# Conditional Effects of Consumer-Brand Relationships on Admired and Non-Admired Brands, and Its Impact on Schadenfreude

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**ABSTRACT**: *Extant literature on schadenfreude, a pleasure towards the misfortune of others, is concentrated on brand rivalry however is silent about situations when one own brand causes the schadenfreude. We advance knowledge on brand relationship by investigating how one brand's bad malicious strategy leads to schadenfreude for admired and non-admired brands and is mitigated when admired brands interact with positive feelings elicited by brand-consumer relationship to protect against their own bad behavior. Firstly, we showed the phenomenon, then we point out the exact regions of moderation. The first study shows that schadenfreude is greater when the misfortune is due to a controlled action of the brand. The second study tests the mitigating effect of congruence between brand and Self. Study three tests higher-order affective levels such as brand love, as a negative moderating construct. Study four advances previous studies on consumers' self-promoting feelings and their interaction with brands to produce schadenfreude.*

**KEYWORDS**: schadenfreude, brand relationship, consumer behavior, brand affect, consumer vanity.

## INTRODUCTION

The phenomenon called schadenfreude means the malicious joy felt over the misfortune of someone else. When a person suffers from some setback, other people may feel certain happiness in observing this event. It might result from envy, low empathy for the other, or even an aspect of one's identity. Schadenfreude is a malicious glee at the misfortune of others, and it is considered an undesirable emotion (Sundie et al., 2009) resembling feelings of aggression and envy in unhealthy social relationships (Ouwerkerk et al., 2018).

Most studies regarding schadenfreude are related to rival brands, and extant literature is silent on investigating schadenfreude when the brand deliberately, and maliciously

causes misfortune, and, accordingly, the schadenfreude. It is possible that the misfortune of a brand might occur as a result of the brand's deliberate strategy that leads to a bad outcome when it sought to take advantage of the consumer or other stakeholders. When marketing strategies are risky it might result in consumers turning away from their preferred brands, to punish the brand for this breach of a tacit agreement (Mukherjee and Althuizen, 2020). This study aims to investigate this gap, by analyzing when schadenfreude occurs after a deliberated strategy of the brand goes wrong, and how its effects can be controlled by positive feelings towards the brand, particularly comparing admired and non-admired brands.

Based on brand relationship theory (Debnath, Datta and Mukhopadhyay, 2016, Fournier, 1998), feelings towards brands are expected to unbalance their relationships with schadenfreude. Conflicting emotions may play a role when consumers face the misfortune of one admired brand that is not always accessible due to financial reasons or physical difficulties.

Consumers tend to choose brands that are congruent with their identity and often have positive feelings about them for the same reason. This effect of emotions should be more prominent in brands relevant to the consumer's current or desired identity than in non-admired brands that do not produce emotions in consumers (Thomson, MacInnis and Park, 2005). If brands are relevant to identity building but have adverse effects, the consumer should feel an aversion to this brand (Park, Eisingerich and Park, 2013).

We expect this phenomenon to be triggered by feelings toward the brand, even if they are not favourable. Previous studies have connected the Schadenfreude concept with consumption, for instance: brand attitudes (Hayes and Carr, 2020), brand communities (Hickman and James, 2009), brand sponsorship (Kim and Kim, 2018), and counterfeit luxury brands (Marticotte and Arcand, 2017) studies have also received attention, particularly in situations where rival brands oppose each other. More recently, how schadenfreude operates towards other consumers' choices (Moisieiev, Dimitriu and Jain, 2020), among other phenomena has attracted considerable attention.

Admired brands can present various degrees of congruence with the consumer's identity, and even more intense feelings, such as brand love (Gumparthi and Patra, 2020). These feelings can affect the brand-consumers relationship. It is particularly interesting for researchers and practitioners to explore these aspects, not yet studied in the existing literature. Such as the relationship between brand types and consumers when misfortunes of these brands happened through the strategy.

To this end, we conducted four experiments to investigate how one bad deliberated strategy leads to a higher level of schadenfreude on admired brands. And then, we explore the moderating effects of self-congruence, brand love and consumer vanity for the relationship between brand types (admired not admired) in schadenfreude. In this regard, this study aims to determine the influence of different levels of consumer

affective aspects upon brands in terms of the relationship between brand admiration and schadenfreude toward these brands. Multivariate data techniques applied in a sample of 459 participants show the evidence that affects toward brands, either through congruence with identity or higher-order affective feelings, or when brands trigger vanity in consumers, allowing them to protect themselves from schadenfreude.

## STUDY 1
The goal of experiment 1 is to test the hypothesis that schadenfreude is higher in contexts where the misfortune of an admired brand occurs as a result of deliberate actions by the company more than the events beyond its control, such as a global crisis.

### Brands and schadenfreude
Schadenfreude means malicious glee over the misfortune of others (Ouwerkerk et al., 2018), and it is close to feelings of envy and wanting harm to the outgroup, representing an unvirtuous side of individuals transferred to consumers. Hence, naturally, emerge ethical aspects as well as values and moral questioning. Moreover, people tend to express socially desirable opinions when judging things. Like any negative emotion, schadenfreude emerges when there is a threat to the Self. The other person's misfortune is not mine; it is not my ingroup, and this leads to a good feeling of identity protection, based on the need to compare one's self to others and feel good about it (Zell, Strickhouser, Sedikides and Alicke, 2020).

