DON'T CANCEL ME: Investigating How Perceived Luxury Safeguards Brands from Cancellation Movements

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Jasmine Mohsen
University of Leeds
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University of Leeds
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University of Leeds
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DON'T CANCEL ME: INVESTIGATING HOW PERCEIVED LUXURY SAFEGUARDS BRANDS FROM CANCELLATION MOVEMENTS

Jasmine Mohsen

Ph.D. Candidate, Leeds University Business School

Alessandro Biraglia

Associate Professor in Marketing, Leeds University Business School

Maximilian Gerrath

Associate Professor in Marketing, Leeds University Business School

Aulona Ulqinaku

Associate Professor in Marketing, Leeds University Business School

"For further information, please contact Jasmine Mohsen (Ph.D. Candidate, Leeds University Business School; Email address: bnjmya@leeds.ac.uk)"

Description: *This research empirically examines how the perceived luxuriousness of a brand can serve as a protective factor against cancellation movements.*

ABSTRACT

Brand cancellation movements present a significant threat to businesses, serving as a form of consumer activism where individuals publicly shame a brand for its misbehavior. This research empirically tests the shielding effect of brand luxuriousness on consumer cancellation likelihood. Drawing on the appraisal theory and the signaling theory, we demonstrate that as the perceived level of luxury associated with a brand increases, consumer participation in brand cancellation movements decreases. We also tested the roles of anger and shame as potential mediators, and social power and consumer political orientation as potential moderators in the former relationship.

INTRODUCTION

In April 2023, Bud Light, the beer brand, launched a promotional campaign featuring transgender influencer Dylan Mulvaney to market its product. This campaign sparked controversy and positioned Bud Light at the center of an anti-transgender backlash (Holpuch, 2023). Brand cancellation movements can be defined as "*a behaviour occurring when consumers reach for social media (usually Twitter or Instagram) to publicly state they no longer support a brand and to call out any of the brand's associated transgressions*" (Cummings et al. 2025, p. 1). Cancelling involves consumers refusing to continue supporting or purchasing from the brand. Consequently, the cumulative impact of these individual actions ultimately drives the emergence of cancel culture (Cummings et al., 2025). This phenomenon involves withholding financial or emotional support from sanctioned brands in response to their inexcusable behavior, aiming to ostracize them

(Demsar et al., 2023; Saldanha et al., 2023). Consequently, cancellation movements can result in detrimental outcomes for brands, such as reputational damage, and financial losses that can be difficult for any brand to recover from (Zhang et al., 2024; Mohsen, 2022). Due to the substantial risks associated with cancellation movements impacting brands, this emerging phenomenon has garnered the attention of marketing scholars and practitioners. However, despite the topic's importance, empirical research investigating this phenomenon is scarce (e.g., Abbasi et al., 2023; Demsar et al., 2023; Zhang et al., 2024). Little is known regarding the brand characteristics that can alleviate the impact of these cancellation movements (Saldanha et al., 2023; Demsar et al., 2023). Therefore, this study aims to fill this research gap by exploring the potential resilience of luxury brands in the face of brand cancellation movements. Thus, this research aims to contribute to the current body of the literature by investigating consumers' likelihood of participating in cancellation movements targeting luxury brands.

THEORETICAL BACKGROUND & HYPOTHESIS DEVELOPMENT

Drawing on the appraisal theory (Lazarus, 1991), and the signaling theory (Connelly et al., 2011), we propose our conceptual framework to empirically test our hypotheses, as indicated in Figure 1. According to the appraisal theory (Lazarus, 1991), when consumers experience stressful events in their external environment (e.g., service failure, discriminatory incident, etc.), they adopt coping mechanisms to alleviate their emotional dissonance (Haj-Salem and Chebat, 2014; Lazarus, 1991). The assessment of this negative event involves two main cognitive stages. Firstly, the primary appraisal phase entails assessing the brand's violations, which refers to the extent consumers believe the brand has violated the social norms (Lazarus, 1991). The second stage is known as the secondary

