



Buyer-seller negotiation in consumer markets: an intention congruence approach

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Buyer-Seller Negotiation in Consumer Markets: An Intention Congruence Approach

STRUCTURED ABSTRACT

Purpose

This paper studies whether the degree of congruence between buyers' and sellers' intentions to negotiate impacts buyers' post-purchase emotions and attitudes. Additionally, the study examines whether buyers' self-confidence and negotiation expertise can increase buyers' perceptions of control and regret, as well as buyers' post-purchase satisfaction and enjoyment with the purchase. Traditionally, marketplace exchanges have been classified as either fixed price or negotiated. The present research treats marketplace exchanges along a continuum of intention congruence to test the relationships between intention congruence and outcome variables of control, regret, satisfaction, and enjoyment with the purchase.

Design/methodology/approach

We studied the perceived difference between buyers' and sellers' intentions to negotiate and how the difference impacts buyers' post-purchase attitudinal and emotional outcomes. A mail survey of automobile buyers resulted in a sample of 291 respondents. An automobile is a significant and irreversible purchase for a buyer. Thus, automobile markets often host transactions that evoke dissonance and regret for buyers if things go awry. Additionally, buyers and sellers vary considerably in their desire to negotiate, thus reflecting a range of intention congruence in negotiation. Therefore, a survey of automobile buyers was considered appropriate for testing the effects of intention congruence on buyers' post-purchase outcomes.

Findings/Practical Implications:

Results indicate that when buyers are willing to negotiate but sellers do not reciprocate equally, buyers feel less in control of a transaction. Contrarily, buyers experienced greater control and lesser regret when buyers' perceptions of sellers' intention to negotiate exceeded buyers' own intentions to negotiate. Results also suggest that when buyers' intentions to negotiate were congruent with buyers' perception of sellers' intention to negotiate, greater dyadic levels of negotiation marginally lowered buyers' perceived regret. Overall, an intention-congruence perspective adds to our current understanding of negotiated exchanges and is a meaningful approach for improving post-purchase outcomes for buyers.

Originality

Past research classifies marketplaces exchanges as either fixed price or negotiated. The present study utilizes intention congruence as a continuum between transaction partners. The intention congruence approach allows a closer examination of both the symmetry and strength of intentions to negotiate in a dyadic exchange. Given that markets are comprised of buyers and sellers who display considerable variability in intentions to negotiate, examining intention congruence allows for a more realistic study of negotiation behavior in business-to-consumer marketplaces.

Keywords: intention congruence, negotiation, dynamic pricing, haggling, bargaining, control, regret, and satisfaction.

1. INTRODUCTION

Negotiation between buyers and sellers has increasingly become a mainstream phenomenon in business-to-consumer (B2C) markets (Lippert and Trudell, 2016). Extant research suggests that negotiation improves utilitarian value for buyers in the form of bargaining surplus (Jindal and Newberry, 2018; Morton et al. 2011). Additionally, negotiators obtain hedonic utility from the act of negotiation. Dawra et al. (2015) found that for bargaining-prone customers, the act of negotiation was in itself an enjoyable part of the purchase process.

The increased overall utility resulting from negotiated purchases leads to the question of whether those who aren't negotiating purchases miss out on additional utility. As Jindal (2021) recently pointed out, the majority of pricing studies in marketing literature are based on fixed price transactions. Within this literature it is well-established that buyers can accrue both hedonic and utilitarian benefits from their purchases (Chitturi et al. 2008; Voss et al. 2003). Results from fixed price transactions show that negotiation alone is not responsible for adding hedonic utility to a transaction. Thus, all buyers can potentially obtain economic and hedonic value regardless of the mode of purchase. Consequently, it remains unclear whether negotiation provides any unique utility over and above what one may obtain from a fixed price transaction.

An obvious difference between haggling and fixed price is the effort expended at the point-of-purchase. Whereas haggling is characterized by considerable effort spent in a transaction, fixed price transactions require comparatively less effort at the point-of-purchase. Could it be that the effort spent in haggling is responsible for increased utility? Findings from past research suggest that compared to inaction, people consider

themselves the agents for an action (Kahneman and Tversky, 1982). Therefore, following an action, people are more likely to experience greater control and elation for positive outcomes but also disproportionately greater regret for negative outcomes (Burger 1989; Landman, 1987; Taylor and Brown, 1988).

Although the bias for action can explain improved outcomes for negotiators, a limitation of such a view is that action is considered solely the domain of a buyer who is willing to negotiate in a B2C marketplace. Such a perspective ignores the dyadic nature of marketplace transactions. First, consider that not all transacting parties wish to negotiate. Buyers vary widely in their desire to negotiate, and sellers also incur costs of bargaining. Due to the disutility of such costs, either transaction partner may prefer fixed price over negotiation (Morton et al. 2011). Next, consider that buyers also account for actions taken by sellers during transactions (Holmes et al. 2017). Thus, buyers' overall assessment of the degree of action that leads to post-purchase outcomes depends not only on buyers' perceptions of their own actions but also on perceived actions taken by sellers.

To state this differently, buyers who wish to negotiate can only do so if they find a willing transaction partner that allows negotiation. Contrarily, buyers who wish to transact haggle-free have to ensure that they are transacting with a like-minded partner. Research findings suggests that buyers self-select into purchase scenarios that are better suited to their ability in a marketplace (Chandran and Morwitz, 2005). Thus, whether buyers are negotiating or buying at fixed price, what is important is that a transaction partner reciprocates their intentions. This suggests that if intentions and abilities of transaction partners are congruent, buyers can obtain economic and hedonic utility regardless of purchase modality. Recent research supports this assertion. Kniffin et al.

(2018) found that fixed price policies also have some inherent benefits. Fixed price policies can positively impact the satisfaction of both buyers and employees and can appear more equitable because they result in identical economic utility for all buyers.

Therefore, instead of comparing negotiation to fixed prices as is traditionally done in studies of negotiation, the present research employs an intention congruence approach. Whether buyers choose to negotiate or buy at a fixed price, a dyadic conceptualization of the congruence between the intentions of both buyer and seller can more accurately depict real marketplace dynamics.

We define intention congruence as the degree of similarity or dissimilarity between buyers' perceptions of their own and their transacting partners' intention to negotiate. The focus is on how the degree of intention congruence influences post-purchase emotional and attitudinal outcomes for buyers.

Results from a mail survey of 291 automobile buyers suggest that incorporating buyers' perceptions of sellers' willingness to negotiate leads to different outcomes than otherwise predicted by past research. The findings have implications for both the theory and practice of consumer negotiation. From a theoretical perspective this research introduces intention congruence as an important variable in influencing buyers' outcomes in a negotiated transaction. From a practitioner's standpoint this research explains why sellers should accommodate buyers with varying intentions to negotiate to positively influence buyers' perceptions of overall utility.

2. BACKGROUND

Historically, the study of negotiation in consumer markets was limited to categories such as art, automobiles, and homes (Evans and Beltramini, 1987). Additionally, marketing literature approached haggling as a phenomenon that was limited to fringe foreign markets and frowned upon in the West (Kassaye 1990). However, advances in digital retailing have led to the creation of platforms that allow dynamic pricing across a wide range of product categories and offer buyers and sellers the ability to negotiate terms of a deal (Sharma and Krishnan 2001; Zhang et al. 2014).

