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"I can't pay more" versus "It's not worth more": Divergent effects of constraint and disparagement rationales in negotiations

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ABSTRACT

Past research paints a mixed picture of rationales in negotiations: Some findings suggest rationales might help, whereas others suggest they may have little effect or backfire. Here, we distinguish between two kinds of rationales buyers commonly employ – constraint rationales (referring to one's own limited resources) and disparagement rationales (involving critiques of the negotiated object) – and demonstrate their divergent effects. Across four studies, we examined spontaneous rationales and manipulated rationale content, finding that constraint rationales have more positive effects on instrumental (e.g., counteroffers) and relational (e.g., trust) outcomes than disparagement rationales. Mediation analyses suggest constraint, but not disparagement, rationales are taken by sellers as signaling a buyer's limit. We also demonstrate a role for information, showing that the divergence between these rationales' effects is attenuated when the seller has little information about their object's value. Overall, our results show how and why rationales can help or hurt negotiators.

1. Introduction

From formal negotiations to casual bargaining, from persuasive appeals to requests for help, social exchange often proceeds with one party proposing terms followed by their counterpart responding with an offer of their own. Over the past few decades, a tremendous amount of scholarship has examined numerical aspects of these offers and counteroffers, including the impact of their extremity and precision on settlement terms and impasses (e.g., Ames & Mason, 2015; Galinsky & Mussweiler, 2001; Mason, Lee, Wiley, & Ames, 2013; Neale & Northcraft, 1991; Schweinsberg, Ku, Wang, & Pillutla, 2012). The cumulative evidence is clear: numbers matter. What is far less clear is whether and how the rationales accompanying these numbers might also matter. Practice-oriented guides to negotiation often encourage bargainers to employ rationales (e.g., Malhotra & Bazerman, 2007), yet some research finds that, for a variety of reasons, the justifications surrounding offers may not matter much (e.g., Friedland, 1983). Other studies have suggested that offer-makers' accounts tend to backfire, leading to worse outcomes than no rationale at all (e.g., Maaravi, Ganzach, & Pazy, 2011; Rubin, Brockner, Eckenrode, Enright, & Johnson-George, 1980). As a result, a number of important questions remain unanswered, including: When and why do negotiators' rationales hurt them? And can rationales ever yield benefits?

The present work addresses these questions. We believe one reason for seemingly divergent results in past work is that scholars have not fully distinguished between different *kinds* of rationales. We embrace a distinction between two particular rationales that we show are commonly employed by buyers in negotiations: *constraint* rationales, which focus on limitations in a buyer's own situation (e.g., "I don't have the resources to offer more"), and *disparagement* rationales, which focus on the quality and shortcomings of what the seller is offering (e.g., "What you're selling isn't worth any more"). We argue that disparagement rationales, despite their widespread use, often backfire whereas constraint rationales often yield some benefits. We also consider whether this difference is due to an information value mechanism, which suggests that the divergence might flow from sellers typically taking constraint rationales, but not disparagement rationales, as a signal of the buyer's limit. We explore a boundary related to this mechanism by manipulating how much background information sellers have, gauging whether sellers are more swayed by disparagement rationales when they are relatively uninformed.

This research has potential practical implications. If our predictions are supported, the results would suggest that negotiators should think twice before using a very common tactic (disparagement). This research also has the potential to advance scholarship

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on negotiation and social exchange more generally. If our account is borne out, our evidence would combine with other emerging work on account-giving and framing (e.g., Bhatia, Chow, & Weingart, 2017; Bowles & Babcock, 2013; Trötschel, Loschelder, Höhne, & Majer, 2015) to invite scholars to look beyond how much people ask for and shed new light on how they ask for it.

1.1. Why these rationales?

Our argument and evidence revolve around two kinds of rationale content buyers may employ: disparagement and constraint. In the sections that follow, we define and describe these constructs in more detail, but we begin with a few general points about our motivation for using these constructs in our research. We are not attempting to provide an exhaustive taxonomy of rationale content. Buyers certainly use other kinds of rationales—and sellers clearly employ their own arguments as well. Our emphasis on these two kinds of buyer rationales comes in part from our own experience observing negotiations and teaching developing negotiators, which indicates to us that these rationales are not only commonly-used but often have divergent effects. We also note that these rationales parallel a distinction in the account-giving literature between justifications and excuses, something we describe further in the sections that follow (cf Shaw, Wild, & Colquitt, 2003). Our hope is that the argument and evidence we offer here will encourage scholars to (a) see this particular comparison between disparagement and constraint rationales as meaningful and worthwhile, (b) draw on the account-giving literature and work in other relevant areas to deepen our understanding of negotiation dynamics, and (c) go further in identifying other kinds of rationale content and how they play out in negotiations.