appraisal phase, during which consumers assess the brand's misbehaviors based on two key attributes. Firstly, the relationship quality with the brand, such as self-brand connection (Lazarus, 1991; Grégoire and Fisher, 2008). Secondly, the perceived severity of the event itself (Lazarus, 1991; Grégoire and Fisher, 2008). Perceived severity refers to the magnitude of the inconvenience/loss resulting from the event (Grégoire and Fisher, 2008). Therefore, the quality of consumers' relationship with the brand (i.e., self-brand connection) and their perception of the severity of the negative event will shape their attitudes towards brand cancellation movements (Lazarus, 1991; Grégoire and Fisher, 2008).

Previous studies (e.g., Anderson et al., 2015; Richins, 1994; Wilcox et al., 2009) have highlighted that status is regarded as one of the fundamental human motivators driving consumers to acquire expensive products visible to others, aiming to convey a particular image. Signaling enables the recipient of the signal to infer the sender's wealth, and status (Hedström and Bearman, 2009; BliegeBird and Smith, 2005). In the case of luxury brands, consumers are more likely to develop a strong connection with these brands (Belk, 1988; Wang, 2022; Wang and Griskevicius, 2014). These self-brand connections involve consumers' tendency to use these brands to symbolically represent themselves (Escalas and Bettman, 2005). These connections act as a protective shield against any form of attack directed at the brand (Cheng et al., 2012; Khalifa and Shukla, 2017). Further, luxury consumption is associated with strong psychological benefits, which can be divided into personal and interpersonal aspects (Nia and Lynne Zaichkowsky, 2000; Vigneron and Johnson, 2004). In terms of personal benefits, acquiring luxury products can make consumers feel a sense of accomplishment (McFerran et al., 2014). Regarding interpersonal benefits, luxury products help consumers display wealth (Dubois and Duquesne, 1993). Due to these unique dynamics of luxury consumption, consumers tend to develop strong

connections with luxury brands, referred to as luxury brand attachments (Bhati and Verma, 2020; Shimul et al., 2019; Ferraro et al., 2013). These strong connections facilitate the process of self-expansion, which typically occurs in intimate relationships (Aron & Aron, 1986; Kaufmann et al., 2016).

Anger can be described as an intense negative emotion directed towards the brand when it fails to meet customers' expectations (Antonetti, 2016; Antonetti et al., 2020; Bagozzi et al., 1999). The existing body of the literature (e.g., Romani et al., 2015; Grégoire and Fisher, 2008; Kucuk, 2008; Japutra et al., 2018; Johnson et al., 2011) has found that negative feelings can be powerful drivers for engaging in anti-brand behaviors. However, when it comes to luxury brands, consumers are less likely to experience negative feelings (e.g., anger, shame, etc.) in response to the luxury brand's transgressions (Reis, 2018; Grégoire and Fisher, 2006). Prior literature provides valuable insights into why consumers tend to behave differently towards luxury brands compared to non-luxury brands, particularly in response to brand transgressions (Shimul et al., 2019; Kaufmann et al., 2016). In case of a brand's transgression, consumers are more likely to experience negative feelings towards the brand, leading them to engage in anti-brand behaviors such as negative word of mouth, and brand switching behaviors (Grégoire and Fisher, 2008; Rahimah et al., 2023; Johnson et al., 2011). In contrast, consumers establish identifiable relationships with luxury brands, as they choose these brands to reflect a desired self-image (Einwiller and Johar, 2013; Lam et al., 2010). Therefore, in the event of a luxury brand's transgression, one might argue that consumers are less likely to experience negative feelings. Thus,

H1: Perceived Luxury of a brand has a negative effect on consumer participation in brand cancellation movements.

H2: The influence of perceived luxury of a brand on consumer's likelihood to participate in brand cancellation is mediated by anger.

