

'Moral Decoupling:' How Consumers Justify Supporting a Tarnished Brand

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Wharton marketing professor Americus Reed and doctoral students Amit Bhattacharjee (now a visiting professor at Dartmouth) and Jonathan Berman were chatting at the department holiday party when the conversation turned to current events. It was December 2009, and the hottest topic of the day was the Tiger Woods scandal. The golf prodigy with the squeaky-clean image had just confessed to infidelity in a tangled drama that cost Woods, at the time the highest-paid athlete in the world, millions of dollars in dropped endorsements.

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But would Woods' lack of faithfulness to his wife tarnish the sterling reputation he built with fans who had followed his career since he became, in 1997, the youngest and first minority player to win the Masters? "We were sitting around talking about it, and it

was a heated discussion," Reed recalls. "What would happen to the brand? How would people react when this cultural icon had done something that people perceive as immoral?"

In short, the group began wondering how fans of Woods -- who wanted to continue to be fans as opposed to withdrawing their support -- would react to these transgressions. Would they diminish the seriousness of these acts and argue that what Woods had done was "not that big of a deal?" Or would they instead contend that their support of Woods was tied to the quality of his golf game and not his personal life? From this meandering discourse, a new research idea was born -- one that had all three researchers turning to the literature to learn what had previously been written on the subject.

The first argument, that Woods' indiscretion was excusable, encompasses the idea of "moral rationalization," a notion that is well documented in the annals of consumer behavior and psychology. "We found that the former argument is sort of the dominant way researchers think about these scandals," Reed says. "You have to do something with the information because people don't like positive and negative things. It creates tension. So they downplay the severity of the moral transgression."

It was the second argument -- the one that concerned disassociating Woods' performance on the field with his actions off it -- that most intrigued the researchers. That type of argument had neither a name nor quantifiable research behind it.

So the research team gave it both.

"We called it 'moral decoupling' when people separate out morality from other things," Reed notes. "We wanted to write a paper on the difference between moral rationalization and moral decoupling, what people actually do, what the consequences are and how that might play out in terms of a consumer crisis management situation. In other words, how do you build that into a strategy to manage the crisis?"

The result is the recent paper, "<u>Tip of the Hat, Wag of the Finger: How Moral Decoupling Enables Consumers to Admire and Admonish.</u>" The research team did not have to delve too deeply to find more examples to study. Recent history is littered with high-profile people -- actors, athletes and politicians -- who have not only survived scandals, but thrived beyond them.

The team notes the case of Bill Clinton, who was impeached by the U.S. House of Representatives on two counts of lying under oath and obstructing justice regarding his relationship with a White House intern, but then went on to complete his presidency with a 66% approval rating, the highest exit rating



since World War II. Martha Stewart was sentenced to jail in 2004 for insider trading. While her company's stock price plummeted nearly 23% at the time of her sentencing, it had nearly tripled by the end of that year. The latest example is Lance Armstrong, who recently gave up his fight against the U.S. Anti-Doping Agency's allegations of performance enhancing drug use. The Livestrong organization he founded to support fellow cancer survivors <u>saw unsolicited donations surge</u> in the wake of his announcement. Two key collaborators, Nike and Anheuser-Busch, decided to continue to sponsor and support Armstrong.

Moral rationalization, especially in the face of overwhelming evidence of guilt, can be a challenge for consumers. It requires people to reconstrue improper behavior to make it less improper, to frame it in a different way to make it more palatable. But doing so makes a statement about the consumer's own morals. It's a sort of guilt by association, Reed notes, wherein the consumer, in order to maintain support for the public figure, has to justify, excuse and, in some cases, be permissive toward behavior many may find truly objectionable.

Moral decoupling is different, however. By disassociating morality from actions, a person can wholeheartedly support the public figure without being subject to self-reproach. "Moral decoupling enables individuals to acknowledge that a public figure has engaged in an immoral act, but argue that this act should not influence judgments of performance," the authors write. "Because moral decoupling does not involve condoning immoral acts, employing this strategy poses less danger of compromising one's moral standards. Thus, we expect that a moral decoupling strategy will feel less wrong and be easier to justify than a moral rationalization strategy. In sum, moral decoupling allows consumers to 'tip their hat' and admire the performance of a public figure while simultaneously 'wagging their finger' and admonishing his immoral actions."