1.2. Disparagement rationales

Disparagement is a frequently-used bargaining tactic in which a buyer critiques an object[1] under negotiation or highlight its shortcomings (e.g., "This car has a dent and lacks a sunroof . . .") to justify their devaluation of a seller's offer (e.g., "...thus, the car is not worth as much as you are asking for."). This kind of proposition is similar to justifications as studied in the account-giving literature. In that tradition of work, scholars often define justifications as explanations that seek to challenge and alter the audience's assessment of an act or situation, in part by minimizing the act or situation's importance and by framing behaviors and outcomes as normal or expected under the circumstances (e.g., Schlenker & Weigold, 1992; Shaw et al., 2003; Sitkin & Bies, 1993). In a negotiation context, a buyer's markedly lower counteroffer in the wake of a seller's proposal could be seen as an affront or inappropriate. However, a buyer could attempt to justify this by challenging the seller's evaluation and claiming that their counteroffer is appropriate given the worth of the object under negotiation.

Disparagement rationales appear to be very commonly used by buyers in negotiations. In one recent study of real-world negotiations, some 60% of those who self-identified as buyers indicated that they used disparagement in pursuit of a better deal (Ames & Wazlawek, 2014; Study 2). In our own work, we have videotaped developing professionals engaged in roleplay negotiations, coding the videos for use of disparagement rationales (Fig. 1; see Study 1 for details). Our coding revealed that over 95% of buyers used disparagement, with the majority of buyers engaging in disparagement multiple times during the exchange.

[1] We used the shorthand "object" to refer to whatever a seller may be offering in a negotiation, but our claims are not restricted to situations where the negotiation is over a physical object. Indeed, in Study 3, we focus on a situation where a seller is offering a service.

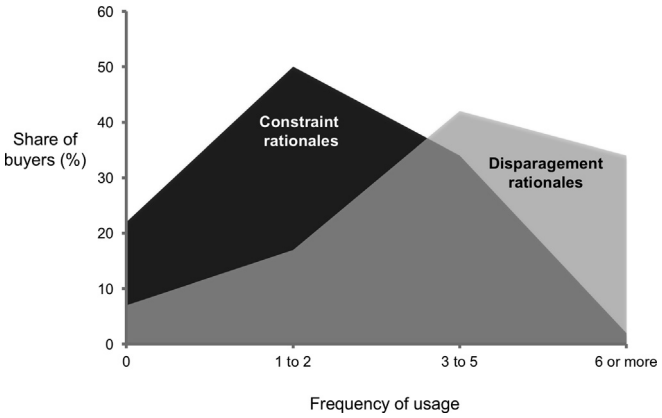

Fig. 1. Frequency with which buyers employed constraint rationales and disparagement rationales, Study 1.

If such sizable shares of negotiators use disparagement rationales, perhaps these accounts are often effective. One route through which they could have a benefit is by disambiguating the value of the object for the seller. Bargainers often have incomplete information and seek to better understand the plausible value of objects under negotiation. It is possible that a buyer's critique of an object could cause the seller to recognize the object's shortcomings and reappraise the object's value downward, a kind of learning effect.

Having acknowledged reasons why disparagement could yield benefits, we turn to what we see as even more compelling reasons to expect that disparagement may often do more harm than good. First, we see sellers as unlikely to "learn" from buyers' critiques. Individuals often recognize situations in which a counterpart is attempting to influence or manipulate them (Friestad & Wright, 1994). If a seller thinks that a buyer is trying to secure attractive deal terms by explicitly disparaging an object under negotiation, they might dismiss or even resent these arguments and react defensively by making more aggressive counteroffers. This reaction may be strongest when sellers have some amount of independent information (e.g., about the worth of the object under negotiation, about comparables, etc.), and thus, confidence in their valuation of the object.

In sum, while there may be reasons to think that disparagement rationales could yield benefits for the many buyers who use them, our experience in observing negotiations and teaching developing negotiators leads us to expect that disparagement rationales often run risks of damaging both instrumental and relationship outcomes.

