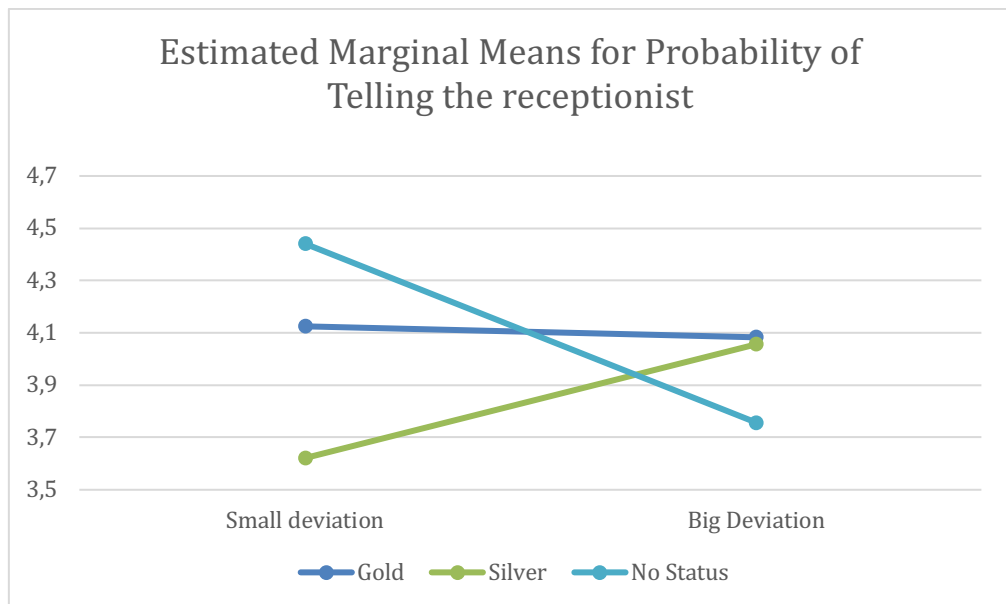


Figure 5. Profile Plot B

Plot A shows the interaction effects with the direct question as the dependent variable, and Plot B shows the interactions with the indirect question as the dependent variable. We predicted that size of mistake would act as moderator and make elevated status customer less or more likely to engage in fraudulent behavior. Although only the silver status (vs. no status) effect is significant at the 95% confidence level on the indirect question, the tendency is clear in both cases, and we argue that there are some indications of support for H4. Elevated status customers seem to have a lower probability of telling than their no status counterparts when size of the mistake is low, but the effect is reversed when the size of the mistake is large. This effect is in line with previous arguments of noblesse oblige and might be a result of elevated status customers feeling a greater sense of responsibility when the size of the mistake is high (vs. low) than do no status customers.

5.2 Managerial implications

In general, and for managers specifically, the key takeaway from the current study is that they should not fear that providing their customers with benefits such as preferential treatment will increase their probability of engaging in fraudulent behavior. The study did not provide any indication that merely being part of a loyalty program that offers elevated status to its most loyal customer makes the customer either more or less inclined to engage in fraudulent behavior. Especially when it comes to probability of telling the receptionist that a mistake has been made in the customer's favor. This means that when a customer has the option to cheat or be honest, it does not seem to matter whether or not she is a golden status customer. I.e. if a mistake were to happen, and the customer has the option to cheat, the managers need to rely on other mechanisms than just customer status alone to mitigate the risk of a financial loss. However, if we look at the probability of engaging in fraudulent behavior in relation to perceptions of superiority, the differences between status groups become clearer.

The current study found that the effect of elevated status on probability of engaging in fraudulent is explained through perceptions of superiority. One of the benefits with providing a loyalty program with several tiers is that a customer with elevated status will feel more superior (Dreze and Nunes, 2008). This paper, however, hypothesized that having the status elevated, could lead to either

misbehavior or better behavior. The results indicate that the more superior a company's loyalty program makes the customer feel, the probability of the customer to engage in fraudulent behavior decreases. This implies that marketing managers, or managers of loyalty programs with several tiers, should not only provide their gold or silver customers with preferential treatment to reward their loyalty; they should also seek to create a loyalty program that makes the customer feel more superior, as this seems to reduce the risk of fraudulent behavior.

Size of deviation, or size of potential gain, does not seem to affect the probability of engaging in fraudulent behavior, and especially not with the sizes presented in the current study. As mentioned above, this result may be caused by both deviations being outside of the acceptable band of dishonest behavior. Following that reasoning, it does not seem unlikely that once a potential gain is outside of the band of which dishonest behavior is acceptable for honest people - how far beyond the band does not matter. I.e. if the absolute threshold for a customer to engage in fraudulent behavior is below NOK 500 or 10% of the original price (as it was presented in this study), the probability of engaging in fraudulent behavior will remain the same for any value above this threshold, or at least up to a deviation, or potential gain, of NOK 2,500. This implies that managers should rather worry about the smaller mistakes made by their employees, as it is likely that the customers will be more inclined to engage in fraudulent behavior when the size of the mistake (or potential gain) is big rather than small.

Size of the mistake as the sole predictor of probability of engaging in fraudulent behavior does not seem to be sufficient in explaining the variance in said probability. However, the variable is meaningful moderator in the effect of elevated status on probability of engaging in fraudulent behavior. This result is a further reinforcement of the noblesse oblige effect, where customers with elevated status become less likely to engage in fraudulent behavior when the size of the mistake is big, compared to small mistakes. This further implies that managers can expect better behavior, or at least less fraudulent behavior, from their higher status customers.

6.0 Limitations and future research

6.1 Limitations

The current study has several limitations. First, due to limited time and resources, we were unable to obtain the number of responses typically required for this type of study. Second, this study used a non-probability convenience sample technique where responses were gathered with an online questionnaire. A non-probability convenience sampling technique has, as mentioned earlier, several potential sources of biases, including different types of confounds. We were able to work around some confounds through for instance randomization, whereas others we had to accept (e.g. procedural confounds). Furthermore, due to extraordinary circumstances in the spring of 2020, the responses had to be gathered from international students, meaning that cultural differences might vary between the groups, and probably should have been controlled for. Randomization may have reduced some of the potential confounds relating to this, but there are other issues which we were unable to control for, such as international students not being familiar with the Norwegian currency.