Concerning brands, schadenfreude has been researched in several studies. Kim and Kim (2018) studied the Schadenfreude effect on rival brands and sponsorships, identifying that the greater the rivalry between brands, the greater the effect. In Hayes and Carr's (2020) study, brands that compete in the same market elicit schadenfreude when they publish comparative information about other competing brands. Japutra et al. (2018) support that brand attachment styles generate positive and negative feelings to the competing brand over the preferred one. Other studies have also addressed the relationship of schadenfreude with luxury versus copy brands (Marticotte and Arcand, 2017) and rival technology brands (Phillips-Melancon and Dalakas, 2014). These studies, taken together, have in common a duality between one brand and another, an opposition between two rival brands, which gives rise to the phenomenon of schadenfreude toward one of them. The preference for one brand allows schadenfreude in relation to a rival brand.

As a way of coping with schadenfreude, feelings were studied by Moisieiev et al. (2020) to understand how the misfortune of others' choices generates feelings of joy in consumers. This study differentiates from its precedents by having the consumer look at the brand's action and the feelings that emerge from this relationship. Based on the brand relationship theory and the possibility of negative emotions generated in this context (Khatoon and Rehman, 2021), Study 1 investigates the effect of schadenfreude when the same admired brand makes a decision or is affected by chance. The

schadenfreude is expected to be higher when the misfortune occurs due to a deliberate choice by the company rather than chance.

Chance acts as a form of license to error, as opposed to deliberate action. The consumer punishes thoughtful actions that harm the brand. A set of roles and norms from both sides regulates the brand-consumer relationship. It is like a contract in which the parties have several expectations and breaking it must be punished (Sweetin, Knowles, Summey and McQueen, 2013). Consumers expect a brand's positions to be ethical and responsible, consistent with their own positions (Mukherjee and Althuizen, 2020). Otherwise, these brands can be punished, starting with a less favorable attitude, negative word-of-mouth or reactions on social media, and less interest in purchasing. In this study, we propose that a negative reaction to a brand that breaks this shared contract comes in the form of a higher Schadenfreude, which leads us to the 1st hypothesis of this study.

H1: Schadenfreude will be greater toward a brand when its misfortune occurs as a result of deliberate action by this brand (as opposed to a misfortune caused by chance);

**Participants and study design**
The study included the participation of students from a private higher education institution in the city of São Paulo. Participants (N=172, 85 females, Mage = 26.06, st= 8.36) were randomly assigned to one of two factorial designs (2x1, between-subjects study, event with control versus admired brand), in a simulated brand study, with schadenfreude as the dependent variable. An online survey was made available to the participants with the pretested manipulated scenario (also measured) and the 5-point Likert scale questionnaire. All respondents were required to accept their participation in the study as the standard procedure.

**Stimuli**
An admired brand was used in two different scenarios of misfortune. In the first scenario, the company experienced a loss due to a crisis that affected all companies, without them being able to deliberate in any way for these results to be different. This scenario acted as the control group. In the second scenario, the company's misfortune was due to its strategy of overpowering consumers. We presented the brand type along with the following texts: "Admired\Non-admired brand launched a line of products earlier this month nationwide. However, the products did not sell as expected, and the laptops are stranded on the shelves. The company does not usually (always usually) take consumer preferences into account when developing products and imposes (does not impose) its strategies. The brand's failure was due to a malicious strategy of tie sale bundling (due to the Brazilian economic crisis)".

These stimuli were pretested with a group responding to an item ("I admire this brand") regarding admiration for the Apple brand versus the Brazilian brand (MApple= 4.875 vs MBrazilian brand = 2.5, p= 0.001), indicated by another group unrelated to the first

as brands likely to be known or less known for the laptop sector, chosen for being quite related to the student's daily lives. Finally, the company's deliberated action was measured using the "I understood this information" item.

**Procedures**

The researchers approached participants firstly from their personal contacts, in their social media networks, brand and marketing virtual groups, and other virtual spaces during the pandemic period. We asked respondents to replicate the instruments, through a snowball technique. All respondents were unaware of the purpose of the study, were given information about a survey regarding laptop brands, and were then invited to participate in the study.

The approaches were made randomly to avoid researcher bias. All those who accepted the task received a separate link that directed them to the survey instrument on an online data collection platform. On online social groups, we posted the link, explaining simple instructions to participate in the research of a hypothetical brand study. The choice for this strategy was due to the pandemic restriction, the objective of random data collection, and improving ecological validity and realism (Kihlstrom, 2021). Each group observed one of the two scenarios proposed, and then proceeded to answer the brand evaluation questionnaire about the misfortune due to a global crisis, or due to a decision by the company itself.

**Results**

After checking on admiration for the observed brand, it was found that there was no perceived difference between the test and control groups for the brand used ($M_{withcontrol}$ = 4.186 versus $M_{no\ control}$ = 4.267, t (170) = 0.731, p > 0.05). The manipulation of brand misfortune information was also verified, signaling understanding of the information by both groups ($M_{withcontrol}$ = 4.081 versus $M_{no\ control}$ = 4.197, t (170) = 0.731, p > 0.05). We identified that schadenfreude was statistically higher for events that were under the company's control than for random events and resulted in brand misfortune ($M_{withcontrol}$ = 3.427 versus $M_{no\ control}$ = 2.299, t (170) = 7.613, p < 0.05), as can be seen in Figure 1.
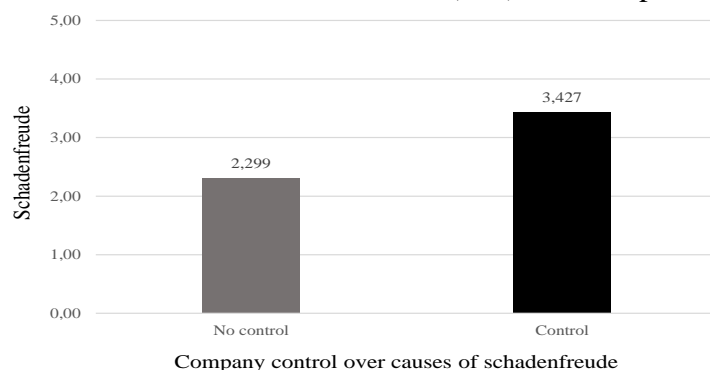