Past research informs us that negotiation is an important tactic that can benefit both buyers and sellers in B2C markets. Findings from research suggest that negotiation can yield positive economic utility for both buyers and sellers (Holmes et al. 2017; Jindal and Newberry 2018; Zhang et al. 2021). In addition, buyers who invoke a play orientation also accrue hedonic utility from negotiation (Dawra et al. 2015). Negotiation may make a transaction more socially challenging and lend it a goal-theoretic and competitive angle, thus making it a social sport in consumer markets (Chandran and Morwitz, 2005; Herrmann, 2004; Kassaye, 1990).

At the same time, it is also becoming evident to retailers that not all customers enjoy haggling or want to participate in it. For example, to cater to heterogeneous buyer and seller preferences, the popular online retailer eBay allows buyers to purchase items using traditional auction pricing alongside a “make an offer” option. Additionally, a “buy it now” feature introduced at the turn of the 21st century ensures that even those who do not wish to participate in an auction because of the uncertainty of outcome can benefit from a fixed price option on the platform.

Past research explains why both buyers and sellers may be averse to bargaining. Among the reasons given for preference for fixed price transactions is a buyer's pre-transaction orientation which is influenced by personal factors. Sharma and Krishnan (2001) suggest that although culture can't be ignored as a catalyst for negotiation in consumer markets, individual propensity to bargain is a universal variable that influences participation in dynamic pricing. Additionally, buyers incur pre-transaction costs of initiating bargaining, and sellers may also incur higher costs because bargaining requires effort and takes longer, thereby driving buyers and sellers toward fixed price transactions (Jindal 2021; Srivastava and Chakravarti, 2009).

While it is reasonable to consider the effort and cost expended in negotiation, the focus on effort has a downside in that it ignores the search and pre-transaction effort of buyers who prefer fixed prices because of reasons such as conflict avoidance, embarrassment, and lower self-assessment of ability to obtain value through negotiation (Zhang et al. 2021). It is acknowledged in extant research that buyers may self-select into a fixed price mechanism because such a mechanism may be congruent with their ability (Chandran and Morwitz, 2005), expertise (Dawra et al. 2015; Evans and Beltramini, 1987), and bargaining power (Jindal and Newberry, 2018).

Ironically, even markets that are traditionally considered venues for haggling, such as automobile buying, are responding to buyers' proclivities, and offering more fixed price options. As Jindal and Newberry (2018) and Zhang et al. (2021) point out, when buyers are known to have heterogeneous intentions to negotiate, it becomes important for firms to offer hybrid and flexible price-setting mechanisms to maximize sellers' utility.

The acknowledgment of the influence of pre-transaction individual difference variables on participation in dynamic pricing is consistent with Evans and Beltramini's (1987) orientation perspective for consumer negotiation. The orientation perspective considers that pre-transaction conditions including general and specific antecedents of negotiation such as expertise, goal expectations, and situation complexity, lead buyers toward a negotiated or fixed price orientation that is followed by participant interchange and outcomes of the negotiation. Thus, a pre-transaction orientation allows for differences in buyers' propensity to participate in dynamic pricing.

To acknowledge the heterogeneity in intentions to negotiate, Rinehart and Page (1992) tested a relationship perspective (Frazier and Summers, 1986; Gaski, 1986) to show that a negotiator's perception of dependence on the other party has a significant effect on the other party's influence and that a negotiator's perception of the other party's dependence has a significant effect on a negotiator's personal influence. The present research follows this reasoning and considers the dyadic interaction between buyers and sellers along a continuum of the degree of congruence between buyers' and sellers' intentions to negotiate regardless of whether the established transaction norm is haggling or fixed price.

Compared to an approach that considers haggling and fixed price as mutually exclusive, a relational approach acknowledges that buyers' perception of sellers' actions influences the degree to which buyers judge their own actions in influencing their outcomes. Additionally, a relational approach also allows for heterogeneity in both buyers' and sellers' intentions to negotiate, thereby accommodating differences in transacting partners' collective negotiation orientation. Thus, this paper introduces

intention congruence as a continuum of varying degrees of similarity between buyers' and sellers' intentions to negotiate.

Adopting an intention congruence approach that utilizes buyers' perceptions of their own effort as well as the buyers' perceptions of the efforts made by their transaction counterpart can lend deeper insight into the phenomenon of consumer negotiation. It is this degree of perceived intention congruence in a transacting dyad that constitutes the conceptual underpinning of the current research.

3. THEORY DEVELOPMENT AND HYPOTHESES

3.1 Intention Congruence

Whereas previous research considers fixed price and bargaining as mutually exclusive, the current approach considers whether there is a match between buyers' desires to negotiate or not and sellers' willingness and ability to accommodate that desire. For instance, some automobile sellers do not allow haggling even when buying a new vehicle. However, negotiation over a loan to fund the vehicle may still be needed. Even online retailers like Vroom and CarMax do not negotiate prices for car listings but will bargain over the trade-in value of a buyer's current used vehicle. This is to say that while some transactions may involve extensive negotiations, others may involve negotiation on fewer issues. Thus, a continuum of intention congruence is more appropriate for studying buyer-seller interactions than a dichotomous approach that considers self-selection into bargaining or fixed price as the primary determinant of buyers' outcomes.

If both buyer and seller are incongruent in their intentions to negotiate such that a buyer perceives a seller to be less accommodating to his/her/their ('their' will be used

henceforth) intentions, then a buyer's intention to negotiate will outweigh the buyer's perceptions of a seller's intention to negotiate. In this case, a buyer will feel less in control of a situation because their intention is not fetching an equivalent and reciprocal response from the seller.

Chandran and Morwitz (2005) consider control to be a critical part of a buyer's assessment of a participative pricing deal and suggest that having any measure of perceived control over the uncertainty of an outcome leads to more positive post-purchase outcomes.

This is not to say that buyers are entirely at the mercy of a seller to feel any semblance of control during a transaction. Buyers reduce pre-transaction information asymmetry by perusing online reviews and blogs for relevant product information. Thus, buyers assume some control simply by reducing the seller's power to withhold information about vehicle history and price markdowns that may tilt the power dynamic in favor of an informed buyer.

But what if despite their best effort buyers do not feel in control at the point of purchase? Past research suggests that lack of control is related to counterfactual thoughts, especially regret. Findings from past research suggest that not only do feelings of control and regret occur together in the domain of decision making but they also influence post-purchase satisfaction and shape downstream decision making (Keinan and Kivetz, 2006; Kivetz and Keinan, 2008).

This conceptualization is also consistent with Festinger's (1957) view of cognitive dissonance which is described as a psychologically uncomfortable state generated by inconsistent cognitions about an event. Festinger (1964) states that "post-decision regret

is simply the manifestation of the fact that the dissonance has suddenly become salient” (pp. 99). Oliver (1997) studied cognitive dissonance in the context of the purchase process and added that although feelings of dissonance arise early following a purchase, as dissonance dissipates, it mutates into dissatisfaction. Thus, control, regret, and overall satisfaction are all related and relevant constructs for studying post-purchase attitudes.

Sweeney et al. (2000) note that not all transactions arouse dissonance or regret about one’s decision. Past research suggests that for dissonance to arise, the decision must be important to the consumer. Secondly, the consumer must feel free in making the choice. Lastly, to create dissonance, the decision must be irreversible (Korgaonkar and Moschis, 1982, Oliver, 1997). In the context of marketplace interactions, several types of transactions fit the conditions in which dissonance may arise. Some of the most important purchases made by households, such as homes, furniture, art, and automobiles, are monetarily significant, and are irreversible under most conditions. Thus, it is logical that in a buyer’s mind, issues of control, regret, and post-purchase satisfaction are at play in marketplace exchanges.