With the questionnaire being distributed on Facebook and in Facebook groups it is likely that many of the respondents have English as their second language. As the questionnaire was only available in English, it is possible that the interpretation of some words was different from their initial purpose.

In addition, the study relies on self-reports, and it has to be taken into account that the respondents may report what they ideally would have done in such scenario. We tried to account for this potential bias by including an indirect measure. The aim of the indirect question is to come closer to the actual probability of engaging in fraudulent behavior, but it is still possible that respondents report what others ideally would do, and not what they truly believe others and themselves would do.

Other limitations relate to the scenario in the experiment. The scenario presented to the customer is very specific and is thus not generalizable to other situations where fraudulent behavior may occur. For instance, the scenarios only display one type of fraudulent behavior, which means that customers may still be prone to other types of fraudulent behavior.

6.2 Future research

Despite the limitations described above, this study has presented some interesting effects of elevated status on probability of engaging in fraudulent behavior and what implications this has for loyalty programs and managers. However, fraudulent behavior is just one of many types of misbehavior. Future research should therefore investigate other types of customer misbehavior, such as interpersonal and relational misbehavior. Additionally, future research could include other scenarios and different size and forms of mistakes made. An interesting question to be answered is whether the effects remain the same when the customer is familiar with the hotel, and not only with the hotel chain. It would also be interesting to explore whether a smaller/larger mistake would make any difference. As previously mentioned, this study had presented the respondents with deviations of 10% and 50%, and any other size of mistake would improve the understanding of the effects.

There are also some questions relating to preferential treatment that follows elevated status, and how that affects both perceptions of superiority and probability of engaging in fraudulent behavior. The benefits received in this study were rather fuzzy, and even though Dreze and Nunes (2008) found that this is enough to trigger perceptions of superiority, future research should look into different types of preferential treatments and how they can result in misbehavior or noblesse oblige effects.

A rather interesting side note is the increase in the no status customers' probability of engaging in fraudulent behavior from small mistake to big mistake. Although we did not hypothesize around the topic, one would expect that no status customers probability of engaging in fraudulent behavior would remain constant across conditions. What makes this a reasonable expectation is due to no status customers having no incentive to act in one way or another, independent of mistake sizes. Any explanation offered at this point is only speculations, but it could be the case that the no status customers saw the potential gain of a big deviation as some sort of compensation for their missing preferential treatment, as they had no status. Future research should thus focus on the lack of preferential treatment for no status customers, and how that affects their behavior.

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Appendices

Appendix 1 - Scenarios

Scenario 1 - Gold Customer (size of mistake is either large or small):

Imagine that you have a job in which you are required to travel periodically, and you always stay at a hotel from the same hotel chain. The chain has a benefit program, in which customers are either entitled to a gold status, silver status or no status at all. All your business travels have made you entitled to a gold status, which is given to customers who stays with the chain 30 nights or more per year. Now you are going on a vacation. You decide to use your gold membership to stay at a hotel in the particular chain. This is a nice hotel that you have never been to before, since it is outside of your business region. You arrive at the hotel, where the piccolo takes your bags and carries them inside. Once at the front desk, you are greeted by a polite receptionist. The receptionist tells you that your room is ready, and that you will pay 5000 NOK when you check out. You stay at the hotel for three nights, and you are satisfied with the numerous preferential benefits and services accompanying your gold status. When it is time to check out, the receptionist asks you how your stay was, to which you reply that it was great. You are going to pay by credit card, and when you look at the amount, you notice that the receptionist surely has made a mistake, instead of the original price of 5000 NOK, she charged you 2500 NOK (4500 NOK).

Scenario 2 - Silver customer (size of mistake is either large or small):

Imagine that you have a job in which you are required to travel periodically, and you always stay at a hotel from the same hotel chain. The chain has a benefit program, in which customers are either entitled to a gold status, silver status or no status at all. All your business travels have made you entitled to a silver status, which are given to customers who stays with the chain 30 nights or more per year. Now you are going on a vacation. You decide to use your silver membership to stay at a hotel in the particular chain. This is a nice hotel that you have never been to before, since it is outside of your business region. You arrive at the hotel, and once at the front desk, you are greeted by a polite receptionist. The receptionist tells you that your room is ready, and that you will pay 5000 NOK when you check out. You stay at the hotel for three nights, and you are satisfied with the numerous preferential benefits and services accompanying your silver status. When it is time to check out, the receptionist asks you how your stay was, to

which you reply that it was great. You are going to pay by credit card, and when you look at the amount, you notice that the receptionist surely has made a mistake, instead of the original price of 5000 NOK, she charged you 2500 NOK (4500 NOK).

Scenario 3 - No status Customer (size of mistake is either large or small):

Imagine that you have a job in which you are required to travel periodically, and you always stay at a hotel from the same hotel chain. The chain has a benefit program, in which customers are either entitled to a gold status, silver status or no status at all. Since you have not accumulated enough nights with the hotel chain, you are not entitled to an enhanced status. Now you are going on a vacation. You decide to stay at a hotel in the particular chain. This is a nice hotel that you have never been to before, since it is outside of your business region. When you arrive at the hotel, you are greeted by a polite receptionist. The receptionist tells you that your room is ready, and that you will pay ... kr when you check out. You stay at the hotel for three nights, and you are satisfied with your stay. When it is time to check out, the receptionist asks you how your stay was, to which you reply that it was great. You are going to pay by credit card, and when you look at the amount, you notice that the receptionist surely has made a mistake, instead of the original price of 5000 NOK, she charged you 2500 NOK (4500 NOK).

Q1. On a scale from 1 to 7, where 1 is extremely unlikely and 7 is extremely likely, how likely is it that:

1. You would tell the receptionist that a mistake has been made?
2. Customers similar to you/ with similar status to you would tell the receptionist that a mistake has been made?

