

THE ARTISAN & HIS AUDIENCE

Identification with Work and Price Setting in a Handicraft Cluster in Southern India

*Aruna Ranganathan / Stanford GSB
Evidence PDW / AOM 2019*







8
JASMINE



Trader

Me-Visiting
from US

Rs.150

Local Indian
Tourist

Rs.100



Artisan

Rs.75

Rs.100



Me-Visiting
from US

Local Indian
Tourist



Trader

Rs.150

Rs.100

Identification with Work



- Work as a labor of love (Marx 1891, Adler 1992, Rosso et al 2010)
- Develops in concert with doing one's work (Rosso et al 2010, Bunderson and Thompson 2009)

Implications of Identification with Work

- Literature agrees on impact of identification on work-related behaviors (Fine 1992, Faulkner 1971, Wrzesniewski et al 1997)

Implications of Identification with Work

- Literature agrees on impact of identification on work-related behaviors (Fine 1992, Faulkner 1971, Wrzesniewski et al 1997)
- Mixed evidence on how individuals who identify with their work monetize their work output
 - Set low prices or accept low wages because they are intrinsically motivated (Scott Morton and Podolny 2002, Bunderson and Thompson 2009)
 - Prioritize financial gains in setting prices or wages (Bourdieu 1993, Brief and Nord 1990)

Under what conditions do individuals who identify with their work sacrifice financial rewards in their economic decisions and why?

Theory: Product Attachment and Audience Discernment

- Individuals who identify with their work can develop attachment to the products of their labor and care about welfare of work products beyond point of sale

Theory: Product Attachment and Audience Discernment

- Individuals who identify with their work can develop attachment to the products of their labor and care about welfare of work products beyond point of sale
- Therefore, they prefer to transact with discerning audiences who will take care of their products

Theory: Product Attachment and Audience Discernment

- The monetary value that individuals who identify with their work seek for their work output depends on their audience

Theory: Product Attachment and Audience Discernment

- The monetary value that individuals who identify with their work seek for their work output depends on their audience
 - They underemphasize financial gains when transacting with discerning audiences
 - They focus on monetary rewards when transacting with non-discerning audiences

Presenting Evidence in a Multi-Method Study

- Full Cycle Research Model (Fine and Elsbach 2000)
 - 8 months of Ethnography, 22 Semi-Structured Interviews
 - Understand artisans' unique relationship with their work, products and audiences
 - Field Experiment
 - Investigate whether artisans charge differential prices to discerning and non-discerning audiences
 - Surveys of craft businesses
 - Investigate mechanism of product attachment underlying price-setting behavior

Summary of Research Process

Ethnographic fieldwork (June–Aug. 2011, Nov. 2011–Mar. 2012)	Field experiment (May 2012)	Survey 1 (June 2012)	Survey 2 (June 2015)
Data			
Thick description of artisans' (and traders') work and economic lives in Channapatna	Prices charged to different buyers Transaction controls: Availability of electricity, stock left, presence of seller's spouse	Seller controls: Age, work tenure, religion, income, education, neighboring seller density, distance from highway, visits to Bangalore Financial data: Bangle cost GPS data: Location of sellers	Product attachment Perceived willingness to pay of buyer categories Perceived discernment of buyer categories
Analysis			
Developing hypotheses about when and why individuals who identify with their work sacrifice financial rewards in setting prices.	Testing whether audience discernment moderates the salience of financial gains for individuals who identify with their work.	Testing whether the mechanism underlying creative workers' price-setting behavior to different audiences is product attachment.	Validating the market price and product attachment measures.

Qualitative Evidence

In-text Quotes: Mechanism of Product Attachment



“When I make a piece, I get attached to it. I [develop] affection for it...it's like bringing up a child when you are an artisan.”