Considering that buyers’ intentions to negotiate during marketplace exchanges may not perfectly match sellers’ intentions to negotiate, three scenarios are possible. First, buyers’ intentions to negotiate may exceed sellers’ intentions to negotiate. In this scenario, a buyer attempts to negotiate but is left wanting. The buyer may be saddled with the feeling that the seller isn’t reciprocating the buyer’s negotiation efforts. This intention incongruence is likely to lead to negative affective outcomes for the buyer. The expected effect of intention incongruence on a buyer’s perceived control and potential regret is posited as follows:

H₁: When buyers' intentions to negotiate exceed sellers' intentions to negotiate,

H_{1a} : greater intention incongruence will decrease buyers' perceived control.

H_{1b} : greater intention incongruence will increase buyers' perceived regret.

A second conceivable scenario involving intention incongruence in negotiations can occur when sellers' intentions to negotiate outweigh buyers' own intentions to negotiate. This may happen when a buyer holds firmly to an offer and ceases further negotiation. If a deal is eventually struck, it is most likely because a seller acceded to a buyer's demands. Although this situation seems counterintuitive, it is common to see sellers expounding the virtues of a product to buyers to convince them to close a deal once negotiations have stalled (Dawra et al. 2015). Therefore, it is posited:

H₂: When sellers' intentions to negotiate exceed buyers' intentions to negotiate,

H_{2a}: greater intention incongruence will increase buyers' perceived control.

H_{2b}: greater intention incongruence will decrease buyers' perceived regret.

It is important to acknowledge that the above scenarios assume that a deal is successfully completed. It is conceivable that a seller insists on negotiation and this intention far exceeds a buyer's intention to negotiate. If a seller's increased desire to negotiate seems aggressive, it is possible that no deal is struck. As Jindal and Newberry (2018) suggest, negotiation dynamics are complicated by whether a transaction actually takes place successfully or not. For the present study, the focus is on completed transactions only, and costs of unfinished transactions are not considered.

Next, consider scenarios where intentions to negotiate are congruent. When buyers' intentions to negotiate match sellers' intentions to negotiate, two situations are

possible. One scenario would be where both parties in the dyad have little or no intention to negotiate. It is expected that all else being equal, intention congruence in low levels of collective intentions to negotiate will not impact post-purchase outcomes negatively. It is ill-conceived to predict that lower dyadic intentions to negotiate somehow diminish buyer control or increase regret. As stated before, it is a norm in Western marketplaces to self-select into fixed price with both parties exhibiting low intentions to negotiate. Thus, no hypotheses are offered regarding post-purchase outcomes involving control and regret for intention congruence with low overall intentions to negotiate.

On the other hand, both buyer and seller may be equally inclined to negotiate, and the exchange may lead to an integrative bargaining outcome. In this scenario, greater effort on the part of a buyer will lead to greater perceived control for a buyer because a buyer will feel responsible for acting to obtain the outcome (Bandura, 1986; Burger, 1989). However, it is important to note that the outcome would not have been possible without a seller accommodating a buyer's desire to negotiate. Since the exchange requires both parties in a dyad to express higher intentions to negotiate, both buyers and sellers are jointly responsible for integrative bargaining outcomes in a negotiated exchange. Thus, it is posited:

H₃: When buyers' intentions to negotiate are congruent with sellers' intentions to negotiate:

H_{3a}: greater dyadic intentions to negotiate will increase buyers' perceived control.

H_{3b}: greater dyadic intentions to negotiate will decrease buyers' perceived regret.

3.2 Pre-transaction Orientation: Negotiation Expertise

Thus far, the incongruence between buyers' perception of their own versus sellers' intentions to negotiate has been related to the post-purchase outcomes of control during the process and regret involving the purchase decision. Recall that pre-transaction variables are also critical in understanding marketplace dynamics and are related to a buyer's decision to engage in a negotiated or fixed price transaction. In this regard, negotiation expertise is already well-established as a variable that influences a buyer's decision to participate in dynamic pricing. In an integrative review, Thompson (1990) emphasizes that expert negotiators are more successful than novices in achieving integrative outcomes. More recent research also supports the idea that greater negotiation expertise helps achieve better outcomes for negotiators (Jindal and Newberry, 2018).

Since negotiation expertise varies across buyers, one would expect a buyer with low negotiation expertise to always lose out on utility gained from a negotiated purchase. If this is the case, how do non-negotiators or those with less expertise gain any hedonic utility at all when transactions involve any degree of negotiation? An intention congruence perspective would imply that non-negotiators can also use their pre-transaction product knowledge and information to gain confidence in their transactions, but a seller has to agree to the buyer's degree of propensity to negotiate. As stated earlier, buyers reduce information asymmetry prior to purchase by gathering more information to gain control, reduce potential dissonance, and experience less regret.

Since negotiation expertise can't be summoned by buyers with low expertise, a commensurate pre-transaction variable for non-negotiators is a buyer's self-confidence in a marketplace. It is possible and even expected that those who are expert negotiators are also confident in all markets. But including self-confidence together with negotiation

expertise in marketplace interfaces allows us to better understand transactions where less negotiation takes place by mutual decision, but self-confidence may still yield hedonic utility. Self-confidence in marketplace interfaces is an established individual difference variable specific to consumer psychology (Bearden, Hardesty, and Rose, 2001). Results from marketplace interactions reveal that self-confidence is indeed a unique construct that influences buyers' actions and produces "major impact" in achieving favorable outcomes for buyers (Lysonski and Durvasula, 2013). The marketplace interface component of self-confidence refers to buyers' ability to stand up for themselves in dealing with sellers and being able to express their opinions freely in a marketplace. Thus, the present study includes self-confidence in marketplace interfaces among pre-transaction variables that impact buyers' outcomes in marketplace exchanges. Self-confidence lends a unique dimension different from negotiation expertise, which is a domain specific variable limited to negotiated transactions. Self-confidence can also account for the attitudes of those who may not claim negotiation expertise yet use price comparison and information gathering skills to exploit information asymmetry and obtain utility based on self-confidence in marketplace interfaces.

Because higher levels of both negotiation expertise and self-confidence in marketplace interfaces tend to tilt marketplace outcomes in favor of buyers, the following hypotheses are proposed:

H_{4a}: Buyers' negotiation expertise will be positively related to buyers' perceived control.

H_{4b}: Buyers' negotiation expertise will be negatively related to buyers' perceived regret.

H_{5a}: Buyers' self-confidence will be positively related to buyers' perceived control.

H_{5b}: Buyers' self-confidence will be negatively related to perceived regret.

3.3 Intention Congruence and Hedonic Utility: Satisfaction and Enjoyment

Next, we examine the research on negotiation to include hedonic outcomes that buyers obtain from a purchase. Holmes et al. (2017) state that the ultimate goal of a transaction involving a counterpart is to maximize value. In the absence of precise information on negotiation dynamics and exact economic utility gained from a transaction, researchers often use customer satisfaction as a proxy for value derived from a transaction (Blocker et al., 2012). Holmes et al. (2017) acknowledge that “satisfaction is often used as a holistic indicator that represents the overall value dimensions” and past research is consistent in its use of satisfaction as an indicator of value in a variety of marketplace interfaces (Jones, Reynolds, & Arnold, 2006; Ofir & Simonson, 2007). Oliver (1997) asserts that when issues of control and regret arise in the purchase process satisfaction and dissatisfaction likely follow. Thus, we study satisfaction as an outcome variable.

Additionally, the dynamic nature of participative pricing may be exciting for buyers and may yield enjoyment with the process itself. Dawra et al. (2015) stress that hedonic outcomes are an essential component of utility obtained from negotiated transactions and Holmes et al. (2017) also state that “customer satisfaction encompasses not only price and economic utility, but also emotional [and] social value perceptions” (p. 83). Thus, the study includes enjoyment experienced in the buying process as another outcome variable.