Appendix 2 – Manipulation check

Manipulation check - Using Dreze et. al. 4 items on a 9-point scale:

Perceptions of status were measured using four different 9-point scales intended to gauge members' perceptions. These measures included how special the program made them feel (not at all–very), the degree of status attained (low–high), how difficult it would be for others to earn similar status (not at all–very), and the disparity in attention they would expect relative to a no-status customer (none at all–a great deal).

Appendix 3 – Frequencies – conditions

Statistics

Condition		
N	Valid	204
	Missing	0

		Condition			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Gold/Big	36	17.6	17.6	17.6
	Gold/Small	32	15.7	15.7	33.3
	Silver/Big	36	17.6	17.6	51.0
	Silver/Small	29	14.2	14.2	65.2
	No Status/Big	37	18.1	18.1	83.3
	No Status/Small	34	16.7	16.7	100.0
	Total	204	100.0	100.0	

Appendix 4 – ANOVA – dropouts

ANOVA

Completed					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.485	5	.097	.393	.853
Within Groups	85.288	346	.246		
Total	85.773	351			

Appendix 5 – Frequencies – Gender and Age

Statistics

		What is your gender?	How old are you?
N	Valid	168	168
	Missing	36	36

Frequency Table

What is your gender?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	69	33.8	41.1	41.1
	Female	98	48.0	58.3	99.4
	Other	1	.5	.6	100.0
	Total	168	82.4	100.0	
Missing	System	36	17.6		
Total		204	100.0		

How old are you?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Younger than 18	2	1.0	1.2	1.2
	18 - 27	116	56.9	69.0	70.2
	28 - 37	30	14.7	17.9	88.1
	38 - 47	9	4.4	5.4	93.5
	48 - 57	7	3.4	4.2	97.6
	Older than 57	4	2.0	2.4	100.0
	Total	168	82.4	100.0	
Missing	System	36	17.6		
Total		204	100.0		

Appendix 6 – KMO and Bartlett’s test of Sphericity

KMO and Bartlett's Test

Kaiser–Meyer–Olkin Measure of Sampling Adequacy.		.675
Bartlett's Test of Sphericity	Approx. Chi-Square	310.973
	df	6
	Sig.	.000

Appendix 7 – Component Matrix

Component Matrix^a

	Component 1
On a scale from 1 to 7, how special did the benefit program make you feel?	.881
On a scale from 1 to 7, how much status did you feel you attained from the benefit program?	.885
On a scale from 1 to 7, how difficult would be for others to attain a similar status?	.729
On a scale from 1 to 7, how much more attention would you expect relative to a no status customer?	.570

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Appendix 8 – Reliability Analysis

Reliability

Scale: ALL VARIABLES

Case Processing Summary			
		N	%
Cases	Valid	204	100.0
	Excluded ^a	0	.0
	Total	204	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.774	4

Appendix 9 – ANOVA – Manipulation check

Oneway

ANOVA

mean_St

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	27.122	2	13.561	9.908	.000
Within Groups	275.123	201	1.369		
Total	302.245	203			

Post Hoc Tests

Multiple Comparisons

Dependent Variable: mean_St
Bonferroni

(I) Group_tier	(J) Group_tier	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
1,00 Gold	2,00 Silver	.19491	.20295	1.000	-.2950	.6849
	3,00 No status	.84269*	.19851	.000	.3634	1.3219
2,00 Silver	1,00 Gold	-.19491	.20295	1.000	-.6849	.2950
	3,00 No status	.64778*	.20084	.004	.1629	1.1326
3,00 No status	1,00 Gold	-.84269*	.19851	.000	-1.3219	-.3634
	2,00 Silver	-.64778*	.20084	.004	-1.1326	-.1629

*. The mean difference is significant at the 0.05 level.

Appendix 10 - SDB – Distribution

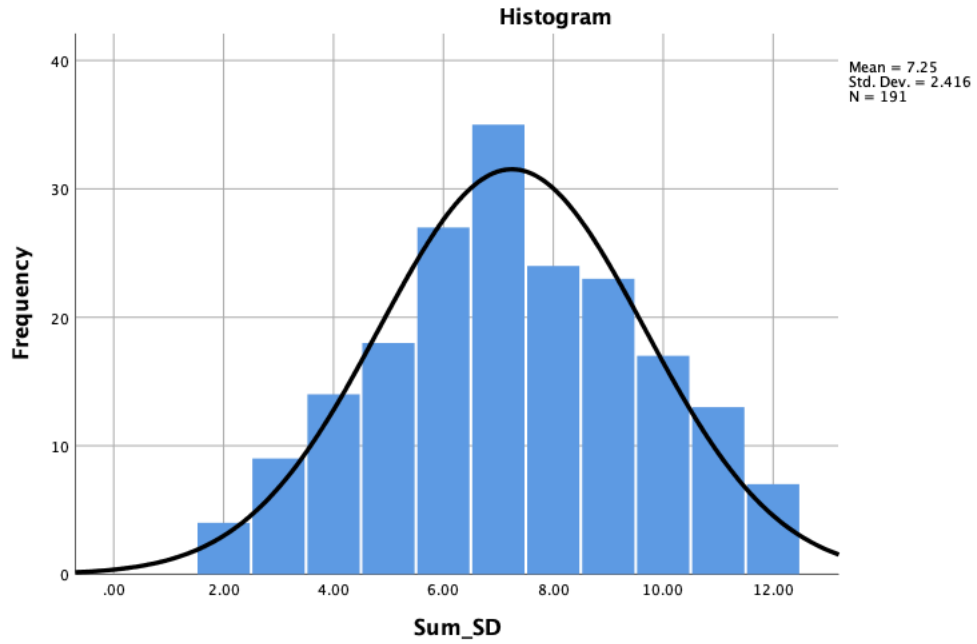
Statistics

Sum_SD

N	Valid	Missing
	191	13

Sum_SD

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.00	4	2.0	2.1	2.1
	3.00	9	4.4	4.7	6.8
	4.00	14	6.9	7.3	14.1
	5.00	18	8.8	9.4	23.6
	6.00	27	13.2	14.1	37.7
	7.00	35	17.2	18.3	56.0
	8.00	24	11.8	12.6	68.6
	9.00	23	11.3	12.0	80.6
	10.00	17	8.3	8.9	89.5
	11.00	13	6.4	6.8	96.3
	12.00	7	3.4	3.7	100.0
	Total	191	93.6	100.0	
Missing	System	13	6.4		
	Total	204	100.0		