**Figure 1.** **Schadenfreude as a function of events with and without company control**

These results indicate that in a well-known brand experiencing a misfortune resulting from a deliberate choice of the company, schadenfreude is higher, statistically significantly, than due to chance. Moreover, since this misfortune was due to breaking a social contract between the brand and the consumer, the consumer punishes the brand with a feeling of joy for the bad event to the brand. Thus, there seems to be a certain amount of consumer pleasure towards the brand for misfortune events where the company chose a strategy that could cause harm to the consumer but caused hardship to itself.

These results are congruent with studies in which the brand suffers from consumer punishment for acting against a set of universally accepted values (Kuchmaner, Wiggins and Grimm, 2019, Li, 2019) that conflict with those of consumers. The results also point to an advance over previous studies on brand and schadenfreude by proposing to go beyond the opposition between brands as a factor generating schadenfreude and to bring responsibility for the phenomenon to the brand itself when the brand acts negatively against the consumer.

Events of misfortune that the majority of companies may all experience are beyond their control and can be forgiven or even sympathized with by consumers. To the extent that brands vary in the degree to which they relate to consumers and, therefore, in the feelings they may arouse, it is possible that affection toward the brand and its role in consumer identity may alter the levels of schadenfreude. The following studies sought to precisely explore these aspects when brands break the tacit contract of mutual respect with consumers.

**STUDY 2**
Experiment two aims to test the hypothesis that brands' influence on schadenfreude varies according to consumers' levels of congruence between brand and Self. The congruence between brand and self indicates affection because consumers value brands representing them in society, which is an important mechanism for brands to connect with consumers. Therefore, an admired brand that can also connect with the consumer's identity should be more protected from the misfortune it may cause itself than a non-admired brand.

**Brand-self congruence**
Brands have the ability to contribute to the construction or maintenance of the consumer's identity. This aspect occurs as a comparison between an existing self and an ideal self, which is pursued by individuals (Scales and Bettman, 2003). In relationships with brands, consumers seek brand traits that can add aspects to the way individuals see themselves and how others perceive them. Brands activate identity aspects in their mere exposure to groups and social structures. The image of the brand becomes confused with the image of the consumer himself. Studies suggest that the greater the congruence between brand and consumer identity, the greater the positive

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marketing responses towards the brand, such as favorable word of mouth, increased brand love, and brand loyalty (Wallace, Buil and de Chernatony, 2017).

However, as in Japutra, Ekinci, and Simkin's (2019) study, where they pointed out negative behaviours as a consequence of the brand-identity connection, it is suggested that positive responses do not always occur as a result of the consumer's relationship with the brand.

Therefore, there are conflicting conclusions in the literature corresponding to brand-consumer congruence. The contexts in which attachment to a brand may generate negative behaviors and responses may be the rupture of the relationship with the brand, the absence of brand support in situations of meeting the needs of the admired brand, a change in brand positioning, or unsatisfactory brand performance. On the other hand, sentimental attachment to a brand may predict trash-talking (a way of differentiating a preferred brand from a rival brand, as a way of preserving the self-categorization elicited by the consumer's relationship with his preferred brand), or a high affection for this brand, contributing to higher self-esteem (Japutra, Ekinci, Simkin and Nguyen, 2014).

In this sense, when a brand is highly connected to the consumer's identity, it is expected to be protected from trash-talking and similar negative responses, such as schadenfreude. However, when the brand is admired, the context of the consumer relationship is charged with feelings, with variation, and diversity. Therefore, an admired brand that is not congruent with the individual's identity means a brand inaccessible to the desired self-categorization and ideal identity, which should lead to negative responses to this brand. However, the admired brand may benefit from this high admiration from customers and should be respected for it, although not congruent with its identity.

The distance of the admired brand from the expectations created and even from the actual relationship leads to negative feelings from the consumer. This is most prominent when the brand, although important in building the consumer's identity, arouses negative feelings (Park, Eisingerich and Park, 2013). Thus, an admired brand with high identity congruence will have less schadenfreude.

In contrast, a brand that is admired but not congruent with the identity may be protected by its admiration elicited in consumers, leading to lesser levels of schadenfreude in a context of misfortune due to respect to a social contract with the consumer, even if it does not contribute to consumer identity. If the brand is not an admired one, it is much more prone to schadenfreude This configures the second hypothesis of the study.

H2: Admired and non-admired brands will not differ in schadenfreude when band-self congruence is high;

H2': Admired brands will have lesser schadenfreude (than non-admired brands) when identity congruence is low.

**Participants and study design**

Participants were approached like in experiment one (N= 156, 105 females, Mage = 26.6, sd = 7.57), then were randomly assigned to one of four factorial design scenarios (2x2, between-subjects study, admired/non-admired brands versus high/low brand congruence with identity, manipulated and measured) in a simulated brand study, with schadenfreude as the dependent variable. Participants were asked to join an online survey with the pretested manipulated scenario (also measured) and the 5-point Likert scale questionnaire.