An intention congruence perspective suggests that satisfaction as well as enjoyment from the buying process are achievable for non-negotiators as well. When seen along a continuum of congruence of intentions to negotiate, buyers with low intentions to negotiate can have enjoyable transactions with sellers with congruent

intentions within mutually agreed upon transaction boundaries. Alternately, buyers who favor negotiation may also derive hedonic benefits from engaging in a competitive social interaction with a seller. Thus, considering that satisfaction and enjoyment may both be influenced by the actions of both buyers and sellers, it is posited that:

H₆: When buyers' intention to negotiate exceeds sellers' intention to negotiate:

H_{6a} : greater intention incongruence will decrease buyers' satisfaction.

H_{6b} : greater intention incongruence will decrease buyers' enjoyment.

A lack of reciprocity of buyers' intentions by a seller is likely to reduce satisfaction and enjoyment for a buyer who expects more accommodations than they are receiving from a seller. Contrarily, when faced with incongruent intentions it is also possible that a seller is overzealous in negotiation. If a buyer signals any intent to negotiate at all, a seller's greater willingness can become an advantage. As stated by Dawra et al. (2015), a hedonic benefit of engaging with an overzealous seller is that buyers feel unique, distinct, and cared for when sellers' intentions to accommodate buyers exceed buyers' own efforts to maximize value. Therefore:

H₇: When sellers' intentions to negotiate exceed buyers' intentions to negotiate

H_{7a}: greater intention incongruence will increase buyers' satisfaction.

H_{7b}: greater intention incongruence will increase buyers' enjoyment.

Just like H₂, it is assumed that for H₇ to hold true, an integrative outcome is achieved.

Without an integrative outcome, greater intentions to negotiate on the part of a seller will be seen as aggressive and dominant (Holmes et al., 2017) and will lead to decreased satisfaction and enjoyment.

Continuing with the intention congruence perspective, when intentions to negotiate are congruent, greater sum of intentions implies that both transaction counterparts favor negotiation whereas lower sum of intentions implies that the dyad eschews negotiation. For those who prefer negotiation, greater amount of play and negotiation discourse should lead to higher satisfaction and enjoyment.

H₈: When buyers' intention to negotiate are congruent with sellers' intentions to negotiate,

H_{8a}: the dyadic sum of intentions to negotiate will be positively related to buyers' satisfaction.

H_{8b}: the dyadic sum of intentions to negotiate will be positively related to buyers' enjoyment.

Since negotiation expertise is known to be related to better integrative outcomes, it is posited:

H_{9a}: Buyers' negotiation expertise will be positively related to buyers' satisfaction.

H_{9b}: Buyers' negotiation expertise will be positively related to buyers' enjoyment.

Lastly, since self-confidence is also related to positive transaction outcomes (Lysonski and Durvasula, 2013), it is expected that higher confidence in one's marketplace negotiation skill will lead to increased satisfaction, and greater enjoyment from the process.

H_{10a}: Buyers' self-confidence in marketplace interfaces will be positively related to buyers' perceived satisfaction.

H_{10b}: Buyers' self-confidence in marketplace interfaces will be positively related to buyers' perceived enjoyment.

4. METHODOLOGY

A survey of automobile buyers was considered suitable for the present study. Automobile buying was considered an appropriate area for investigation because of several reasons. A survey of actual car buyers can capture nuances of a buying situation that would be difficult and costly to create in a laboratory. An automobile is an important purchase for a household and involves a large monetary outlay. This makes it likely that buyers consider issues related to post-purchase regret which is a key outcome variable in the present study. Also, because of the notion of potential savings due to the high absolute price of an automobile, the automobile marketplace has traditionally been a venue for buyer-seller negotiation because of the surplus available for bargaining. Further, the nature of buyer-seller transactions in automobile buying offers a unique opportunity for data collection for a study on negotiation that is using an intention congruence perspective. This is because although most automobile transactions between dealers and buyers involve negotiation, certain dealers do not allow negotiation. For example, Vroom, CarMax, and Carvana who are recent entrants in the online automobile marketplace, sell automobiles at a fixed price. Thus, the degree to which automobile dealers negotiate with buyers varies in the population. Also, as stated before, while some buyers find negotiation to be useful, others avoid it (Salisbury, 2016). Thus, automobile buying offers an opportunity to test a continuum of intention congruence because it offers scenarios where buyers may wish to negotiate, and retailers do not, and vice versa. At the same time, automobile

purchasing also offers an opportunity to test scenarios where both buyers and retailers agree or disagree together on whether to negotiate. Although other products like furniture, appliances, electronics, and antiques also offer similar opportunities for data collection, the vast difference in the nature of the core product across buyers (e.g., digital camera versus cellular phone, sofa versus lamp, and refrigerator versus washer/dryer) leads to a potential loss of control. Studying automobile purchases minimizes error due to loss of control in the field arising from product variability. Finally, practical considerations of data gathering were kept in mind. A sampling frame of automobile buyers obtained from a department of motor vehicles in the United States of America is comprehensive because registration is required for all automobiles. This increases the likelihood that a random sample of automobile buyers is more representative of the population of automobile buyers, compared to a sample of furniture or appliance buyers that potentially disregards several buyers because of the lack of a comprehensive sampling frame.

4.1 Sample.

A commercially purchased mailing list of recent automobile buyers was used to conduct a survey. The list consisted of 2,000 names and mailing addresses and constituted the sampling frame for the present study. A few important criteria were used to short-list participants. All participants were required to be at least 18 years of age and both men and women were included. The list consisted of new automobile buyers only, who had registered their automobile with the Department of Motor Vehicles in a mid-Western state in the USA. To maximize uniformity of the environment in which a transaction

occurred, sales by private owners or sales to commercial fleets were not considered. All automobile categories were included (e.g., sedan, truck, minivan, SUV). A purchased list included 1400 names of buyers who had bought automobiles from dealerships that are conventionally known to negotiate. The rest of the list consisted of automobile buyers who had bought from sellers known for their no-negotiation policy. Dividing the list in this manner provided an opportunity to obtain responses from buyers who were likely to avoid negotiation yet found a suitable dealership that matched their desired mode of transaction. Thus, by including dealerships that are known to not negotiate, we improve the chances of capturing potential variability along the continuum of intention congruence.

A stratified sample was drawn from the sampling frame of 2000. Seven hundred names were selected randomly from the 1400 names of buyers who had bought automobiles that are sold at dealerships that are conventionally known to negotiate. Another 300 names were selected randomly from the 600 fixed-price buyers' names. The combined list of 1000 names served as the sampling frame.

4.2 Survey Administration.

The mailing of surveys was done in three steps following established guidelines for survey techniques (Dillman, 2000). Five days after purchasing the names of automobile buyers, personalized pre-notification post cards were sent out to the sampling frame informing them that they would receive a survey in the mail for a not-for-profit study being conducted at the marketing department of a large mid-Western university's college of business. The next mailing was carried out three days after the pre-notification post

cards were mailed. This mailing included a personalized cover letter, a survey, and a postage-paid return envelope. The cover letter requested that the accompanying survey be filled out by the person who conducted the recent automobile transaction. This was done because of a possibility that even if an automobile was registered in the name of the person on the mailing list, the transaction might have been carried out by someone else in the household. The respondents were instructed to mail the completed survey in the postage-paid envelope provided. Consistent with accepted methods to obtain representative responses and increase response rate (Dillman, 2000), reminder letters including another copy of the survey and a postage-paid envelope were sent to non-respondents two weeks after the first survey was mailed.