Appendix 11 – T-test H1a and H1b – Direct

T-Test

Group Statistics					
	Gr_el	N	Mean	Std. Deviation	Std. Error Mean
On a scale from 1 to 7, how likely is it that you would tell the receptionist that a mistake has been made?	No status	71	4.23	2.099	.249
	Elevated	133	4.37	1.905	.165

Independent Samples Test											
		Levene's Test for Equality of Variances			t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper	
On a scale from 1 to 7, how likely is it that you would tell the receptionist that a mistake has been made?	Equal variances assumed	1.919	.168	-.493	202	.623	-.143	.290	-.715	.429	
	Equal variances not assumed			-.479	131.593	.633	-.143	.299	-.734	.448	

Appendix 12 - T-test H1a and H1b – Indirect

T-Test

Group Statistics					
	Gr_el	N	Mean	Std. Deviation	Std. Error Mean
On a scale from 1 to 7, how likely is it that someone with similar status to you would tell the receptionist that a mistake has been made?	No status	71	4.08	1.663	.197
	Elevated	133	3.98	1.638	.142

Independent Samples Test											
		Levene's Test for Equality of Variances			t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper	
On a scale from 1 to 7, how likely is it that someone with similar status to you would tell the receptionist that a mistake has been made?	Equal variances assumed	.049	.824	.411	202	.681	.100	.242	-.378	.577	
	Equal variances not assumed			.409	141.196	.683	.100	.243	-.381	.580	

Appendix 13 – ANOVA and Bonferroni H1a and H1b – Direct

Oneway

ANOVA

On a scale from 1 to 7, how likely is it that you would tell the receptionist that a mistake has been made?

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.981	2	.490	.125	.882
Within Groups	787.308	201	3.917		
Total	788.289	203			

Post Hoc Tests

Multiple Comparisons

Dependent Variable: On a scale from 1 to 7, how likely is it that you would tell the receptionist that a mistake has been made?
Bonferroni

(I) Group_tier	(J) Group_tier	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Gold	Silver	-.032	.343	1.000	-.86	.80
	No status	.128	.336	1.000	-.68	.94
Silver	Gold	.032	.343	1.000	-.80	.86
	No status	.159	.340	1.000	-.66	.98
No status	Gold	-.128	.336	1.000	-.94	.68
	Silver	-.159	.340	1.000	-.98	.66

Appendix 14 – ANOVA and Bonferroni H1a and H1b – Indirect

Oneway

ANOVA

On a scale from 1 to 7, how likely is it that someone with similar status to you would tell the receptionist that a mistake has been made?

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.395	2	1.198	.441	.644
Within Groups	545.526	201	2.714		
Total	547.922	203			

Post Hoc Tests

Multiple Comparisons

Dependent Variable: On a scale from 1 to 7, how likely is it that someone with similar status to you would tell the receptionist that a mistake has been made?
Bonferroni

(I) Group_tier	(J) Group_tier	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Gold	Silver	.241	.286	1.000	-.45	.93
	No status	.018	.280	1.000	-.66	.69
Silver	Gold	-.241	.286	1.000	-.93	.45
	No status	-.223	.283	1.000	-.91	.46
No status	Gold	-.018	.280	1.000	-.69	.66
	Silver	.223	.283	1.000	-.46	.91

Appendix 15 – PROCESS H2 – Direct

Run MATRIX procedure:

***** PROCESS Procedure for SPSS Version 3.5 *****

Written by Andrew F. Hayes, Ph.D. www.afhayes.com
 Documentation available in Hayes (2018). www.guilford.com/p/hayes3

Model : 4
 Y : Telling
 X : Tier_2
 M : mean_St

Sample
 Size: 204

Coding of categorical X variable for analysis:

Tier_2	X1	X2
1.000	.000	.000
2.000	1.000	.000
3.000	.000	1.000

OUTCOME VARIABLE:
 mean_St

Model Summary							
	R	R-sq	MSE	F	df1	df2	p
	.2996	.0897	1.3688	9.9075	2.0000	201.0000	.0001

Model						
	coeff	se	t	p	LLCI	ULCI
constant	3.5176	.1388	25.3344	.0000	3.2438	3.7914
X1	.6478	.2008	3.2254	.0015	.2518	1.0438
X2	.8427	.1985	4.2450	.0000	.4513	1.2341

OUTCOME VARIABLE:
Telling

Model Summary

R	R-sq	MSE	F	df1	df2	p
.2541	.0646	3.6870	4.6014	3.0000	200.0000	.0039

Model

	coeff	se	t	p	LLCI	ULCI
constant	2.7271	.4666	5.8441	.0000	1.8069	3.6472
X1	-.1167	.3380	-.3451	.7304	-.7832	.5499
X2	-.2313	.3401	-.6802	.4971	-.9020	.4393
mean_St	.4259	.1158	3.6794	.0003	.1977	.6542

***** TOTAL EFFECT MODEL *****

OUTCOME VARIABLE:
Telling

Model Summary

R	R-sq	MSE	F	df1	df2	p
.0353	.0012	3.9170	.1252	2.0000	201.0000	.8824

Model

	coeff	se	t	p	LLCI	ULCI
constant	4.2254	.2349	17.9894	.0000	3.7622	4.6885
X1	.1593	.3397	.4688	.6397	-.5107	.8292
X2	.1276	.3358	.3799	.7044	-.5346	.7898

***** TOTAL, DIRECT, AND INDIRECT EFFECTS OF X ON Y *****

Relative total effects of X on Y:

	Effect	se	t	p	LLCI	ULCI
X1	.1593	.3397	.4688	.6397	-.5107	.8292
X2	.1276	.3358	.3799	.7044	-.5346	.7898

Omnibus test of total effect of X on Y:

R2-chng	F	df1	df2	p
.0012	.1252	2.0000	201.0000	.8824

Relative direct effects of X on Y

	Effect	se	t	p	LLCI	ULCI
X1	-.1167	.3380	-.3451	.7304	-.7832	.5499
X2	-.2313	.3401	-.6802	.4971	-.9020	.4393

Omnibus test of total effect of X on Y:

R2-chng	F	df1	df2	p
.0012	.1252	2.0000	201.0000	.8824

Relative direct effects of X on Y

	Effect	se	t	p	LLCI	ULCI
X1	-.1167	.3380	-.3451	.7304	-.7832	.5499
X2	-.2313	.3401	-.6802	.4971	-.9020	.4393

Omnibus test of direct effect of X on Y:

R2-chng	F	df1	df2	p
.0022	.2314	2.0000	200.0000	.7936

Relative indirect effects of X on Y

Tier_2 -> mean_St -> Telling

	Effect	BootSE	BootLLCI	BootULCI
X1	.2759	.1119	.0814	.5169
X2	.3589	.1250	.1389	.6243

***** ANALYSIS NOTES AND ERRORS *****

Level of confidence for all confidence intervals in output:
95.0000

Number of bootstrap samples for percentile bootstrap confidence intervals:
5000

----- END MATRIX -----

Appendix 16 – PROCESS H2 – Indirect

Run MATRIX procedure:

***** PROCESS Procedure for SPSS Version 3.5 *****

Written by Andrew F. Hayes, Ph.D. www.afhayes.com
 Documentation available in Hayes (2018). www.guilford.com/p/hayes3

Model : 4
 Y : Tell_SDB
 X : Tier_2
 M : mean_St

Sample
 Size: 204

Coding of categorical X variable for analysis:

Tier_2	X1	X2
1.000	.000	.000
2.000	1.000	.000
3.000	.000	1.000

OUTCOME VARIABLE:
 mean_St

Model Summary

	R	R-sq	MSE	F	df1	df2	p
	.2996	.0897	1.3688	9.9075	2.0000	201.0000	.0001

Model

	coeff	se	t	p	LLCI	ULCI
constant	3.5176	.1388	25.3344	.0000	3.2438	3.7914
X1	.6478	.2008	3.2254	.0015	.2518	1.0438
X2	.8427	.1985	4.2450	.0000	.4513	1.2341

OUTCOME VARIABLE:
 Tell_SDB

Model Summary

	R	R-sq	MSE	F	df1	df2	p
	.1990	.0396	2.6312	2.7480	3.0000	200.0000	.0440

Model

	coeff	se	t	p	LLCI	ULCI
constant	3.1529	.3942	7.9983	.0000	2.3756	3.9303
X1	-.3945	.2856	-1.3815	.1687	-.9576	.1686
X2	-.2047	.2873	-.7126	.4769	-.7713	.3618
mean_St	.2648	.0978	2.7081	.0074	.0720	.4577

***** TOTAL EFFECT MODEL *****

OUTCOME VARIABLE:
 Tell_SDB

Model Summary

	R	R-sq	MSE	F	df1	df2	p
	.0661	.0044	2.7141	.4413	2.0000	201.0000	.6438

Model

	coeff	se	t	p	LLCI	ULCI
constant	4.0845	.1955	20.8910	.0000	3.6990	4.4700
X1	-.2230	.2828	-.7884	.4314	-.7806	.3347
X2	.0184	.2795	.0659	.9475	-.5328	.5696

***** TOTAL, DIRECT, AND INDIRECT EFFECTS OF X ON Y *****

Relative total effects of X on Y:

	Effect	se	t	p	LLCI	ULCI
X1	-.2230	.2828	-.7884	.4314	-.7806	.3347
X2	.0184	.2795	.0659	.9475	-.5328	.5696

Omnibus test of total effect of X on Y:

	R2-chng	F	df1	df2	p
	.0044	.4413	2.0000	201.0000	.6438

Relative direct effects of X on Y

	Effect	se	t	p	LLCI	ULCI
X1	-.3945	.2856	-1.3815	.1687	-.9576	.1686
X2	-.2047	.2873	-.7126	.4769	-.7713	.3618

Omnibus test of direct effect of X on Y:

R2-chng	F	df1	df2	p
.0092	.9543	2.0000	200.0000	.3868

Relative indirect effects of X on Y

Tier_2 -> mean_St -> Tell_SDB

	Effect	BootSE	BootLLCI	BootULCI
X1	.1716	.0844	.0321	.3532
X2	.2232	.1019	.0471	.4507

***** ANALYSIS NOTES AND ERRORS *****

Level of confidence for all confidence intervals in output:
95.0000

Number of bootstrap samples for percentile bootstrap confidence intervals:
5000

----- END MATRIX -----

Appendix 17 – T-test H3 – Direct

T-Test

Group Statistics

	Dev_hi_lo	N	Mean	Std. Deviation	Std. Error Mean
On a scale from 1 to 7, how likely is it that you would tell the receptionist that a mistake has been made?	1.00	109	4.41	1.949	.187
	2.00	95	4.21	1.999	.205

Independent Samples Test

		Levene's Test for Equality of Variances				t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
On a scale from 1 to 7, how likely is it that you would tell the receptionist that a mistake has been made?	Equal variances assumed	.039	.844	.731	202	.466	.202	.277	-.344	.748
	Equal variances not assumed			.729	196.741	.467	.202	.277	-.345	.749

Appendix 18 – T-test H3 – Indirect

T-Test

Group Statistics

	Dev_hi_lo	N	Mean	Std. Deviation	Std. Error Mean
On a scale from 1 to 7, how likely is it that someone with similar status to you would tell the receptionist that a mistake has been made?	1.00	109	3.96	1.539	.147
	2.00	95	4.08	1.760	.181