Shame is described as self-focused negative emotions (Tangney et al., 2011). People experience feelings of shame when they perceive that they have violated certain social norm that contribute to defining who they are (Wong and Tsai, 2007). Johnson et al. (2011), and Sabini and Silver (2005) have highlighted those negative feelings such as shame, and guilt are considered self-conscious emotions that drive consumers to engage in anti-brand actions as a means of expressing their disappointment with the brand's transgressions. Johnson et al. (2011) and Zarantonello et al. (2016) have underscored that feelings of shame play a significant role as an antecedent of brand hate. In cancellation movements, consumers primarily aim to publicly shame and call out the brand's inexcusable behaviors with the purpose of achieving social ostracism (Abbasi et al., 2023; Saldanha et al., 2023). However, when it comes to luxury brands, consumers may be reluctant to engage in anti-brand activities (i.e., cancellation movements). Thus, they are less likely to experience negative emotions in response to a luxury brand's misbehavior (Grégoire and Fisher, 2006; Dutton et al., 1994). Accordingly,

H3: The influence of perceived luxury of a brand on consumer's likelihood to participate in brand cancellation is mediated by shame.

Consumers' sense of social power refers to their ability to influence others through online communities or interactions with other customers (Cova and Pace, 2006; French, 1956). Consumers with a high level of social power believe they can impact a brand's success by influencing others to follow their lead or join their movements against the brand (Johnson et al., 2011). Similarly, Rucker and Galinsky (2008) and Koo and Im (2019) argue that a

sense of powerlessness can drive consumers to engage in luxury consumption as a means of restoring their sense of power. Consumers with high levels of social power form a strong bond with luxury brands (Johnson et al., 2011). Unlike low-power individuals, high-power individuals tend to evaluate luxury brands based on their pre-established experiences and opinions, rather than relying on others' opinions and attitudes towards these brands (Chang et al., 2019; Rucker and Galinsky, 2008). Accordingly,

> **H4:** *A consumer's sense of social power attenuates the relationship between the perceived luxury of a brand and feelings of anger, such that heightened social power increases the buffering effect that luxury perceptions have on these feelings.*

> **H5:** *A consumer's sense of social power attenuates the relationship between the perceived luxury of a brand and feelings of shame, such that heightened social power increases the buffering effect that luxury perceptions have on these feelings.*

Past research has shown that conservatives are more inclined to favor specific forms of social power that align with their ideology, particularly in justifying inequality (Jost et al., 2018; Jost et al., 2003). Political orientation has been found to impact people's choices (Winterich et al., 2012; Caprara et al., 2006; Ordabayeva and Fernandes, 2018). It is an individual-difference variable that affects people's moral emotions and their judgments (Graham et al., 2009; Hirsh et al., 2010). Studies have shown that political orientation affects branding preferences, including preferences for international versus domestic brands (Cutright et al., 2011), luxury versus non-luxury brands (Kim et al., 2018), generic versus national brands (Khan et al., 2013), and ethical versus conventional brands (Allard and McFerran, 2022). In this research, we examine how political orientations affect consumers' responses towards brand cancellation movements targeting luxury brands. Allard and McFerran (2022) found that political orientation plays a significant role in determining consumers' inclination to

punish brands, especially after moral transgressions. Notably, conservatives tend to show greater intolerance towards ambiguity and are more inclined to punish brands that commit moral transgressions, compared to liberals (Jost, 2017; Allard and McFerran, 2022). Therefore, it can be argued that conservatives are less prone to experiencing negative emotions towards a luxury brand's misbehavior compared to liberals. Accordingly;

> **H6**: *Conservatives (vs. liberals) are less likely to participate in a brand cancellation movement, due to their lower intense feelings of anger towards the luxury brand's misbehavior.*