4.3 Measures.

Unless mentioned otherwise, all items were measured using a seven-point Likert scale (“strongly agree” = 7, and “strongly disagree” = 1). Because negotiation has not been studied from an intention congruence perspective, not all items used to measure the constructs proposed within the framework were readily available from past research. However, care was taken to develop items that aligned with the structure of past scales to retain validity.

Intention to Negotiate: Items to measure buyers’ intention to negotiate and buyers’ perception of a seller’s intention to negotiate were modeled directly after well-established items used in pricing research but developed in the context of willingness to buy (Grewal, Monroe, and Krishnan (1998) and Zeithaml (1998). Buyer’s intention to negotiate (hereafter referred to as *buyint*) was measured using the following three items:

“I did not want to haggle,” “I did not want to settle for the sticker price,” “I wanted to negotiate with the salesperson.” Buyers’ perception of a seller’s intention to negotiate (*sellint*) was measured using the following three items: “The people at the dealership were unwilling to haggle,” “They seemed to have a no-negotiation attitude at the dealership,” and “The dealership was open to negotiation.”

Control: Buyers’ perceptions of control were measured using domain specific measures to maximize the likelihood of finding relationships as advised in past research (Chandran and Morwitz, 2005; Lachman, 1986) and consisted of the following items: “I felt in charge of the buying process,” “I felt lost and confused during the buying process”, and “I never felt completely in control at the dealership”.

Regret: Perceived regret (*regret*) was modeled after items used by Sweeney et al (2000), and Zeelenberg and Pieters (1999). The difficulty involved with using known measures of regret was that they were either measuring regret from decisions taken in the distant past (e.g., Marcatto and Ferrante’s 2008 Regret and Disappointment Scale) or from regret involving a specific scenario (Zeelenberg and Pieters, 1999) which would have to be reworded substantially in the context of the present study. Therefore, with guidance from Marcatto and Ferrante’s scale as well as items from Zeelenberg and Pieters (1999), regret from the purchase was measured with the following three items: “Things did not exactly turn out the way I wanted,” “I have a feeling things could have turned out more favorably”, and “I wish I could have made a better deal”.

Negotiation Expertise: Buyers’ self-assessment of their negotiation expertise (*expertise*) in the domain of automobile buying was patterned after elements of negotiation expertise suggested by Beltramini and Evans (1987) and used by Thompson

(1990): “Compared to the average car buyer my knowledge about the negotiation involved in auto buying is” (1 = poor, 7 = excellent), “In dealing with automobile salespeople I consider myself to be a/an” (1 = novice, 7 = expert), and “Friends seek my advice in negotiating their vehicle purchase” (1 = strongly disagree, 7 = strongly agree). Similar measures were used by Dawra et al. (2015) for their construct titled bargaining proneness which used items such as “I consider myself to be good at bartering”, as well as items for price mavenism such as “I’m considered somewhat of an expert when it comes to knowing prices of products”. Although these items are not directly applicable, the amended items that are used in the present study are close in essence to scales developed in different but related contexts.

Self confidence in marketplace interfaces (*selfconf*) was measured using Bearden et. al.’s (2001) items which are as follows: “I have a hard time saying no to salespeople”, “When something bothers me about a product, I am afraid to speak to the manager”, and “I don’t like to tell salespeople that something is wrong with the product or deal I’m being offered”. Satisfaction (*satisf*) with the purchase was measured using scales previously established in services research (Zeithaml 1988) but also used in pricing research (Grewal, Monroe, and Krishnan, 1998). The following three items were used: “I feel badly about my decision to buy this vehicle,” “I’m sure it was a good decision to buy this vehicle,” and “I’m satisfied with my decision to buy this vehicle.” Finally, perceived enjoyment (*enjoy*) was modeled directly after items used by Chandon, Wansink, and Laurent (2000) and was measured using the following three items: “The buying process was enjoyable,” “I had fun buying this vehicle”, and “The buying process was pleasant”.

Negatively worded items in the above-mentioned scales were reverse-coded where necessary.

In addition to testing Chronbach's alpha for each construct, the measures were subjected to a confirmatory factor analysis to ensure convergent and discriminant validity. The descriptive statistics for each construct including mean, standard deviation, alpha, internal consistency, and average variance extracted (Fornell and Larcker 1981) are presented in table 1. For assessing convergent and discriminant validity the multiple correlations and squared multiple correlations are presented in table 2. Based on the descriptive statistics the measurement properties of all constructs are adequate. In addition, all constructs exhibited sufficient convergent and discriminant validity.

< Please insert tables I & II here >

4.4 Sample Characteristics.

In response to the mailing to the sample of 1000 automobile buyers, a total of 294 responses were obtained. Only one mail piece was returned due to an incorrect address, reducing the effective potential sampling frame to 999. Three responses were discarded. In one the respondent refused to answer. Another was discarded because the respondent did not complete the entire survey and failed to answer questions relating to key dependent variables. Finally, one survey response was discarded because the respondent circled all replies at the extreme end of the scales throughout the survey. The remaining 291 responses were complete and constituted the final sample for data analysis. Ignoring the discarded responses, the effective response rate was 29.2%. The reply envelopes carried a code number which was used to identify whether the responses came from the first mailing or the reminders. Using an approach suggested by Armstrong and Overton

(1977) early versus late respondents were compared along several survey questions. T-tests did not reveal any significant differences between early and late respondents.

While Armstrong and Overton's (1977) approach is used most often in past research, it does not offer a comparison between respondents versus non-respondents. Such a comparison is helpful in ensuring that the final sample does not differ from the initial sample. Therefore, another technique was also adopted for sample validation. The demographic characteristics and the category of automobile ownership for respondents were compared to non-respondents. Females constituted 36.3 percent of the initial sample of 1,000 which included respondents as well as non-respondents. Compared to this, females constituted 36.1 percent of the final sample of respondents. Thus, the respondents resembled the overall sample.

In terms of type of vehicle, the initial sampling frame of 1000 names owned compact vehicles (24.5 percent), luxury vehicles (22.2 percent), minivans (28.3 percent) and all vehicle categories purchased without negotiation (25 percent). In the respondents' sample these percentages were 19.6 percent, 20.6 percent, 29.2 percent, and 30.6 percent, respectively. These percentages once again show that the respondents represent the initial sample well. Finally, a cross tabulation of sample (initial and final) with type of vehicle, did not reveal any significant differences in type of vehicle across mailing lists. The lack of any systematic differences between respondents and non-respondents provides validation for the final sample.

5. ANALYSIS AND RESULTS

To test hypotheses, buyers' intention to negotiate (*buyint*) and buyers' perceptions of sellers' intention to negotiate (*sellint*) were calculated by computing an average of the respective scale items. Next, the difference between *buyint* and *sellint* was computed. Positive values of this variable represented the situation where *buyint* exceeded *sellint*, negative values represented the situation where *sellint* was greater than *buyint*, and zero represented a match between buyers' and seller's intentions. Positive, matching, and negative values were recoded into three different variables and for the negative values, the absolute value was considered.