Independent Samples Test

		Levene's Test for Equality of Variances				t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
On a scale from 1 to 7, how likely is it that someone with similar status to you would tell the receptionist that a mistake has been made?	Equal variances assumed	1.990	.160	-.523	202	.601	-.121	.231	-.576	.335
	Equal variances not assumed			-.519	188.248	.605	-.121	.233	-.581	.339

Appendix 19 – PROCESS H4 – Direct

Run MATRIX procedure:

***** PROCESS Procedure for SPSS Version 3.5 *****

Written by Andrew F. Hayes, Ph.D. www.afhayes.com
 Documentation available in Hayes (2018). www.guilford.com/p/hayes3

Model : 1
 Y : Telling
 X : Tier_2
 W : Dev_gr

Sample
 Size: 204

Coding of categorical X variable for analysis:

Tier_2	X1	X2
1.000	.000	.000
2.000	1.000	.000
3.000	.000	1.000

OUTCOME VARIABLE:
 Telling

Model Summary

	R	R-sq	MSE	F	df1	df2	p
	.1512	.0228	3.8903	.9259	5.0000	198.0000	.4652

Model

	coeff	se	t	p	LLCI	ULCI
constant	4.5000	.3383	13.3033	.0000	3.8329	5.1671
X1	-.3621	.4986	-.7262	.4686	-1.3453	.6211
X2	-.5313	.4858	-1.0936	.2755	-1.4892	.4267
Dev_gr	-.5270	.4686	-1.1247	.2621	-1.4511	.3970
Int_1	.9724	.6795	1.4310	.1540	-.3676	2.3125
Int_2	1.2527	.6702	1.8691	.0631	-.0690	2.5744

Product terms key:

Int_1	:	X1	x	Dev_gr
Int_2	:	X2	x	Dev_gr

Test(s) of highest order unconditional interaction(s):

	R2-chng	F	df1	df2	p
X*W	.0190	1.9297	2.0000	198.0000	.1479

***** ANALYSIS NOTES AND ERRORS *****

Level of confidence for all confidence intervals in output:
 95.0000

----- END MATRIX -----

Appendix 20 – PROCESS H4 – Indirect

Written by Andrew F. Hayes, Ph.D. www.afhayes.com
 Documentation available in Hayes (2018). www.guilford.com/p/hayes3

```
*****
Model : 1
Y : Tell_SDB
X : Tier_2
W : Dev_gr
```

Sample
 Size: 204

Coding of categorical X variable for analysis:

```
Tier_2  X1  X2
1.000  .000  .000
2.000  1.000  .000
3.000  .000  1.000
```

```
*****
OUTCOME VARIABLE:
Tell_SDB
```

Model Summary							
	R	R-sq	MSE	F	df1	df2	p
	.1585	.0251	2.6978	1.0202	5.0000	198.0000	.4068

Model						
	coeff	se	t	p	LLCI	ULCI
constant	4.4412	.2817	15.7665	.0000	3.8857	4.9967
X1	-.8205	.4152	-1.9762	.0495	-1.6392	-.0017
X2	-.3162	.4045	-.7816	.4354	-1.1139	.4816
Dev_gr	-.6844	.3902	-1.7540	.0810	-1.4539	.0851
Int_1	1.1193	.5659	1.9779	.0493	.0034	2.2352
Int_2	.6428	.5581	1.1516	.2509	-.4579	1.7434

Product terms key:

```
Int_1 : X1 x Dev_gr
Int_2 : X2 x Dev_gr
```

Test(s) of highest order unconditional interaction(s):

	R2-chng	F	df1	df2	p
X*W	.0195	1.9817	2.0000	198.0000	.1406

***** ANALYSIS NOTES AND ERRORS *****

Level of confidence for all confidence intervals in output:
 95.0000

----- END MATRIX -----

Appendix 21 – Comparison matrix 1 H4 – Direct

5. Gold, Silver, no status * Dev_gr

Estimates

Dependent Variable: On a scale from 1 to 7, how likely is it that you would tell the receptionist that a mistake has been made?

Gold, Silver, no status	Dev_gr	Mean	Std. Error	95% Confidence Interval	
				Lower Bound	Upper Bound
No status	Small deviation	4.500	.338	3.833	5.167
	Big deviation	3.973	.324	3.334	4.612
Silver	Small deviation	4.138	.366	3.416	4.860
	Big deviation	4.583	.329	3.935	5.232
Gold	Small deviation	3.969	.349	3.281	4.656
	Big deviation	4.694	.329	4.046	5.343

Pairwise Comparisons

Dependent Variable: On a scale from 1 to 7, how likely is it that you would tell the receptionist that a mistake has been made?

Dev_gr	(I) Gold, Silver, no status	(J) Gold, Silver, no status	Mean Difference (I-J)	Std. Error	Sig. ^a	95% Confidence Interval for Difference ^a	
						Lower Bound	Upper Bound
Small deviation	No status	Silver	.362	.499	.469	-.621	1.345
		Gold	.531	.486	.275	-.427	1.489
	Silver	No status	-.362	.499	.469	-1.345	.621
		Gold	.169	.506	.738	-.828	1.166
	Gold	No status	-.531	.486	.275	-1.489	.427
		Silver	-.169	.506	.738	-1.166	.828
Big deviation	No status	Silver	-.610	.462	.188	-1.521	.300
		Gold	-.721	.462	.120	-1.632	.189
	Silver	No status	.610	.462	.188	-.300	1.521
		Gold	-.111	.465	.811	-1.028	.806
	Gold	No status	.721	.462	.120	-.189	1.632
		Silver	.111	.465	.811	-.806	1.028

Based on estimated marginal means

a. Adjustment for multiple comparisons: Least Significant Difference (equivalent to no adjustments).

Appendix 22 – Comparison matrix 1 H4 – Indirect

5. Gold, Silver, no status * Dev_gr

Estimates

Dependent Variable: On a scale from 1 to 7, how likely is it that someone with similar status to you would tell the receptionist that a mistake has been made?