> **H7**: *Conservatives (vs. liberals) are less likely to participate in a brand cancellation movement, due to their lower intense feelings of shame towards the luxury brand's misbehavior.*
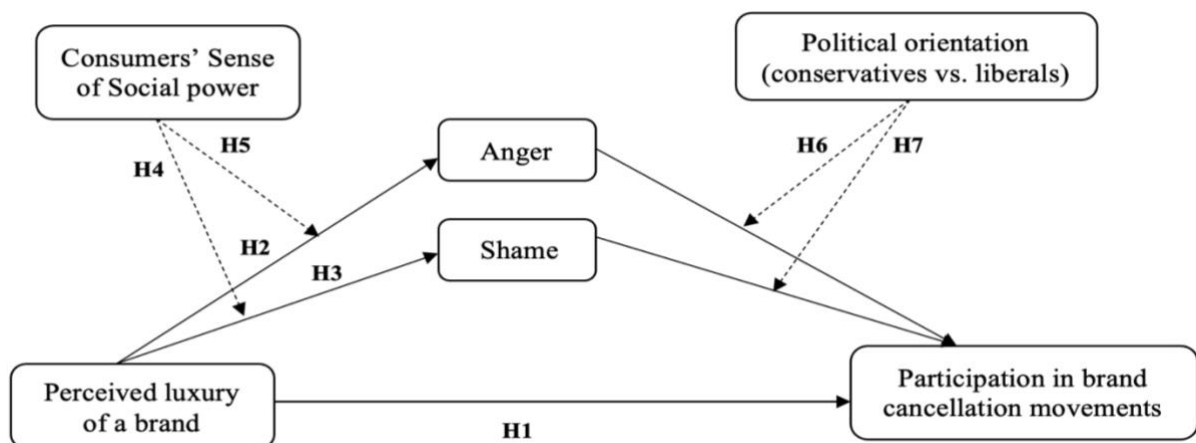

Figure 1. Proposes the conceptual framework.

METHODOLOGY

We conducted two studies to deepen our understanding of brand cancellation movements, given the scarcity of existing research. In Study 1, we first conducted a screener study with 1000 U.S. participants to identify brands impacted by cancellation movements in recent years. From this group, we recruited 296 U.S. participants (female = 37.5%, male = 61.5%, other = 1%; Mage = 40, SDage = 13.44) and asked them to explain the reasons behind

these cancellations using open-ended questions to uncover underlying causes. After that, we conducted a survey (i.e., Study 2) to test the relationship between perceived brand luxuriousness and consumers' participation in brand cancellation. Additionally, we tested the role of anger and shame as potential mediators, and social power and consumer political orientation as potential moderators in the former relationship. We recruited 294 U.S. participants (female = 30.6%, male, 65.3%, other = 4.1%, prefer not to say, = 0%, M$_{age}$ = 43.18, SD$_{age}$ = 13.51, prolific).

Measures

Consumers' sense of social power was adapted from Hinkin and Schriesheim (1989). Sample items include: "*In my relationship with my subordinates, I believe I can increase their pay level*". Consumers' political orientation was adapted from Kidwell et al. (2013). We asked the participants to express their positions on various topics such as *same-sex marriage*, etc. Perceived luxuriousness of a brand was adapted from Vigneron and Johnson (2004), Li et al. (2022), and Kapferer and Bastien (2012). We asked the participants to rate the perceived luxuriousness of a brand using a bipolar matrix (e.g., *not high class vs. high class*). Feelings of anger were measured using items adapted from Breitsohl and Garrod (2016), with sample items include "*I felt angry because of the actions of the brand.*". Feelings of shame were adapted from Andrews et al. (2002), with sample items include "*I feel ashamed when I wear any item from this brand*". Consumer participation in cancellation movements was measured using a 5- item scale adapted from (Grégoire et al., 2009; Delistavrou et al., 2020). Sample items include "*I will publicly shame the brand for its misbehavior*", A 7-point Likert scale was used, where 1= strongly disagree, 7 = strongly agree.

