

## INTRODUCTION

Power hierarchies and relationships are ubiquitous in the marketplace. Almost never do producers and consumers share equal control over the same resources. To the opposite, they are frequently described as two opposing forces engaged in a struggle, in which what is at stake – at the end of day – is power. Recent advances in ITC, the proliferation of information sources, the Internet of Things, artificial intelligence, hypercompetition and the sharing economy are some of the factors that are driving a redistribution of resources between producers and consumers, with the latter gaining increasing power over the former. New retail formats, both offline and online, offer consumers an almost infinite range of product options to choose from and the ability to customize the product offerings in ways that were unconceivable a few years ago. In addition, consumers now have access to a wealth of information about markets and products, and they can navigate through this information to find what is relevant to them, for instance by using specialized search engines or connecting to other people in social networks. Producers can no longer withhold information about their operations and their real efforts to ensure that society at large benefits from their business activities. Multiple companies are competing to meet consumers' most specific desires, striving to deliver memorable customer experiences that transcend the sole moment of the market transaction and engage customers in holistic long-term relationships where every encounter is meaningful.

In light of the current socio-economic landscape, it is becoming increasingly evident that consumer aspirations cannot be overlooked in the context of marketing strategies. It appears that there has been a shift in the balance of power, with consumers now exerting greater control over the resources available to them. Thus, it is in this control that the source of consumer power must be sought. The concept of consumer empowerment has emerged as a key driver in this context, prompting a renewed interest in the study of power as a psychological construct. This interest has led to a

growing body of research exploring the nature of consumer power and its implications for consumer behavior.

What does it actually mean for consumers to have power? What are the structural and psychological drivers of power? Can power exist in an individual's mind irrespective of the power and control actually held? The sense of power (i.e., subjective power) refers to the perception of power by individuals and it is the most proximate determinant of power-driven psychological functioning and behavior, beyond structural conditions and objective measures of power. Consumers with a high sense of power have increased sensitivity to rewards and inhibited attention to threats. Sense of power promotes single-mindedness in attention and reasoning, and fosters abstract thinking, approach motivation, action orientation, optimism, and a magnified view of the self. Thus, high-power consumers tend to ascribe greater value to their own possessions (vs others'), to switch brand more easily, to engage in cheating behavior and to embrace the risks of their actions. To the contrary, powerless consumers are attracted by high-status products (to satiate their need for power) and are more careful and cautious in information processing and decision-making.

Traditional marketing research focuses heavily on demographics and psychographics: age, income, personality traits, and lifestyles. While these factors undoubtedly play a role, they offer an incomplete picture. They fail to capture the dynamic interplay between a consumer's internal sense of power and their behavior in the marketplace.

Furthermore, consumer behavior and decision-making provide valuable insights into the dynamics of power and its influence on individuals' value systems. Consumption choices reflect not only personal preferences but also societal norms, cultural influences, and economic constraints. When individuals make purchasing decisions, they are essentially allocating their resources – whether it's money, time, or attention – toward acquiring goods or services that they perceive as valuable. Therefore, consumer behavior represents the touchstone of how power states affect the value system of people.

Power dynamics play a significant role in shaping these consumption patterns. Those in positions of power often have the ability to shape the market, influence advertising and marketing strategies, and even dictate trends. This can lead to certain products or brands being elevated in status, creating a symbolic association with power and success.

Moreover, the impact of power on consumer behavior goes beyond mere material possessions. It also extends to the intangible aspects of con-

sumption, such as lifestyle choices, brand affiliations, and social identity. For instance, individuals may align themselves with particular brands or consumption patterns as a way to signal their social status or reinforce their sense of belonging to a certain group.

Understanding how power dynamics influence consumer behavior can shed light on broader societal issues, such as inequality, social mobility, and cultural hegemony. By examining the interplay between power, consumption, and values, researchers can gain valuable insights into the mechanisms through which power operates in contemporary society and its implications for individual well-being and social cohesion.

Existing literature explores concepts like consumer decision-making and information processing, but often overlooks the emotional and psychological aspects of power. This book aims to bridge this gap by examining the psychological underpinnings of the sense of power and its impact on consumer behavior. It explores how consumers perceive power, how they seek to exercise it, and how this translates into their purchase decisions, brand interactions, and overall satisfaction.

Connecting to previous theories and empirical findings, this work aims at offering a complete picture of the empowerment process. The *foundational concepts* are identified in the definition of perceived power (Chapter 1), its *antecedents*, and the ways it has been *operationalized* in applied research (Chapter 2). This work is an attempt at systematizing the theoretical and empirical findings around the concept, examining the *effects* of perceived power and its *implications for consumer behavior* (Chapter 3). Perceived power refers to a (temporary or permanent) psychological individual state. This book does not only analyze perceived power as a static notion, which is as a psychological individual state that is temporarily or permanently possessed by people at a given point in time. This book also deals with the *empowerment* phenomenon, which is the acquisition of power by consumers (Chapter 4). Viewing power in the dynamic perspective allows to investigate the processes that are in place in modern economies. These processes are both dependent on exogenous changes in economic, social, and technological environment, and on endogenous forces that operate from within the market, with suppliers striving, in most cases, to support consumer empowerment in view of shared benefit for the market actors altogether. Therefore, it is important to identify the driving forces of the empowerment process and what are the strategies that firm do and can adopt to spur it. The book aims at dealing with these issues, offering a cohesive perspective on consumer empowerment, its drivers, and its con-

sequences. An essential part of the empowerment process is thought to reside in the *co-creation of value*, in which both producers and consumers act as resource integrators to increase the joint value. The relationship between co-creation and empowerment is outlined, focusing on the conditions that make this relationship precarious (Chapter 5).

Finally, this work offers insights from an *empirical investigation* upon the possibility of instantiating a situational state of perceived power in consumers and its effect on the willingness of consumers to embark in co-production processes with firms and brands (Chapter 6). The research presented in this book serves as a springboard for further investigation. Future research could explore the role of power in specific industries, the influence of cultural factors on the sense of power, and the ethical implications of empowering consumers. By continuing to explore the complex interplay between power and consumer behavior, we can create a marketplace that fosters informed decision-making, fosters loyalty, and ultimately empowers consumers to be active participants in shaping their shopping experiences.

In conclusion, this book offers a comprehensive guide to understanding consumers' sense of power and its impact on consumer behavior. By unraveling the intricacies of consumer empowerment, it equips researchers, practitioners, and graduate and doctoral students in business management, marketing and consumer behavior, with the knowledge and tools they need to navigate the ever-changing landscape of the modern marketplace effectively.