**Stimuli**

The same brands analyzed in the pretest of study 1 were used in this study 2, in two different misfortune scenarios. In that pretest, the brands Apple and a Brazilian brand were chosen as admired and not admired brands, respectively. This treatment was supplemented with brand congruence and with the consumers' self, manipulated and measured. The stimuli showed the respective brand and the texts, accordingly "Admired\Non-admired brand launched a line of products earlier this month nationwide. However, the products did not sell as expected, and the laptops are stranded on the shelves.

The company does not usually (always usually) take consumer preferences into account when developing products and imposes (does not impose) its strategies. The failure was due to the very low (besides the high) identification of the brand with the consumers, not being(being) able to represent them", for low\high congruence, in the sequence from left to right: brand not admired/identity-congruent, brand admired/identity-congruent, brand not admired/identity-congruent, and brand admired/identity-congruent.

To assess the manipulation of congruence with stimulus for brand-self congruence, participants responded to an item ("The non-admired/Apple brand is congruent with my identity") on a 5-point Likert scale, pretested previously with a sample similar to that in the study.

**Procedures**

This second study followed the same procedures as study 1, with new participants. Again, the same argument from a study about laptop brands was used to justify to the participants the research to be carried out. Again, all those who accepted to complete the task were randomly separated into four groups. They were then given a link to access the survey instrument on an online data collection platform.

**Results**

After checking the manipulation for the proposed treatments ($M_{no\_identification}$ = 2.013, $M_{identification}$ = 3.363, p<5%), we identified a main effect of the admired brand (effect size = 1.908, 95% CI [0.927; 2.890]; t = 3.842, p <0.05), as well as a main effect of brand congruence with identity (effect size = 1.155, 95%, CI (Confidence Interval) [0.584; 1.725]; t = 3.996, p <0.05) for schadenfreude. No covariates showed significant results. We identified a decreasing moderating effect of the interaction of brand-self congruence and brand type (effect size = - 0.655, 95% CI [- 1.038; - 0.273]; t= - 3.389, p <0.05), with a change in the explanation of the dependent variable ($\Delta R^2$ = 6.53%).

We performed a spotlight analysis (Hayes and Montoya 2017), which identified a dual moderator value of 2.435 (Johnson-Neyman point) with 60.25% of the data below this value, and 3.875 with 3.20% of values above. As a result, as brand congruence increases, schadenfreude decreases for admired brands. But, as a result of these two points of moderation, for higher levels of brand congruence, schadenfreude is greater for admired brands, even if this moderation interval is very small (3.2% of the data).
We also identified that for the low levels of brand congruence with the self, Schadenfreude is lesser for admired brands than for non-admired brands, decreasing for the former and increasing for the latter. Figure 2 presents these results. These results support both H2 and H2'.
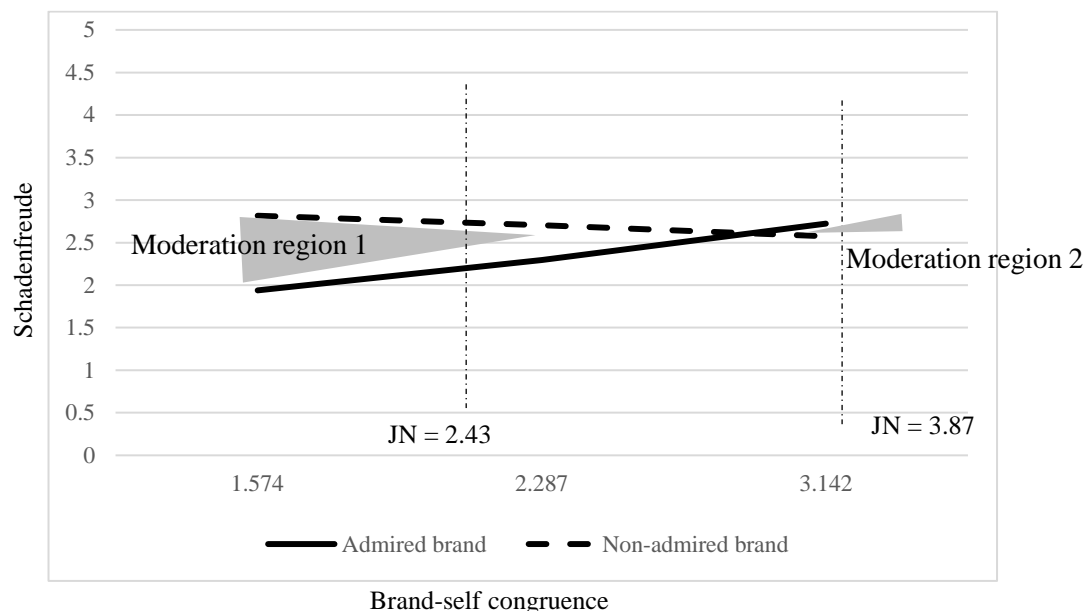


**Figure 2.     Brand-self congruence moderation**

These results suggest that due to a more intense affective relationship with admired brands, as these brands break the tacit agreement with consumers, consumers are less likely to schadenfreude admired brands non admired brands, particularly when brand

identity integration is low. These results do not corroborate Japutra et al., (2014) study on the negative consequences of high sentiments toward a brand when expectations about the positive performance of the brand with the consumer are disrupted by it, for low congruence; however, it may happen for high levels of brand-self congruence (Jonhson-Neyman point above 3.87). That is, for low brand-self congruence, being admired is protection for brand transgressions, and for high levels of brand-self congruence, the expectations are critical and don't tolerate admired brand transgressions to the customers.