DATA ANALYSIS AND RESULTS

Study 1

The findings of Study 1 revealed that 63.75% of participants indicated Bud Light/Budweiser as a recent example of a brand affected by cancellation movements. Additionally, the results showed that 33.1% of respondents identified transphobia or homophobia as primary drivers of these movements, while 19.93% attributed them to conservative or right-leaning beliefs. Other factors included hatred, ignorance, online incivility, brand misconduct, transparency issues, controversial opinions, and political agendas.

Study 2

In Study 2, our model was tested using a structural equations model in AMOS 29.0. The results suggest a good model fit where (Chi-square = 1.730, DF= 1, CFI = 0.999, RMSEA=.049). As predicted, the perceived level of luxury associated with the brand significantly predicted our mediating variables, where the direct effect of the perceived level of luxury associated with the brand on anger and shame was negative and statistically significant ($\beta = -0.272$, $p = 0.003$) for anger, and ($\beta = -.224$, $p = 0.005$) for shame. The direct effect of anger on consumers' participation in brand cancellation movements was positive and statistically significant ($\beta = .404$, $p < 0.001$). Shame is also considered a strong predictor for our dependent variable, where ($\beta = .451$, $p < 0.001$). The findings revealed that consumers are more likely to participate in cancellation movements against certain brands when the perceived luxury level associated with this brand decreases. We conducted a moderated mediation using PROCESS model 8 to test the indirect effects of perceived brand luxuriousness on consumers' participation in brand cancellation via anger and shame, and the moderation effect of social power and political orientation (Hayes, 2017). We found that social power negatively moderates the relationships between perceived brand luxuriousness and consumers' likelihood to participate in brand cancellation, where [b=-

.1557, t [290] = -2.3688, p = .0185]. Furthermore, the results of the moderated mediation indicated that conservatives are less likely to experience feelings of anger and shame as a result of the luxury brand's misbehavior compared to liberals where [index mod med= -.0412, CI= -.0912 – -.0100]. Conservatives are less prone to participate in cancellation movements against this brand compared to liberals.

STATEMENT OF KEY CONTRIBUTIONS

This research seeks to offer valuable insights into the phenomenon of brand cancellation movements. From a theoretical perspective, our research advances the current body of literature work on brand cancellation by identifying brand characteristics that exhibit resilience against these cancellation movements. This research expands on the findings of the prior studies (e.g., Saldanha et al., 2023; Demsar et al., 2023), where consumer power is recognized as a crucial factor that may drive consumers to initiate and engage in brand cancellation movements. This is particularly important given that this research area is still in its early stage and relatively under-investigated (Demsar et al., 2023). Our findings suggest that luxury brands have a shielding power against these cancellation movements. Consumers are more inclined to participate in these movements when they perceive a brand as less luxurious. This research shows that consumers with high social power are less likely to join brand cancellation movements, especially against luxury brands, compared to those with lower social power. These findings extend the research by Johnson et al. (2011), which pointed out that consumers with high levels of social power generally form a strong bond with luxury brands. From a managerial perspective, this research aims to investigate the reasons behind the proliferation of brand cancellation movements and examine whether luxury brands have a protective effect against these movements. The findings of this study

will help brand managers deal with these cancellation movements by adopting effective brand positioning strategies that safeguard the brand's reputation and reflect a positive image to the public.

DIRECTIONS FOR FUTURE RESEARCH

Building on the findings of our current studies, my next research plan will focus on conducting experiments that compare luxury brands to non-luxury brands. This will allow us to replicate the findings and explore the relationships between the perceived luxury of a brand and the mediating mechanisms, namely, anger, and shame, to investigate consumers' likelihood to participate in brand cancellation movements. Additionally, we plan to conduct in-depth qualitative studies (e.g., interviews, case studies, etc.) to uncover the psychological mechanisms driving consumers to initiate these movements.

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