Next, to capture the degree of intention congruence between buyers' perceptions of their own intentions and buyers' perceptions of sellers' intentions, an approach previously employed by Kumar et al. (1995; 1998) and Bruggen et al (2011) was utilized. These authors studied interdependence in channels of distribution using spline regression. In multiple studies, the authors examined buyer-seller interdependence in business-to-business markets by looking at dyadic values of total dependence. Next, the difference in dependence was weighted with the degree of total dependence observed within a dyad. Kumar et al. (1995) found that in situations involving mutual dependence between channel partners, it is important to capture both the strength of total dependence and the asymmetry of dependence. Therefore, a spline approach caters not only to the difference between two variables but also any asymmetry involved with the differences. This approach lends itself perfectly to the present study. For example, a sample score for *buyint* could be 6, and a corresponding sample score for *sellint* could be 5. The difference score in this case is 1. However, an identical difference score can result from sample scores of 4 versus 3 for *buyint* and *sellint*, respectively. The former situation involves

higher perceptions of the overall level of negotiation than the latter. Thus, the concept of asymmetry can be captured by adding together *buyint* and *sellint* and weighting the results of *buyint* > *sellint* ($b > s$), and *sellint* > *buyint* ($s > b$) with the sum of *buyint* and *sellint*. Where *buyint* = *sellint* ($b = s$) a difference score is zero, so weighting is not possible. In this case the sum of *buyint* and *sellint* represents the degree of negotiation in the dyad. With this approach, each variable not only reflects the degree to which the intentions were congruent, but also portrays the overall level of perceptions of each quasi-dyad's intentions to negotiate.

Given the approach involving difference as well as asymmetry, ordinary least-squares regression analysis was suitable for studying the impact of $b > s$, $s > b$, and $b = s$ on regret and control. In addition, summated scale scores for negotiation expertise and self-confidence were also entered as independent variables in each regression analysis.

5.1 Results: Control and Regret (H1 – H3)

Overall, each regression model with control and regret as the respective dependent variable was statistically significant (control: $F = 24.47, 5 df, p < .01, R^2 = .300$; regret: $F = 8.78, 5 df, p < .01, R^2 = .133$). Individual hypotheses were tested by examining the standardized regression coefficients and their accompanying significance levels. It was stated in H₁ that when buyers' intention to negotiate exceeds sellers' intention to negotiate, greater intention incongruence will decrease buyers' perceived control (H_{1a}) and increase buyers' regret (H_{1b}). There was support for the hypothesized relationship with perceived control ($\beta = -.177, t = -3.016, p < .01$) but not for perceived regret ($\beta = .089, t = 1.37, p > .1$). Respondents expressed less control as their own intention to

negotiate exceeded the seller's intention to negotiate. However, greater intentions to negotiate than the seller did not influence regret. It was stated in H₂ that when sellers' intentions to negotiate outweigh buyers' own intentions to negotiate, greater intention incongruence will be positively related to perceived control (H_{2a}), and negatively related to perceived regret (H_{2b}). This was indeed the case. A disproportionately greater effort by a seller led to greater perceived control and less perceived regret for buyers. Thus, both parts of H₂ were supported (perceived control: $\beta = .138, t = 2.42, p < .05$; regret: $\beta = -.173, t = -2.74, p < .01$).

H₃ stated that when buyers' intentions to negotiate are congruent with buyers' perception of sellers' intentions to negotiate, greater total levels of intentions to negotiate will lead to greater perceived control and lesser regret for buyers. No support was found for the hypothesized relationship with perceived control (H_{3a}: perceived control: $\beta = .079, t = 1.41, p > .1$) but the relationship with perceived regret was marginally significant (regret: $\beta = -.11, t = -1.75, p = .081$).

These results are summarized in Tables III and IV.

<please insert Tables III and IV here>

5.2 Results: Negotiation Expertise and Self-confidence (H4 - H5)

H₄ hypothesized a positive relationship between negotiation expertise and control (H_{4a}) and a negative relationship between negotiation expertise and regret (H_{4b}). Results suggest that negotiation expertise was positively related to perceived control and

negatively related to regret (control: $\beta = .414, t = 7.84, p < .01$; regret: $\beta = -.256, t = -4.36, p < .01$).

A positive relationship was predicted between self-confidence and perceived control (H_{5a}), whereas a negative relationship was posited between self-confidence and regret (H_{5b}). A positive relationship between self-confidence and control was also supported (control: $\beta = .147, t = 2.78, p < .01$). The hypothesized relationship between self-confidence and regret was in the expected direction but not statistically significant (regret: $\beta = -.024, t = -.41, p > .1$).

5.3 Results: Intention Congruence, and Satisfaction and Enjoyment.

Overall, the regressions involving satisfaction and enjoyment as outcome variables were statistically significant. For relationships between individual independent variables and the dependent variables only statistically significant results are reported here. Complete results for regressions involving satisfaction and enjoyment are presented in Tables V and VI.

<please insert Tables V and VI here>

When buyers' intention to negotiate exceeded sellers' intention to negotiate neither the relationship with satisfaction nor with enjoyment achieved statistical significance. Thus, no support was found for H_{6a} and H_{6b}. However, when buyers' perceptions of sellers' intentions to negotiate exceeded buyers' own intentions to negotiate, buyers reported greater satisfaction as well as greater enjoyment. Thus, H_{7a} and H_{7b} were supported (satisfaction: $\beta = .131, t = 2.02, p < .05$; enjoyment: $\beta = .134, t = 2.07, p < .05$).

When intentions to negotiate were congruent, it was posited that greater dyadic sum of intentions will be positively related to satisfaction (H_{8a}) and enjoyment (H_{8b}). Greater total intention was unrelated to satisfaction but was positively related to enjoyment although the coefficient was only marginally significant (enjoyment: $\beta = .117, t = 1.82, p = .07$). Next, as hypothesized in H_{9a} and H_{9b}, the relationships between negotiation expertise and satisfaction, and negotiation expertise and enjoyment were positive and statistically significant (satisfaction: $\beta = .168, t = 2.78, p < .01$; enjoyment: $\beta = .229, t = 3.80, p < .01$). Thus, H₉ was supported. However, the hypothesized relationships between self-confidence and satisfaction (H_{10a}), and self-confidence and enjoyment (H_{10b}) were not statistically significant. Thus, H₁₀ was not supported.

Overall, the study proposed and tested twenty hypotheses involving intention congruence and pre-transaction variables, and their relationship with outcome variables of negotiation including control, regret, satisfaction, and enjoyment. Of these, full support was found for 11 hypothesis and marginal support was found for 2 others.

6. DISCUSSION

The present research utilized an intention congruence approach to study transactions involving buyers and sellers with varying degrees of intentions to negotiate. In the current conceptualization it was stressed that the degree to which buyers' intentions to negotiate are congruent with sellers' intentions to negotiate determines buyers' attitudinal and emotional outcomes following the purchase. This conceptualization was put to test in a spline regression analysis that captured both the asymmetry and strength of intentions to negotiate, rather than partition buyers and sellers into negotiated and fixed price

categories as is done in previous research. In addition, negotiation expertise and marketplace self-confidence were utilized to predict two key dependent variables, buyers' perceived control and regret following a transaction. Finally, to capture hedonic utility, the effect of intention congruence on buyers' satisfaction and enjoyment derived from the purchase process was also studied.

6.1 Intention Incongruence

It was found that when buyers' intentions to negotiate exceeded buyers' perceptions of sellers' intentions to negotiate, the more buyers wanted to negotiate, the less they felt in control. The result contrasts with the established view on the value of actions taken by an agentic actor because past studies of action-inaction suggest that actions lead to greater control (Landman, 1987). However, it is suggested that consumer negotiation involves a dyad and buyers' actions are contingent on sellers' willingness to negotiate. If buyers insist on negotiating with sellers who have reached their bargaining limit, buyers will only frustrate themselves with any further action. In this regard, as stated earlier, buyers' actions that are not reciprocated by sellers lead to less control akin to learned helplessness that arises from lack of evidence that one's actions would lead to meaningful results. On a positive note, greater effort on the part of buyers does not result in greater regret. In the current data there is no evidence that buyers' intentions to negotiate that are not reciprocated by sellers led to greater regret for buyers. Nor do such encounters contribute to or take away from satisfaction or enjoyment. Thus, for buyers if they are so inclined, a key finding from our sample is that it does not hurt to negotiate. It is possible that despite not receiving reciprocity, buyers continue to try just so they quite literally have no

regrets. Although a null result does not in itself constitute support for this conjecture, this line of reasoning may be pursued in future studies.