Gold, Silver, no status	Dev_gr	Mean	Std. Error	95% Confidence Interval	
				Lower Bound	Upper Bound
No status	Small deviation	4.441	.282	3.886	4.997
	Big deviation	3.757	.270	3.224	4.289
Silver	Small deviation	3.621	.305	3.019	4.222
	Big deviation	4.056	.274	3.516	4.595
Gold	Small deviation	4.125	.290	3.552	4.698
	Big deviation	4.083	.274	3.543	4.623

Pairwise Comparisons

Dependent Variable: On a scale from 1 to 7, how likely is it that someone with similar status to you would tell the receptionist that a mistake has been made?

Dev_gr	(I) Gold, Silver, no status	(J) Gold, Silver, no status	Mean Difference (I-J)	Std. Error	Sig. ^b	95% Confidence Interval for Difference ^b	
						Lower Bound	Upper Bound
Small deviation	No status	Silver	.820*	.415	.050	.002	1.639
		Gold	.316	.405	.435	-.482	1.114
	Silver	No status	-.820*	.415	.050	-1.639	-.002
		Gold	-.504	.421	.233	-1.335	.326
	Gold	No status	-.316	.405	.435	-1.114	.482
		Silver	.504	.421	.233	-.326	1.335
Big deviation	No status	Silver	-.299	.385	.438	-1.057	.459
		Gold	-.327	.385	.397	-1.085	.432
	Silver	No status	.299	.385	.438	-.459	1.057
		Gold	-.028	.387	.943	-.791	.736
	Gold	No status	.327	.385	.397	-.432	1.085
		Silver	.028	.387	.943	-.736	.791

Based on estimated marginal means

*. The mean difference is significant at the .05 level.

b. Adjustment for multiple comparisons: Least Significant Difference (equivalent to no adjustments).

Appendix 23 – Comparison matrix 2 H4 – Direct

6. Gold, Silver, no status * Dev_gr

Estimates

Dependent Variable: On a scale from 1 to 7, how likely is it that you would tell the receptionist that a mistake has been made?

Gold, Silver, no status	Dev_gr	Mean	Std. Error	95% Confidence Interval	
				Lower Bound	Upper Bound
No status	Small deviation	4.500	.338	3.833	5.167
	Big deviation	3.973	.324	3.334	4.612
Silver	Small deviation	4.138	.366	3.416	4.860
	Big deviation	4.583	.329	3.935	5.232
Gold	Small deviation	3.969	.349	3.281	4.656
	Big deviation	4.694	.329	4.046	5.343

Pairwise Comparisons

Dependent Variable: On a scale from 1 to 7, how likely is it that you would tell the receptionist that a mistake has been made?

Gold, Silver, no status	(I) Dev_gr	(J) Dev_gr	Mean Difference (I-J)	Std. Error	Sig. ^a	95% Confidence Interval for Difference ^a	
						Lower Bound	Upper Bound
No status	Small deviation	Big deviation	.527	.469	.262	-.397	1.451
	Big deviation	Small deviation	-.527	.469	.262	-1.451	.397
Silver	Small deviation	Big deviation	-.445	.492	.367	-1.416	.525
	Big deviation	Small deviation	.445	.492	.367	-.525	1.416
Gold	Small deviation	Big deviation	-.726	.479	.132	-1.671	.219
	Big deviation	Small deviation	.726	.479	.132	-.219	1.671

Based on estimated marginal means

a. Adjustment for multiple comparisons: Least Significant Difference (equivalent to no adjustments).

Appendix 24 – Comparison matrix 2 H4 – Indirect

6. Gold, Silver, no status * Dev_gr

Estimates

Dependent Variable: On a scale from 1 to 7, how likely is it that someone with similar status to you would tell the receptionist that a mistake has been made?

Gold, Silver, no status	Dev_gr	Mean	Std. Error	95% Confidence Interval	
				Lower Bound	Upper Bound
No status	Small deviation	4.441	.282	3.886	4.997
	Big deviation	3.757	.270	3.224	4.289
Silver	Small deviation	3.621	.305	3.019	4.222
	Big deviation	4.056	.274	3.516	4.595
Gold	Small deviation	4.125	.290	3.552	4.698
	Big deviation	4.083	.274	3.543	4.623

Pairwise Comparisons

Dependent Variable: On a scale from 1 to 7, how likely is it that someone with similar status to you would tell the receptionist that a mistake has been made?

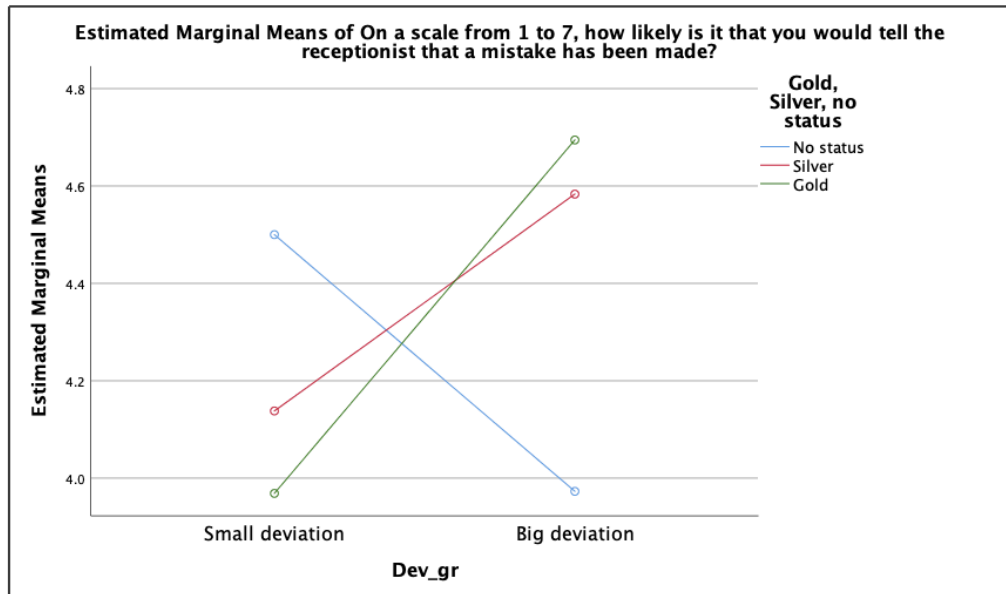
Gold, Silver, no status	(I) Dev_gr	(J) Dev_gr	Mean Difference (I-J)	Std. Error	Sig. ^a	95% Confidence Interval for Difference ^a	
						Lower Bound	Upper Bound
No status	Small deviation	Big deviation	.684	.390	.081	-.085	1.454
	Big deviation	Small deviation	-.684	.390	.081	-1.454	.085
Silver	Small deviation	Big deviation	-.435	.410	.290	-1.243	.373
	Big deviation	Small deviation	.435	.410	.290	-.373	1.243
Gold	Small deviation	Big deviation	.042	.399	.917	-.745	.829
	Big deviation	Small deviation	-.042	.399	.917	-.829	.745