This happens when a brand that is admired but not congruent with identity may represent an impossibility for the consumer to access this brand and thus not contribute to their self-esteem and self-categorization, as in luxury products, or products representative of groups other than that of the consumer, for example. The less admired brands begin to suffer less from more negative effects of their misfortune as the integration with the brand increases as if the less admired brand were then an indicator of the individual's own misfortune. Consumer admiration for the brand, when congruent with identity ($M_{Congruence} > 2.435$), is able to establish itself as a barrier to negative events happening to the brand, even if the brand itself was responsible for it. The congruence with the identity is an aspect well explored from the commercial and affective point of view at the same time, where brands have in the relationship with the consumer a crucial aspect for the reduction of market loss, expansion of performance, preservation of profit margins, and other benefits for the organization. To better explore this affective aspect, study 3 advances by proposing the moderation of strong feelings for the brand.

**STUDY 3**
In study three, the hypothesis tested that for higher-order affective levels such as brand love, *schadenfreude* is also mitigated. Otherwise, study 3 seeks to understand the influence of brand types, admired or not, on schadenfreude at different levels of brand love.

**Brand Love**
Affective relationships between brands and individuals are grounded in Fournier's (1998) relationship theory of identity extension (Belk, 1998). These liaisons might lead to rather extreme forms of affection, such as Brand Love, and many studies have sought to identify and understand antecedents, consequents, and the very definition of this phenomenon. (Carrol and Ahuvia, 2006; Batra, Ahuvia and Bagozzi, 2012; Albert and Merunka, 2013). Brand love is related to positive word of mouth, loyalty, identity integration, positive emotions, life meanings, positive thoughts, passionate relationships with the brand, favorable brand attitudes, identity, and other representative aspects of the consumer himself, in his relationship with the brand (Bagozzi, Batra and Ahuvia, 2017).

Thus, brand love is an important protection mechanism for brands and eventual adversities arising from the market, such as competitors cutting prices or customer activation campaigns in very extreme commercial conditions. Nevertheless, on the other hand, it can also be a mechanism to maintain the consumer's preferences for brands in a changing environment, or even when products and brands fail (Zhang, Zhang and Sakulsinlapakorn, 2020) or lead to maladjusted behaviors, such as impulsiveness (Le, 2021). In these latter aspects, about mitigating the negative effects of the relationship with brands, lies the role of brand love in situations where brands disappoint consumers or even harm them.

Dalman, Buche, and Min (2019) identified that even in potentially unethical situations of brands, those capable of arousing high feelings are less affected, obtaining from consumers' protection and defense reactions. Organizations are more careful with their reputation, especially in an environment of intense interaction enabled by digital technologies, greater consumer empowerment, and less privacy of their actions and information. We expect that high levels of brand love protect admired and non-admired brands. So, the question that is addressed is when brand love is low. In these situations, admiration for the brand must prevail. For low levels of brand love, an admired brand, even if it breaches its relationship with consumers, schadenfreude must be lesser than for non-admired brands. Based on this discussion, we hypothesize that:

H3: Admired and non-admired brands will not differ in schadenfreude when brand love is high;

H3': Admired brands will have lesser *schadenfreude* (than non-admired brands) when brand love is low;

**Participants and study design**
Study participants (N=131, 63 females $M_{age}$=30.43, sd= 7.34) were randomly assigned to one of four conditions in a 2x2 between-subjects, admired/non-admired brands versus low/high brand love, measured and manipulated factorial design.

**Stimuli**
Preferred brands were used in two different scenarios of misfortune and with two levels of brand love. Similar to the previous study, the same brands were used for the treatment of admired brands. Brand love was manipulated by describing scenarios and measured. These stimuli were similar to those of study 2, using the brand altogether with following the texts: "Non-admired\admired brands launched a line of products earlier this month nationwide. However, the products did not sell as expected, and the laptops are stranded on the shelves. The company does not usually take (usually takes) consumer preferences into account when developing products and imposes (does not impose) its strategies. The failure of the brand has occurred despite the low(high) level of affection felt by consumers for the brand". To assess the manipulation of brand love in the

stimulus, participants responded to an item ("I love this brand") on a 5-point Likert scale, pretested previously with a sample similar to that in the study.

**Procedures**
As in previous studies, participants were asked to volunteer to participate in the study explaining the purposes of one brand analysis.

**Results**
Participants (N = 131, 63 female $M_{age}$ = 30.43, sd = 7.34) were randomly assigned to one of four conditions in a 2x2 factorial design between subjects, admired/non-admired brands versus low/high brand love, measured, and manipulated. The same procedures as in the previous studies were adopted. After checking the manipulation for brand love ($M_{high brand love}$ = 3.636 vs $M_{Low brand love}$ = 1.960, p <5%), we identified a main effect of admired brand again (effect size = 0.952, 95% CI [0.155; 1.749]; t = 2.364; p <0.05), as well as a main effect of brand love (effect size = 0.705, 95% CI [0.126; 1.284]; t= 2.411, p <0.05) for schadenfreude.

No covariates showed significant results. We identified a decreasing moderating effect of the interaction of brand love and brand type (effect size = - 0.357, 95% CI [- 0.696; - 0.018]; t= - 2.088, p <0.05), with a change in the explanation of the dependent variable ($\Delta R^2$ = 6.12%).