The finding that buyers do not derive any observable satisfaction or enjoyment from haggling is hardly surprising given the context of the data. Car buying can be a frustrating and challenging experience. Perhaps studying consumer negotiation in the context of a less important purchase may lead to different results regarding satisfaction and enjoyment even if a seller is less willing to negotiate. Garage sales and flea markets may be venues where the spirit of the sport of haggling may prevail, and buyers may feel less pressured to perform well to maximize potential savings.

Results also suggest that when a seller is perceived to exhibit a greater intention to negotiate than buyers, the buyer experiences greater control. Moreover, greater difference in intentions driven by sellers' intentions to negotiate led to less perceived regret, and greater enjoyment and satisfaction for buyers. In past research, Lowenstein *et. al.* (1989) and Stern and El-Ansary (1988) suggest that in negotiations, equal benefits or integrative solutions are most desirable. If, however, an integrative solution to a marketplace negotiation is achieved by greater effort on the seller's part, buyers will welcome such an outcome because their benefits may appear even more desirable compared to their effort. The result regarding greater seller involvement may also be seen in the light of research that views decision making as choosing and non-choosing. Botti and McGill (2006) found that when making a choice among lesser evils, non-choosers who delegate choices to others are just as happy as choosers who decide themselves. In the context of buying an automobile, by letting a seller exert greater effort in achieving an integrative outcome,

buyers who avoid haggling and see the car buying process as a necessary evil may derive no less satisfaction than buyers who actively haggle for their integrative outcome.

6.2 Intention Congruence

The case of congruent intentions is also worthy of discussion because many buyers prefer a no-haggling approach. The results from H₃ suggest that when buyers and sellers have matching intentions to negotiate, perceived control is not a significant outcome variable. In contrast with the situation where $b > s$ and $s > b$ respectively led to lesser and greater buyer perceived control, the lack of significance regarding perceived control in $b = s$ may suggest that regardless of whether buyers self-select into a fixed price or a negotiated price scenario, if the choice is voluntary and equally reciprocated by the seller, control does not emerge as a critical issue. Thus, fixed price buyers are not any less likely to be less in control of their transaction just because they choose to not haggle. In the present conceptualization, self-selection into fixed price options is considered along a continuum of intention congruence rather than a discrete choice, albeit the degree of active involvement in negotiation is conceptualized to be lesser when buyers are not engaged in negotiation. However, the case for haggling may still be justifiable because even when intentions to negotiate were matched, greater overall levels of negotiation intentions in the dyad led to less regret for the buyer. Although the result was marginally significant, the situation of matched intentions resembles past research where greater effort led to less negative affect (c.f. Feldman and Albarracín, 2017). Thus, if buyers believe that their intentions to negotiate are congruent with a seller's intentions, action that is directed toward obtaining a better outcome leads to less regret for the buyer.

6.3 Negotiation Expertise and Self-Confidence.

An important lesson for buyers is also that negotiation expertise was related to satisfaction and enjoyment whereas self-confidence in marketplace interfaces was not. Past research suggests that over-confidence has detrimental effects on the pleasure of an outcome because it makes successful outcomes less warranted and hence, less pleasurable (McGraw et. al., 2004). This effect may have been more pronounced in the case of car buying where general marketplace confidence may not serve a buyer in any meaningful way. Instead, negotiation expertise specific to buying automobiles may help a buyer because compared to a novice an expert may know the business model of an automobile dealership and thus, be able to better manage the tactics employed by salespeople.

6.4 Implications for Sellers

The results point out that although going above and beyond buyers' expectations is desirable, at a minimum a willingness to reciprocate buyers' efforts is necessary to maximize utility. At the same time, results show that sellers who conventionally negotiate may plan for the segment of buyers who may only make one offer and expect the seller to either accept the same or reciprocate with an absolute final offer without requiring further effort from the buyer. Mounting evidence from the marketplace shows that the segment of buyers that do not want to negotiate is substantial. For instance, eBay bought half.com and merged it with its business practice to cater to the needs of buyers who did not wish to bid. In addition, the buy-it-now option on eBay and other auction sites serves as a reminder to sellers that different consumer segments seek control in diverse ways. The

findings emanating from an intention congruence approach further support the practice of offering hybrid and flexible pricing methodologies,

The use of hybrid and flexible pricing methodologies is also discussed and encouraged by Jindal and Newberry (2018), Jindal (2021), and Zhang et al. (2021) who acknowledge that sellers can only maximize utility when they can more accurately assess what proportion of customers will decline to haggle, and how to engage such customers so as to avoid losing potentially profitable customers.

7. LIMITATIONS, CONCLUSION, AND FUTURE RESEARCH

The present research utilized an intention congruence perspective to suggest that the degree to which buyers' intentions to negotiate match with sellers' intentions to negotiate influences buyers' feelings of control and post-purchase regret, as well as satisfaction with and enjoyment of the purchase process. Research in participative pricing acknowledges the limitation of laboratory studies where participants are assigned to either fixed price or negotiation conditions (Chandran and Morwitz, 2005). In contrast, the current conceptualization treats negotiation intentions on a continuum wherein self-selection into a fixed price mechanism is understood as a match between buyer and seller's intentions to negotiate. Not only is this conceptualization consistent with past research that treats negotiation ability as a normally distributed variable (Jindal and Newberry, 2018), but the results from the conceptualization also support the contention of past research that individuals find greater control and satisfaction in purchase environments that are congruent with their efficacy.

However, there are some important limitations of the current research that need to be acknowledged. The study utilized only the buyers' perspective of negotiation. Although this is supported by studies in power and dependence because the buyers' perspective is valuable and valid, a true dyadic measurement of the negotiation process can only be obtained if the sellers' view is also incorporated. Thus, two more measurements which would comprise of sellers' intentions to negotiate and sellers' perceptions of buyers' intentions to negotiate would complement the one-sided measurement undertaken in the present study. Despite obtaining perceptions of a buyer about a dyad, the present study acknowledges that true dyadic measurement in the field remains an elusive concept in negotiated transactions. Although this is a critical limitation, it does not negate the results because Holmes et al (2017) state that buyers' perceptions of sellers' actions are worthwhile and justifiable, even though they do not objectively represent the seller's actions.

Further, the scope of the study limits any claims on how sellers can judge buyers' intentions to negotiate. Jindal and colleagues (Jindal and Newberry 2018; Jindal 2021) and Zhang et al. (2021) have expressed similar difficulty in developing a priori segmentation to better manage revenue to avoid lost utility from customer attrition due to self-selection into negotiated or fixed price scenarios. How can sellers identify and cater to varying buyer intentions to negotiate? Other than providing avenues for buyers to self-select into hybrid forms of pricing that include options to use fixed prices or offering dynamic pricing options, there is little here to train sellers into recognizing buyers' intentions to negotiate.