Figures: Artisans' Work Process



Map: Geocoded Artisan/Trader Locations



Images: Artisans' Identification with their Work

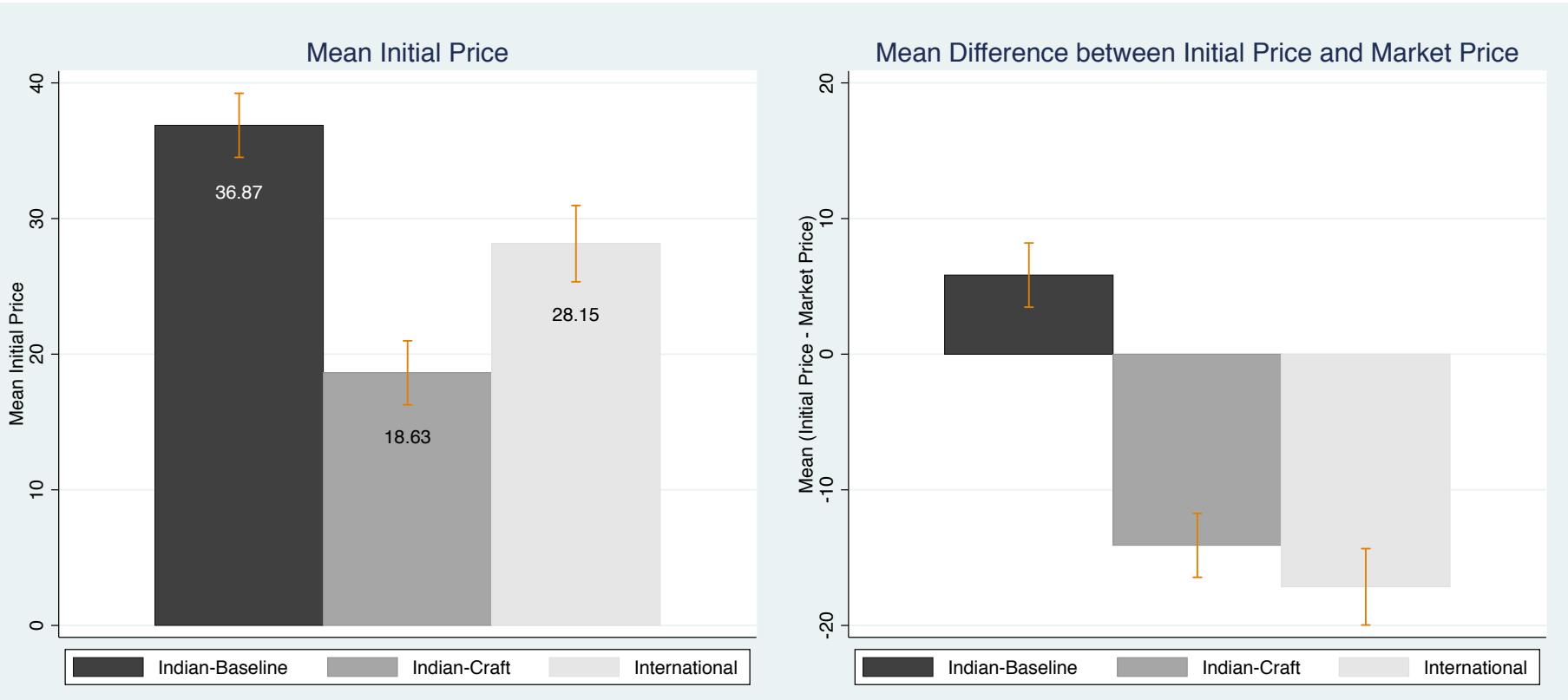


Experimental Design & Evidence

Experimental Design: Number of Sales Transactions by Sellers & Buyers

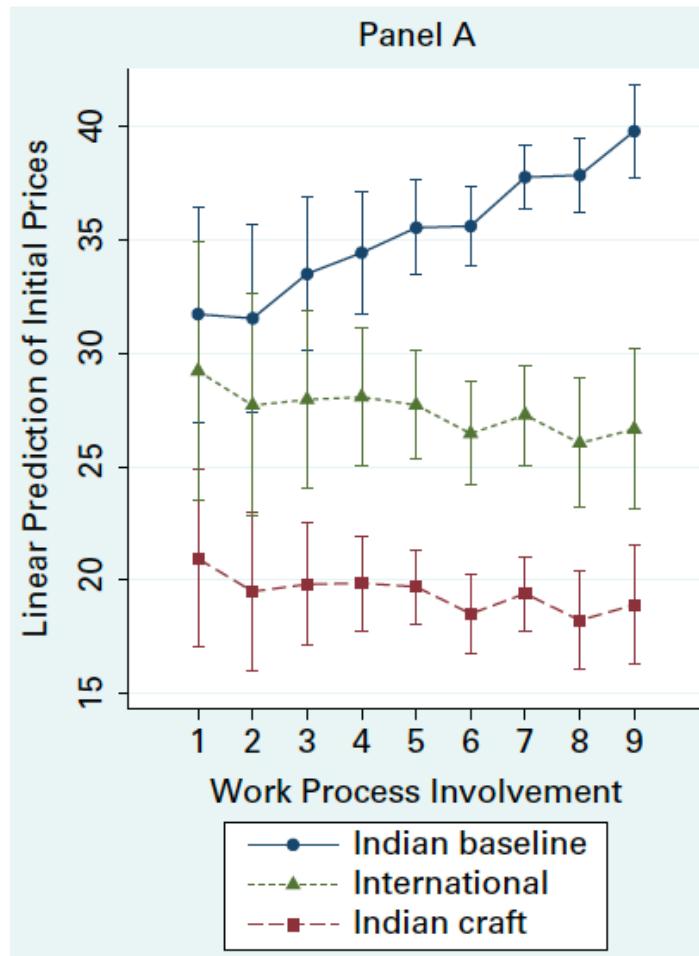
Buyers	Sellers		Total
	Artisans (N = 52)	Traders (N = 25)	
Indian baseline (N = 2)	103	50	153
Indian craft (N = 2)	102	50	152
International (N = 2)	100	50	150
Total	305	150	455