We also performed a spotlight analysis (Hayes and Montoya 2017), which identified a moderator value of 1.832 (Johnson-Neyman point) with 29.77% of the data below this value. As a result, as brand love increases, *schadenfreude* decreases for admired brands. We also found that for the low levels of brand love, *schadenfreude* is higher for the admired brands than for non-admired brands. These results can be seen in
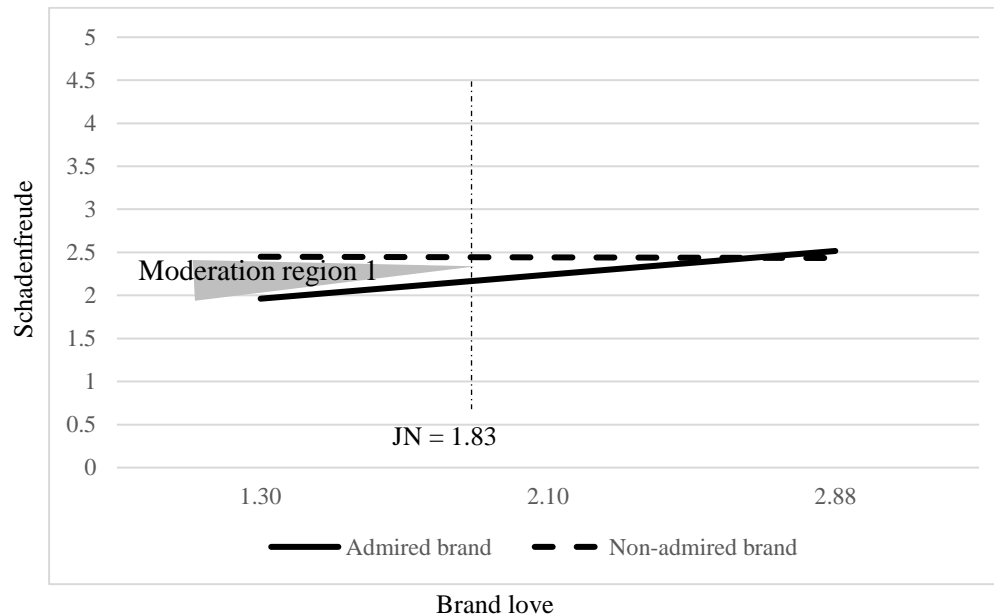
**Figure 3.      Brand love moderation**

These results suggest that admired brands experience a little dilated change in Schadenfreude levels for variations in the love of these brands. The effect of brand love is most salient for brands that are still under construction, especially concerning perceived consumer value. When brands start to gain more consumer admiration, the effect ceases to occur ($M_{brand\ love} > 1.832$).

**STUDY 4**

Experiment 4 aims to test the hypothesis that consumers' self-promoting feelings such as vanity interacts with consumers' feelings towards brands, and when they act against the consumer, to produce schadenfreude. This is a worse effect, even for admired brands.  We expect that the greater the consumer's vanity, the greater the schadenfreude for non-admired brands, than for admired ones. This may happen because high levels of affect create elevated expectations, and when this relationship is disrupted, strong reactions will occur.

However, again, admiration for a brand protects the brand against bad reactions. Consumer vanity is a value orientation toward physical appearance and the capacity of achieving personal goals (Netemeyer, Burton and Lichtenstein, 1995). These aspects are important definitions of consumer self-identity, stimulated by marketing strategies promoting products, services, and brands to foster this positive self-image, and also appearance (Wang and Waller, 2006). As the admired brand offenses consumer identity, by trying to use a strategy that cheats the consumer, they may feel glad when the brand suffers a misfortune, however, this may be more prominent for non-admired brands, than for admired ones. Negative feelings are always connected to negative impacts on brands. However, the impact of negative feelings generated because the

brand breached its relationship with the customer interacts with it to produce a reverse effect. In this way, as consumer vanity increases, so increases schadenfreude, because consumers feel their identity and self-determination threatened.

H4: Schadenfreude will be lesser for admired brands (than for non-admired brands) for high levels of consumer vanity;
H4': Schadenfreude will not differ for admired and non-admired brands for low levels of consumer vanity;

**Participants and study design**
Participants (N= 85, 37 females, $M_{age}$ = 25.65, sd = 4.85) were randomly assigned to one of four factorial design scenarios (2x2, between-subjects study, admired/non-admired brands versus high/low consumer vanity, manipulated and measured) in a simulated brand study, with schadenfreude as the dependent variable. Participants were asked to join an online survey with the pretested manipulated scenario (also measured) and the 5-point Likert scale questionnaire.

**Stimuli**
The same brands analysed in the pretest of studies 1, 2, and 3 were used in this study 4, in two different misfortune scenarios. Stimuli were the same used in study 2. The moderated variable for consumer vanity was measured based on Wang and Waller (2006) scale.

The stimuli followed the same proceedings as those of the previous studies, presenting the brands and the texts: "Non-admired\admired brands launched a line of products earlier this month nationwide. However, the products did not sell as expected, and the laptops are stranded on the shelves. The company does not usually take (usually takes) consumer preferences into account when developing products and imposes (does not impose) its strategies. The failure of the brand has occurred despite the low(high) level of vanity felt by its consumers itself". To assess the manipulation of vanity, participants responded to an item ("Vanity is a kind of self-admiration, and I felt this sometimes") on a 5-point Likert scale, pretested previously with a sample similar to that in the study.

**Procedures**
This fourth study followed the same procedures as study 2 and the others, with new participants. Again, the same argument from a study about laptop brands was used to justify to the participants the research to be carried out. Again, all those who accepted to complete the task and were randomly separated into four groups, when we posted different links, in different platforms. They were then given a link to access the survey instrument on an online data collection platform.