Based on estimated marginal means

a. Adjustment for multiple comparisons: Least Significant Difference (equivalent to no adjustments).

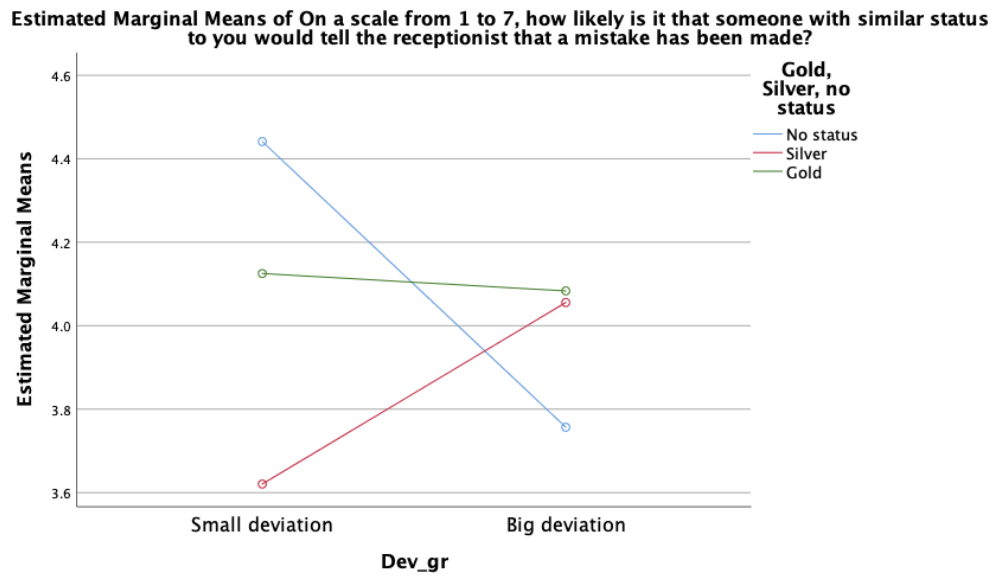
Appendix 25 – Profile plots H4 – Direct

Profile Plots



Appendix 26 – Profile plots H4 – Indirect

Profile Plots



Appendix 27 – Qualtrics survey

On a scale from 1 to 7, how likely is it that you would tell the receptionist that a mistake has been made?						
1 - Very unlikely	2	3	4	5	6	7 - Very Likely
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

On a scale from 1 to 7, how likely is it that someone with similar status to you would tell the receptionist that a mistake has been made?						
1 - Very unlikely	2	3	4	5	6	7 - Very likely
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

On a scale from 1 to 7, how special did the benefit program make you feel?						
1 - Not at all special	2	3	4	5	6	7 - Very special
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

On a scale from 1 to 7, how much status did you feel you attained from the benefit program?						
1 - Low	2	3	4	5	6	7 - High
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

On a scale from 1 to 7, how difficult would be for others to attain a similar status?

1 - Not at all difficult	2	3	4	5	6	7 - Very difficult
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

This is an attention check, please answer 6 on this question

1 - Very low	2	3	4	5	6	7 - Very high
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

On a scale from 1 to 7, how much more attention would you expect relative to a no status customer?

1 - None at all	2	3	4	5	6	7 - A great deal
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Now we will be showing you some statements, to which you answer either true or false. You answer true if you can relate to the statement and false if you cannot.

Please answer true or false on the following statements

	False	True
It is sometimes hard for me to go on with my work if I am not encouraged	<input type="radio"/>	<input type="radio"/>
I sometimes feel resentful when I don't get my way	<input type="radio"/>	<input type="radio"/>
On a few occasions, I have given up doing something because I thought too little of my ability.	<input type="radio"/>	<input type="radio"/>
There have been times when I felt like rebelling against people in authority even	<input type="radio"/>	<input type="radio"/>

though I knew they were right.	<input type="radio"/>	<input type="radio"/>
	False	True
No matter who I'm talking to, I'm always a good listener.	<input type="radio"/>	<input type="radio"/>
	False	True
There have been occasions when I took advantage of someone.	<input type="radio"/>	<input type="radio"/>
	False	True
I'm always willing to admit it when I make a mistake.	<input type="radio"/>	<input type="radio"/>
	False	True
I sometimes try to get even rather than forgive and forget.	<input type="radio"/>	<input type="radio"/>
	False	True
I am always courteous, even to people who are disagreeable.	<input type="radio"/>	<input type="radio"/>
	False	True
I have never been liked when people expressed ideas very different from my own.	<input type="radio"/>	<input type="radio"/>
	False	True
There have been times when I was quite jealous of the good fortune of others.	<input type="radio"/>	<input type="radio"/>
	False	True
I am sometimes irritated by people who ask favors of me.	<input type="radio"/>	<input type="radio"/>
	False	True
I have never deliberately said something that hurt someone's feelings	<input type="radio"/>	<input type="radio"/>

How old are you?

- Younger than 18
- 18 - 27
- 28 - 37
- 38 - 47
- 48 - 57
- Older than 57

What is your gender?

- Male
- Female
- Other