

SERENA F. HAGERTY

Curriculum Vitae – June 2022

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ACADEMIC POSITION

University of Virginia, Darden School of Business
Assistant Professor, *Marketing*

EDUCATION

Harvard Business School

Ph.D., *Marketing*

James M. and Cathleen D. Stone PhD Scholar in Inequality and Wealth Concentration

Harvard College

B.A., *Psychology and Economics*

Graduated with Highest Honors in Psychology

HONORS AND AWARDS

American Marketing Association CBSIG Rising Star Award	2021
Rising Scholars Conference	2021
AMA–Sheth Foundation Doctoral Consortium Fellow	2021

PUBLICATIONS (*abstract in appendix)

Journal Publications

***Hagerty, Serena F.** and Kate Barasz (2020), "Inequality in Socially Permissible Consumption," *Proceedings of the National Academy of Sciences*, 117 (25), 14084–14093.

*Barasz, Kate and **Serena F. Hagerty** (2021), "Hoping for the Worst? A Paradoxical Preference for Bad News," *Journal of Consumer Research*, 48(2), 270-288.

Hagerty, Serena F., Ryan C. Burke, Linda M. Isbell, Kate Barasz, and Peter Smulowitz (2021), "Patient Perceptions of Diagnostic Certainty at Discharge and Patient Satisfaction in the Emergency Department," *Academic Emergency Medicine*.

***Hagerty, Serena F.**, Bhavya Mohan, and Michael I. Norton (2021), "Whose Pay Should Be Cut in Economic Crises? Consumers Prefer Firms That Prioritize Paying Employees Over CEOs," Forthcoming at *Behavioural Public Policy*.

Commentaries

Hagerty, Serena F. and Michael I. Norton (2018), "Perceptions of Inequality Shape Preferences for Redistribution," *Current Anthropology*, 59 (6), 779.

Hagerty, Serena F., Kate Barasz, and Michael I. Norton (2022), "Economic Inequality Shapes Judgments of Consumption," *Journal of Consumer Psychology*.

SELECTED WORKS IN PROGRESS (*abstract in appendix)

***Hagerty, Serena F.**, Debora V. Thompson, and Kate Barasz, “Zero–Sum Perceptions Reduce Acceptability of Premium Services,” *Working Paper*.

Collins, Hanne K., **Serena F. Hagerty**, Alison W. Brooks, Jordi Quoidbach, and Michael I. Norton, “Diversity in Social Portfolios Predicts Well-Being,” Revise and Resubmit at *Proceedings of the National Academy of Sciences*

Hagerty, Serena F. and Kate Barasz, “Need is Relative: How Consideration Sets Determine Perceived Need,” *Data collection in progress*.

Hagerty, Serena F. “Poor choice: How inequality in opportunity cost salience influences social judgments of lower-income consumers’ choices,” *Data collection in progress*.

Hagerty, Serena F. and Michael I. Norton, “Inequality and Inefficiency,” *Manuscript in progress*.

CONFERENCE PRESENTATIONS (*presenter)

Special Sessions:

“Marketplace Exclusion of Financially Vulnerable Consumers: Challenges and Solutions,” Association for Consumer Research 2021 (Virtual)

“The Scarcity ‘New Normal’: Scarcity and Income Inequality Post–COVID,” AMA Marketing and Public Policy Conference 2021 (Virtual)

Paper Presentations:

Hagerty, Serena F.*, Debora Thompson, and Kate Barasz, “Zero–Sum Perceptions Reduce Acceptability of Premium Services,” Society of Consumer Psychology Boutique Conference 2022 (Honolulu, HI)

Hagerty, Serena F.* and Michael I. Norton, “Inequality and Inefficiency,” Association for Consumer Research 2020 (Virtual)

Hagerty, Serena F.* and Michael I. Norton, “Inequality and Inefficiency,” Society for Personality and Social Psychology 2020 (New Orleans, LA)

Hagerty, Serena F.* and Kate Barasz, “Basic Basic Needs: The (Biased) Belief that Low–Income Consumers Need Less,” Association for Consumer Research 2019 (Atlanta, GA)

Barasz, Kate and **Serena F. Hagerty***, “Hoping for the Worst: When and why people prefer bad news,” Association for Consumer Research 2019 (Atlanta, GA)

Hagerty, Serena F.* and Michael I. Norton, “Inequality and Market (In)Efficiency,” Association for Consumer Research 2018 (Dallas, TX)

Barasz, Kate* and **Serena F. Hagerty**, “Hoping for the Worst: When and why people prefer bad news,” Society for Judgment and Decision Making 2015 (Chicago, IL)

Poster Presentations:

Hagerty, Serena F. and Michael I. Norton, “Mixing Morals and Markets,” Society for Consumer Psychology 2018 (Dallas, TX)

Hagerty, Serena F. and Michael I. Norton, “Mixing Morals and Markets,” Society for Judgment and Decision Making 2018 (New Orleans, LA)

Hagerty, Serena F. and Michael I. Norton, “Inequality and Market (In)Efficiency,” Society for Judgment and Decision Making 2018 (New Orleans, LA)

TEACHING EXPERIENCE

Harvard Extension School 2018
Consumer Behavior
Instructor

SERVICE TO THE PROFESSION

Society for Consumer Psychology 2022 Conference Reviewer (Virtual) 2021
Journal of Consumer Research Trainee Reviewer (with John Deighton) 2020
Society for Judgment and Decision Making Conference Reviewer (Boston, MA) 2019
Behavioral Decision Research in Management Conference Reviewer (Boston, MA) 2018

SELECTED MEDIA COVERAGE

“Tell Me What To Do: When Bad News Is A Big Relief” *Forbes*, August 16, 2021
<https://tinyurl.com/4229tk37>