**Results**
After checking the measurement of consumer vanity for the proposed treatments, no differences were found ($M_{non\text{-}admired}$ = 2.160, $M_{admired}$ = 2.400, p>5%), so consumers

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admitted feeling vanity sometimes naturally. We did not find a main effect of the admired brand (effect size = -1.853, 95% CI [-4.107; 0.401]; t = -1.636, p >0.05), as well as not a main effect of consumer vanity alone (effect size = -0.738, 95% CI [-1.698; 0.221]; t = - 1.503, p <0.05) for schadenfreude. No covariates showed significant results. We identified a positive moderating effect of the interaction of consumer vanity and brand type (effect size = 0.642, 95% CI [0.002; 1.284]; t= 1.990, p <0.05). We performed a spotlight analysis (Hayes and Montoya 2017), which identified a moderator effect of 3.539 (Johnson-Neyman point) with 51.76% of the data above this value. Figure 5 presents these results bringing evidence for H4.
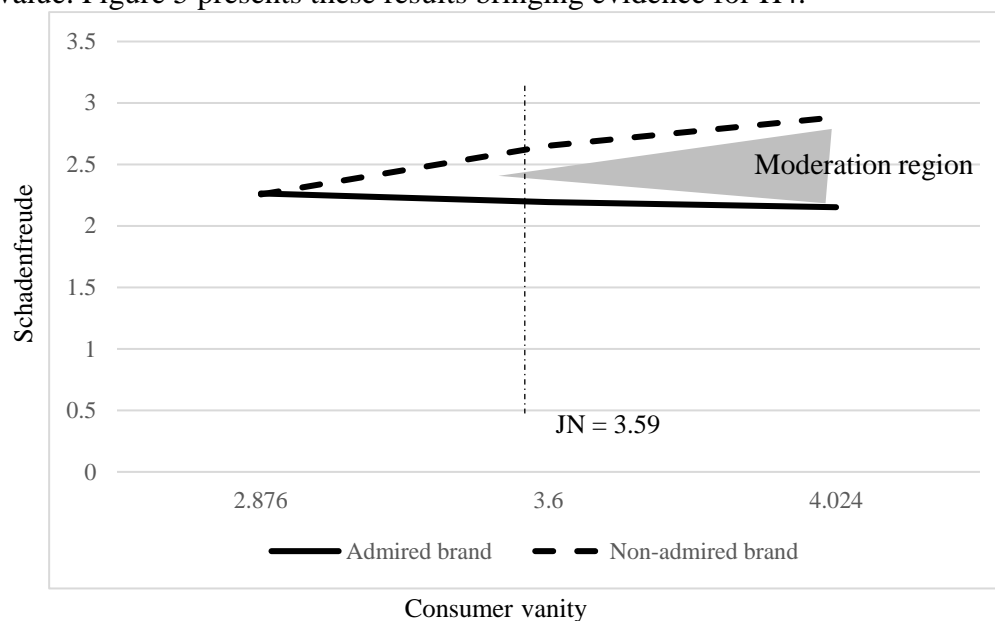


**Figure 4.**      **Moderation of consumer vanity**

As in previous studies, as admired brands betray their relationship with consumers, they will punish brands less intensively than non-admired ones. This effect is expected because of the nature of the relationship between consumers and admired brands, characterized by increased affect. Therefore, this is the same mechanism that protects admires brands from consumer vanity. As a positive self-determining feeling, vanity inspires consumers to react more fiercely against brands. However, this does not happen significantly for an admired brand. Even when consumers experiment with negative feelings, with identity threats.

**DISCUSSION AND CONCLUSION**

This study aimed to observe the influence of brand type, admired or not, on a consumer's negative feeling of joy at misfortune, or schadenfreude, moderated by consumer different sentiments. This is the first study to analyse schadenfreude triggered by the company's own actions, different from the tradition of studies when schadenfreude is felt by consumers of rival brands solely. We tested schadenfreude

when the brand uses a strategy to cheat consumers. The manipulated scenarios were a harmful impact on the consumer when the brand was aware (or not) of its strategy's bad impact on the consumer (study one), when its strategy's bad impact varied through brand-self congruence (study two), varied through love for the brand (study three) or varied through consumer vanity (study four). Most studies on Schadenfreude analyse opposed brands, and it presupposes an admired brand against the other. Although this duality is observed in our study, we advance former studies by analysing schadenfreude even for admired brands.

**Implication to Research and Practice**
Our four experiments together provide evidence that different types of affection moderate the effects of brand type, admired versus non-admired, on *schadenfreude*. In general, affection protects the brand from harmful effects caused by the brand itself when the adopted strategy causes a setback. On the other hand, consumers' self-determining feeling, such as vanity, exacerbates schadenfreude for non-admired brands, when these brands adopt strategies that harm consumer' admiration for them.