Another important omission of the current work is the role played by self-confidence and negotiation expertise in influencing satisfaction and enjoyment. It appears that negotiation expertise was consistently significant in predicting control, regret, satisfaction, and enjoyment. In contrast, self-confidence did not influence process related outcomes, nor did it impact hedonic utility. It is likely that an interactive effect is at play and is not considered in the study. For instance, it is possible that higher levels of confidence lead to greater satisfaction and enjoyment, but only when there is incongruence in intentions which favors a seller. In such instances, greater self-confidence may improve satisfaction. Although post-hoc modeling involving interaction terms created by multiplying $s > b$, $b > s$, and $b = s$ with self-confidence and negotiation expertise resulted in no significant effects on control, regret, satisfaction, or enjoyment, it may be that car buying as a tedious and difficult transaction imposes ceiling effects on enjoyment. Negotiators experienced greater enjoyment since negotiation expertise was related to enjoyment. Further research in product categories other than automobile may reveal that such interactions are plausible.

The current conceptualization can also be critiqued in that although the sample was stratified along fixed-cost dimensions acknowledging self-selection, the intentions to negotiate were computed along a continuum of intention congruence. Due to self-selection, buyers are likely to vary in pre-transaction orientation. Although the present study does not treat buyers or sellers as dichotomous in their approach to transactions, a post-hoc analysis compared the sample along the purchase modality (whether they purchased at a dealership with negotiation or fixed-price policies) on all independent variables used in the analyses. As expected, negotiation expertise was significantly higher

for customers who gravitated toward dealerships that were known to negotiate. It was also telling that those who self-selected into fixed-price dealerships expressed greater enjoyment than those who used dealerships that negotiate. Although such results were not found when intention congruence was used, it is interesting that self-selection does impact enjoyment, especially for those who may otherwise not assert negotiation expertise in a transaction.

Based on the stated limitations, the present work may be improved in several ways. First, future research designs can attempt to better capture the dyadic nature of intention-congruence with independent responses from buyer and sellers. We acknowledge the difficulty of doing so in a field study, but it is certainly a possibility to capture both negotiation partners' post-purchase attitudinal and emotional outcomes.

The study explored a host of pre-transaction variables that impact intentions to negotiate. Past research indicates that trust in marketplace interfaces is an important variable that can impact a buyer's pre-transaction approach toward a seller (Doney and Cannon 1997). Future research can also explore the role played by trust between buyers and sellers and how it impacts intentions to negotiate.

It is hoped that the results will spur further investigation into the variability in negotiation in B2C markets, and how non-negotiators may also obtain increased hedonic and economic utility in their transactions.

TABLE I: Measurement Properties of Constructs

	<i>buyint</i>	<i>control</i>	<i>sellint</i>	<i>enjoy</i>	<i>satisf</i>	<i>regret</i>	<i>selfconf</i>	<i>expertise</i>
loading	0.710	0.723	0.677	0.808	0.600	0.601	0.665	0.894
loading	0.710	0.724	0.880	0.771	0.851	0.852	0.812	0.943
loading	0.720	0.700	0.773	0.915	0.764	0.763	0.709	0.717
AVE	0.51	0.51	0.61	0.69	0.56	0.56	0.53	0.73
IC	0.76	0.76	0.82	0.87	0.79	0.79	0.77	0.89

$\chi^2 = 337.32$, 224 df, $p < 0.01$, GFI 0.91, CFI = 0.958, RMSEA = 0.048

AVE = Average variance extracted & IC = Internal Consistency reliability, (Fornell and Larcker 1981)

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Table II: Descriptive Statistics, Reliability, and Validity of Constructs

Mean	Std. Dev.	Alpha		<i>buyint</i>	<i>control</i>	<i>sellint</i>	<i>enjoy</i>	<i>satisf</i>	<i>regret</i>	<i>selfconf</i>	<i>expert</i>
4.57	1.47	0.76	<i>buyint</i>	0.71	0.00	0.20	0.00	0.00	0.00	0.01	0.17
5.04	1.27	0.74	<i>control</i>	0.03	0.72	0.07	0.31	0.30	0.44	0.07	0.20
4.25	1.61	0.81	<i>sellint</i>	0.44**	0.26**	0.78	0.01	0.03	0.03	0.01	0.10
4.52	1.57	0.87	<i>enjoy</i>	-0.02	0.56**	0.09	0.83	0.30	0.26	0.01	0.06
5.62	1.28	0.82	<i>satisf</i>	-0.01	0.55**	0.18	0.55	0.75	0.39	0.02	0.04
3.27	1.49	0.75	<i>regret</i>	0.03	-0.66**	0.16**	-0.51**	-0.63**	0.75	0.01	0.07
5.37	1.29	0.77	<i>selfconf</i>	0.11	0.27**	0.09	0.08	0.15*	-0.12*	0.73	0.08
3.87	1.36	0.88	<i>expert</i>	0.42**	0.45**	0.32**	0.24**	0.19**	-0.27**	0.29**	0.86

Diagonal represents square root of average variance extracted.

Values below the diagonal are multiple correlations.

Values above the diagonal represent shared variance.

** = significant at $p < 0.01$

* = significant at $p < 0.05$

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TABLE III: REGRESSION: PERCEIVED CONTROL

	β	Std. Error	t-value	p value	VIF
(Constant)		0.292	9.525	0.001	
<i>sellint</i> > <i>buyint</i>	0.138	0.009	2.42	0.016	1.320
<i>buyint</i> > <i>sellint</i>	-0.177	0.008	-3.016	0.003	1.399
<i>buyint</i> = <i>sellint</i>	0.079	0.019	1.411	0.159	1.295
Self Confidence	0.147	0.052	2.797	0.006	1.123
Negotiation Expertise	0.414	0.049	7.841	0.001	1.138

R-squared = 0.300, *F* (291, 5) = 24.47, *p* < .001

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TABLE IV: REGRESSION: PERCEIVED REGRET

	β	Std. Error	t-value	p value	VIF
(Constant)		0.381	12.085	0.001	
<i>sellint</i> > <i>buyint</i>	-0.173	0.012	-2.743	0.006	1.320
<i>buyint</i> > <i>sellint</i>	0.089	0.010	1.372	0.171	1.399
<i>buyint</i> = <i>sellint</i>	-0.110	0.025	-1.753	0.081	1.295
Self Confidence	-0.024	0.068	-0.408	0.683	1.123
Negotiation Expertise	-0.256	0.064	-4.360	0.001	1.138

R-squared = 0.133, *F* (291, 5) = 8.783, *p* < .001

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TABLE V: REGRESSION: SATISFACTION

	β	Std. Error	t-value	p value	VIF
(Constant)		0.336	13.401	0.001	
<i>sellint</i> > <i>buyint</i>	0.131	0.011	2.020	0.044	1.320
<i>buyint</i> > <i>sellint</i>	-0.096	0.009	-1.429	0.154	1.399
<i>buyint</i> = <i>sellint</i>	0.065	0.022	1.009	0.314	1.295
Self Confidence	0.089	0.059	1.481	0.140	1.123
Negotiation Expertise	0.168	0.057	2.780	0.006	1.138

R-squared = 0.086, *F*(291, 5) = 5.353, *p* < .001

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TABLE VI: REGRESSION: ENJOYMENT

	β	Std. Error	t-value	p value	VIF
(Constant)		0.413	8.187	0.001	
<i>sellint</i> > <i>buyint</i>	0.134	0.013	2.066	0.040	1.320
<i>buyint</i> > <i>sellint</i>	-0.024	0.011	-0.355	0.723	1.399
<i>buyint</i> = <i>sellint</i>	0.117	0.027	1.819	0.070	1.295
Self Confidence	-0.007	0.073	-0.121	0.904	1.123
Negotiation Expertise	0.229	0.070	3.804	0.001	1.138

R-squared = 0.088, *F* (291, 5) = 5.515, *p* < .001

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Note: VIF = Variance Inflation Factor

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