“What Is An ‘Essential’ Purchase For A Low–Income Family?” *Forbes*, August 26, 2020
<https://tinyurl.com/yffjxgb8>

“Why Do We Judge The Decisions Of The Poor,” *El Pais*, July 02, 2020 <https://tinyurl.com/yjgwymag>

INVITED TALKS

Cornell University, SC Johnson College of Business 2021
University of Texas at Austin, McCombs School of Business 2021
University of Toronto, Rotman School of Management 2021
IESE Business School 2021
University of British Columbia, Sauder School of Business 2021
Yale University, Yale School of Management 2021
University of Virginia, Darden Business School 2021
Cambridge Judge Business School 2021
Columbia Business School 2021
University of California, Los Angeles, Anderson School of Management 2022

Hagerty, Serena F. and Kate Barasz (2020), "Inequality in Socially Permissible Consumption," *Proceedings of the National Academy of Sciences*, 117 (25), 14084–14093.

Lower-income individuals are frequently criticized for their consumption decisions; this research examines why. Eleven preregistered studies document systematic differences in permissible consumption—interpersonal judgments about what is acceptable (or not) for others to consume—such that lower-income individuals' decisions are subject to more negative and restrictive evaluations. Indeed, the same consumption decisions may be deemed less permissible for a lower-income individual than for an individual with higher or unknown income (Studies 1A and 1B), even when purchased with windfall funds. This gap persists among participants from a large, nationally representative sample (Study 2) and when testing a broad array of “everyday” consumption items (Study 3). Additional studies investigate why: The same items are often perceived as less necessary for lower- (versus higher-) income individuals (Studies 4 and 5). Combining both permissibility and perceived necessity, additional studies (Studies 6 and 7) demonstrate a causal link between the two constructs: A purchase decision will be deemed permissible (or not) to the extent that it is perceived as necessary (or not). However, because— for lower-income individuals—fewer items are perceived as necessary, fewer are therefore socially permissible to consume. This finding not only exposes a fraught double standard, but also portends consequential behavioral implications: People prefer to allocate strictly “necessary” items to lower-income recipients (Study 8), even if such items are objectively and subjectively less valuable (Studies 9A and 9B), which may result in an imbalanced and inefficient provision of resources to the poor.

Barasz, Kate and Serena F. Hagerty (2021), “Hoping for the Worst? A Paradoxical Preference for Bad News,” *Journal of Consumer Research*, 48(2), 270-288.

Nine studies investigate when and why people may paradoxically prefer bad news—e.g., hoping for an objectively worse injury or a higher-risk diagnosis over explicitly better alternatives. Using a combination of field surveys and randomized experiments, the research demonstrates that people may hope for relatively worse (versus better) news in an effort to preemptively avoid subjectively difficult decisions (Studies 1–2). This is because when worse news avoids a choice (Study 3A)—e.g., by “forcing one’s hand” or creating one dominant option that circumvents a fraught decision (Study 3B)—it can relieve the decision-maker’s experience of personal responsibility (Study 3C). However, because not all decisions warrant avoidance, not all decisions will elicit a preference for worse news; fewer people hope for worse news when facing subjectively easier (versus harder) choices (Studies 4A–B). Finally, this preference for worse news is not without consequence and may create perverse incentives for decision-makers, such as the tendency to forgo opportunities for improvement (Studies 5A–B). The work contributes to the literature on decision avoidance and elucidates another strategy people use to circumvent difficult decisions: a propensity to hope for the worst.

Hagerty, Serena F., Bhavya Mohan, and Michael I. Norton (2021), “Whose Pay Should Be Cut in Economic Crises? Consumers Prefer Firms That Prioritize Paying Employees Over CEOs,” *Behavioural Public Policy*.

Four experiments examine the impact of a firm deciding to no longer pay salaries for executives versus employees on consumer behavior, particularly in the context of the COVID-19 pandemic. Study 1 explores the effect of announcing either pay cessations or continued pay for either CEO or employees, and shows that firms’ commitment to maintaining employee pay leads to the most positive consumer reactions. Study 2 examines the effects of simultaneously announcing employee and CEO pay cessations: consumers respond most positively to firms prioritizing employee pay, regardless of their strategy for CEO pay. Moreover, these positive perceptions are mediated by perceptions of financial pain to employees, more than perceptions of CEO-to-worker pay ratio fairness. Study 3, using an

incentive-compatible design, shows that firms' commitment to paying employees their full wages matters more to consumers than cuts to executive pay, even when those executive pay cuts lead to a lower CEO-to-worker pay ratio. Study 4 tests our account in a non-COVID-19 context, and shows that consumers continue to react favorably to firms that maintain employee pay, but when loss is less salient, consumers prioritize cutting CEO pay and lowering the CEO-to-worker pay ratio. We discuss the implications of our results for firms and policy-makers during economic crises.

Hagerty, Serena F., Debora V. Thompson, and Kate Barasz, "Zero-Sum Perceptions Reduce Acceptability of Premium Services," *Working Paper*.

Many firms offer premium services that provide ease, expedience, and access to those who can afford them, with clear benefits to the individuals who use them and the firms that profit from them. However, these services are not met with universal acceptance. As this research documents, people hold lay beliefs that when firms introduce such premium services, non-premium consumers (e.g., those who buy basic services) are made worse off; ten studies demonstrate how these zero-sum perceptions affect the perceived acceptability of premium services. Importantly, zero-sum perceptions appear unique to vertical extensions of a firm's customer base (e.g., introducing a premium tier); comparable horizontal extensions (e.g., broadening the base of existing consumers) are not met with the same scrutiny. Contributing to norm violation literature, these studies show that, in addition to provoking more negative moral judgments, zero-sum perceptions of premium services may lead to more negative attitudes towards a firm, and, ultimately, diminished consumer demand.