Previous studies on the relationship between brands and schadenfreude traditionally evaluate the phenomenon of rivalry between brands. Our contribution is to study schadenfreude in relation to brands when this schadenfreude was caused by actions taken by the brand itself when they disrespect consumers' relationship with the brand. The first study showed the evidence of schadenfreude by presenting that brands that deliberately adopt harmful strategies to the consumer are able to generate greater schadenfreude than when schadenfreude happens when the brand is unaware of the bad actions it has taken. The consumer perceived the misfortune, and consequently, the evaluation of these brands is poorer than those that suffer misfortune due to uncontrolled events such as crises, political decisions, or natural events, for example. Therefore, a transgression of this aspect should lead to negative consumer reactions to these brands. Studies corroborate that strong positive feelings toward a brand can turn negative when brands transgress their agreements with consumers (Moisieiev et al., 2020). These negative responses may affect brands and their relationship with consumers. Study 1 was not conclusive on this aspect; however, it did provide evidence that even widely recognized and admired brands may suffer from schadenfreude, not by comparison to another brand, as indicated in previous studies, but because of their own bad choices to the consumer. This first result corroborates the existence of schadenfreude, and brings a new avenue from previous studies, as the extant literature is silent on exploring schadenfreude when the causes are due to the own brand.

The second experiment advances on the previous one by exploring the positive affective relationships and their effects on schadenfreude as brand transgressions are the cause of schadenfreude. This second study suggests that schadenfreude decreases under the effect of brand type (admired versus not admired) as brand congruence with the individual's self-increases, having no significant difference in high levels of brand-self congruence. Nevertheless, it is higher in non-admired brands when congruence with the

self is lower. In this sense, when brands are weakly related to our identity, they should suffer from more negative effects when misfortune occurs. The result is consistent with Kumar and Paul's (2021, p.8) study, according to which mass-marketed prestige products lead to less happiness when consumers have greater self-awareness. In this study, an approximation of this finding is that schadenfreude begins to increase in admired (prestigious) brands, as the connection to the identity also increases. This is due to the high expectations consumers have of a brand they admire.

However, when the connection to identity is low, representing a distance from the prestigious brand, a form of self-consciousness take place that the brand has no relationship with the individual. Consumers are not always connected to admired brands, and in many cases, this causes frustration, and irritation, leading the consumer to punish the brand. In Kumar and Paul's study, this resulted in less happiness, in this study and more schadenfreude.

The third study explored the effect of brand type (admired versus not admired) on schadenfreude when brand affection varies (low brand love versus high brand love). The results suggest that feelings affect the relationship between admired brands and schadenfreude. We identified the mitigating effect of brand love for different levels of schadenfreude and the effect that for lower levels of brand love, schadenfreude will be higher, especially for non-admired brands, and when feelings are more intense, schadenfreude is equal for less and more known brands, or prestigious and admired brands, although in different ways. These results corroborate our previous studies and accumulate evidence that positive affect toward brands decreases perceived schadenfreude. Non-Admired brands suffer more from the effects of schadenfreude at low levels of affection precisely because these feelings represent less relationship to these brands, and if this affection is lower for these brands, all the better for consumers that they suffer setbacks when they break tacit consumer contracts. Less admired brands arouse fewer reactions from consumers, so the rise in affection for these brands is accompanied by a decrease in schadenfreude. Thus, admired brands have armor and suffer fewer from schadenfreude effects, even when they deliberately act in the wrong way.

The fourth study dealt with the relationship between brands and consumers, which contributes to consumers' vanity, self-admiration, and feelings of good appearance. Consumer vanity triggers positive feelings towards oneself, based on the contributions of the brand. However, this relationship with the brand could be threatened when the brand causes damage to the consumer's self-identity, and then be broken. Our results showed that admiration for a brand can survive even these negative events, potentially insurmountable for any relationship. Past evidence shows that when an identity is threatened, consumers tend to abandon the brand (Zaiss, Nokhbeh, Zaeem and Barber, 2019).

Brand congruence and brand love act as protection from brand misfortune, even when they deliberately perform actions harmful to the market. We admire brands for their relationship with us and their ability to define us (MacInnis and Folkes, 2017). This study brings evidence that when a brand is closely related to its customers, even misfortunes can be mitigated, whether by the company's decision or not. It also showed that intense feelings could account for higher Schadenfreude levels for admired brands than non-admired brands when brand transgressions strike the consumer. The positive valence of the admired brand may become negative if the brand breaks its rules of relationship with the consumer.

Finally, the fourth study demonstrated the reverse results observed in studies two and three. High levels of negative feelings, such as vanity, potentialize schadenfreude, particularly for admired brands. This result put an important aspect for brand managers. Despite the important consequences in market share and value for the customers, an admired brand has also setbacks. When an admired and trustworthy brand causes damage to its customers, the impact on schadenfreude is higher than for non-admired brands. This may happen because a strong brand is expected to have compromise with customers and society. Customers have chosen that brand several times. A transgression against its loyal customers may impose a great disappointment, that must be returned with nothing more than a strong punishment against the brand. This may not happen when the brand is not an admired one, because for a less admired one such transgression would be not a surprise, and harmful behaviors of the brand were even expected.

For practitioners, the study signals important aspects of brand-consumer relationship, indicating how to manage brand reputation, and actions, an its impact on consumer reactions. Our results point out that brands must pursue admiration from customer, as a strategy to protect the brand against its own failures and misfortunes caused by itself.

## CONCLUSION

This study contributes by advancing previous studies on brands and schadenfreude by proposing brand transgression as a trigger for malicious consumer joy at brand misfortune. The study further contributed by testing and revealing evidence that positive relationships with brands protect them from negative consumer responses, even when brands act against them. For the organizations, we evidence the importance of the affectionate relationship with the brand, highlighting affection as an important crisis management mechanism.

### Future research
The study has several limitations, such as the use of brands known by the public, which may act as biases for the answers of the study participants. Even though this was tested as a covariate and without effect. Further studies may explore more moderating variables, besides effective ones, such as empathy, consumer vanity, or other more intrinsic aspects of individuals.

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