A Free Pass for the Consumer

Bhattacharjee and Berman, under Reed's supervision, ran six studies to test the theory of moral decoupling. In the studies, participants were given scenarios describing moral transgressions by public figures and asked a series of questions that revealed their feelings about the situation. As predicted, participants' answers revealed a type of moral reasoning argument quite different from moral rationalization. In particular, these arguments hinged on separating morality and performance, rather than adjusting judgments of morality. Whether participants read a set of moral rationalization versus moral decoupling arguments and chose the one that best described their own views, or whether the authors assessed the content of participants' responses, as expressed in their own words, these differences were striking and consistent.

Two of the six studies brought out an interesting twist in the research. An important goal of the research team was to explore whether participants would opt for a moral rationalization strategy over a moral decoupling strategy when the transgression was highly relevant to performance and thus harder to decouple. For example, a baseball player who uses steroids or a politician who evades taxes makes moral decoupling more difficult than a baseball player who evades taxes or a politician who uses steroids. While these expected differences did emerge, moral decoupling was still the favored reasoning strategy overall, accounting for about two-thirds of participants' choices. Hence, this form of reasoning seems to be quite appealing to participants, the researchers say.

The study has direct, real-world implications for professionals in the fields of sales, marketing and public relations -- or anyone responsible for branding and rebranding a public image in the face of controversy. These people "want to create conditions" -- during the time they are framing the issue and putting out press releases -- that allow them "to take steps to encourage moral decoupling," Reed says. "You saw this with Tiger Woods and a little bit with Michael Vick."

Vick, a football player with the Atlanta Falcons, was enjoying a respected career in the NFL before he was arrested in connection with illegal dog fighting. Investigators revealed that Vick was running a kennel where dogs were raised and trained, under cruel conditions, to fight each other to the death. Vick ultimately went to jail, but is now the quarterback for the Philadelphia Eagles.

"People may think, 'Well, he served his time, and it's only a dog.' But not many people are going to make that argument out loud," Reed notes. "They will say that it has nothing to do with him playing for the



Eagles. You try to build that rhetoric with your consumers."

Ultimately, moral decoupling allows the consumer to do what he or she really wants to do. "We find it's easier to justify and make a moral decoupling argument rather than a moral rationalization" one, Reed says. "It has all these nice psychological benefits for the consumer. It's a nicer get-out-of-jail-free card for the consumer to use."

There is a special twist on this in the Lance Armstrong example. Armstrong is accused of doing something illegal that helped him perform better at his sport. Thus, decoupling performance from morality will be difficult, Reed notes. However, he adds, in the minds of the public, there are essentially two different Lance Armstrongs: "cancer survivor and philanthropist Lance," and "elite cyclist and seven-time Tour de France winner Lance."

And as the research shows, those who desire to continue to support Armstrong can morally decouple by focusing on the particularly high level of moral goodness that surrounds his efforts to raise millions for cancer research. These supporters will simply not touch on the whole doping issue, Reed says, suggesting that perhaps this is what Nike, Anheuser-Busch and even Livestrong are banking on. "From a marketing point of view, it's relative to the brand and protecting the brand."

The research team wants to expand its work on moral decoupling by seeing what would happen if a company employed this strategy in the aftermath of a consumer crisis. But doing so poses a challenge for the researchers, because they must find a company willing to test this hypothesis while so much is riding on the outcome. "[Since] most of the argument is speculative, we want to show that if you employ the strategy in the field in real time, you can quantify their brand protection in some way," Reed says. "We also want to understand in what circumstances the strategy will fail."

As for Tiger Woods, his brand cachet has "completely dropped" over time, Reed notes. But it's hard to say whether moral decoupling has played any part in that. Woods' career has steadily declined in recent years with his consistently poor performance on the golf course. Moral decoupling will fail if one separates morality from performance, and then performance goes south. In the end, the authors note, everyone loves a winner.

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