Experimental Results: Artisans' Prices to Different Audiences

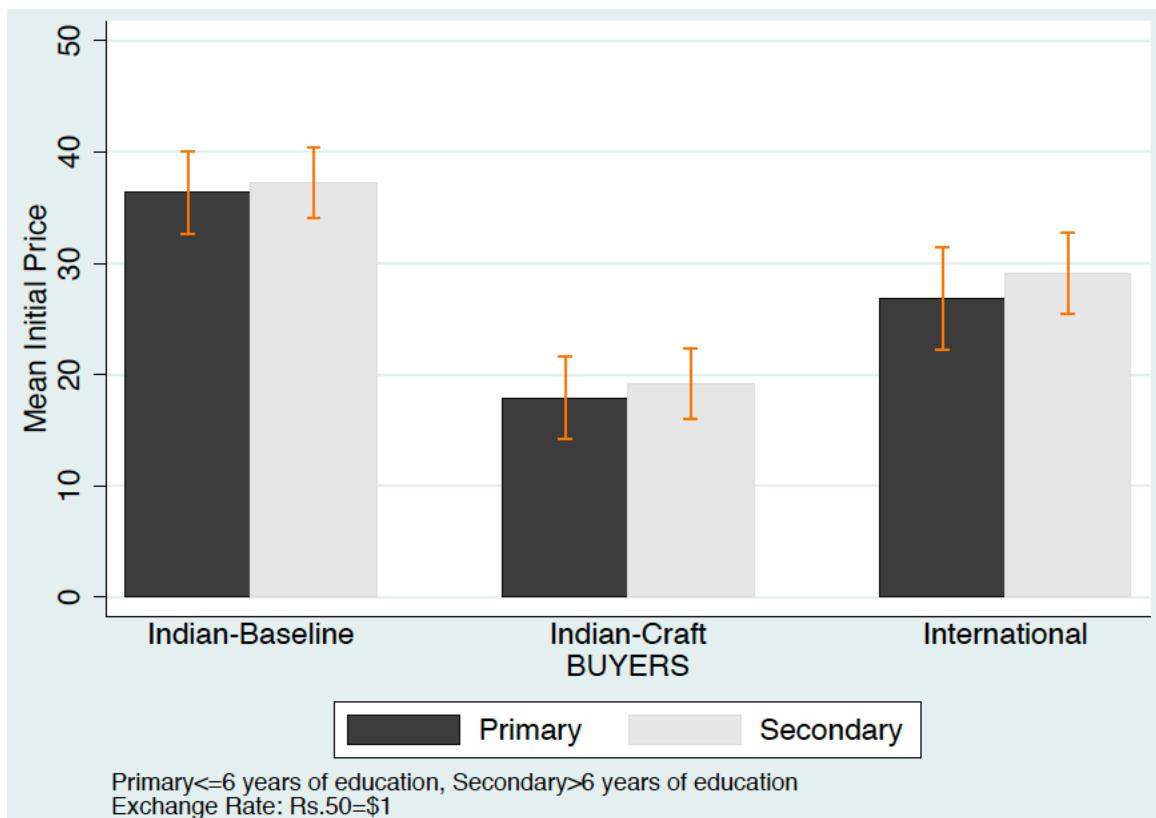


Survey Evidence

Heterogeneous Effects: Evidence for Mechanism of Product Attachment



Heterogeneous Effects: Ruling out Alternative Explanations



Conclusion

- “Story” of the paper should be evident by looking only at figures and tables
- When using multiple methods, use a table to summarize the research process
- Use figures and images to supplement presentation of qualitative data
- Use simple bar charts (with confidence interval bars) to communicate experimental results succinctly
- Show evidence for mechanism and rule out alternative explanations visually



Thank You!
arunar@stanford.edu