1.3. Constraint rationales

Constraint rationales explain a buyer's inability to meet the seller's offer (e.g., "I cannot pay the price you are asking for the car . . .") in terms of the buyer's limitations or bounded resources that are outside of their control (e.g., ". . . because my budget is strictly limited by my insurance payout"). This kind of proposition is similar to excuses as studied in the account-giving literature. In that tradition of work, scholars often define excuses as explanations in which a person admits that an act is harmful or counternormative in some fashion but denies full responsibility for it (e.g., Shaw et al., 2003). Whereas someone offering a justification indicates they "should not" have done otherwise, someone offering an excuse indicates they "could not" have done otherwise. In a negotiation context, a buyer may acknowledge that their markedly ungenerous counteroffer to a seller is lower than appropriate but

excuse their proposal by claiming to have limited resources (e.g., "You deserve more but this is all I can offer").

Like disparagement, constraint rationales appear to be widely used. In our coding of roleplay negotiations, some 90% of buyers used constraint rationales (Fig. 1). It is worth noting, though, that constraint rationales were employed less frequently (an average of roughly twice per negotiation) than disparagement rationales (roughly five times per negotiation).

There are several reasons to think that constraint rationales might be effective. A first is that constraints likely function as excuses—and past work suggests that excuses can be quite effective (e.g., Shaw et al., 2003) and that face-affirming overtures such as excuses increase the likelihood of joint resolution in interpersonal disputes (e.g., Brett et al., 2007). One reason behind such effects could be that excuse-making moves the apparent causal source from the excuse-maker to other factors (Snyder & Higgins, 1988). Thus, a buyer's constraint rationale could simultaneously mitigate a seller's feelings of threat (e.g., "My object and I are not under attack") and negative attributions about the buyer (e.g., "This ungenerous buyer is not necessarily a jerk"). Past research suggests that recipients of assertive offers in negotiations tend to ascribe the behavior to negative personal qualities of the offer-maker (Morris, Larrick, & Su, 1999); constraint rationales could provide an alternative situational attribution (i.e., the buyer could not have done otherwise because of their constraints).

Constraint rationales may work largely by being taken by sellers as a meaningful signal of a buyer's reservation price or limit. Negotiators are often eager to diagnose a counterpart's limits in order to choose their approach and evaluate their outcomes (e.g., Larrick & Wu, 2007; Raiffa, 1982). A seller might attend to a buyer's account of their constraints in judging the most the buyer could pay. It may be that a constraint rationale ("I can't pay any more") is often taken as signal of a buyer's limit whereas a disparagement rationale ("It's not worth any more") is generally not treated as revealing a strict limit.

Our own experience leads us to expect that constraint rationales might yield benefits for the reasons noted above. However, it is worth acknowledging alternative points of view. As noted earlier, people may become wary of information offered by a potentially-manipulative counterpart (Friestad & Wright, 1994). Sellers might dismiss buyers' claims about bounded resources as cheap talk or meaningless. Indeed, one study (Rubin et al., 1980) examined a "my hands are tied" rationale in bargaining, finding that counterparts made less generous offers to agents claiming that their own principals limited their ability to concede. The authors speculated that these rationales might not have been seen as credible or legitimate by counterparts. While we think constraint rationales often do yield benefits, we agree that factors such as credibility likely function as moderators.

1.4. Overview and contributions

Following the logic described above, we believe that two kinds of rationales frequently employed by buyers in negotiations will have divergent effects. Specifically, our central prediction is that, for buyers, disparagement rationales will yield worse instrumental outcomes (i.e., less generous counteroffers and less valuable settlements from seller counterparts) and worse relationship outcomes (i.e., less positive impressions of them by seller counterparts) than constraint rationales.

We see this gap as due in part to an information value mechanism, with sellers typically attaching different diagnostic value to these rationales. For constraint rationales, we expect sellers will often take buyer's limitations as a meaningful signal of the buyer's reservation price or limit. In contrast, we expect sellers will often treat disparagement rationales as not diagnostic of a buyer's limit, dismissing it as a (potentially obnoxious) persuasive gambit. Importantly, we also anticipate a boundary to this later effect. When a seller is especially uninformed about the object they are offering, they may be more amenable to a buyer's disparagement rationale. In such a case, when a seller is unsure of their object's worth (e.g., market rates, appraisals, etc.), they may rely more on buyer critiques as a source of valid information about the object and the buyer's true limits. Indeed, for these reasons, we think it is possible that when a seller is seriously uninformed, disparagement rationales might have an advantage over constraint rationales.

We tested these ideas in four studies. Study 1 examined spontaneous rationales in zero-sum dyadic negotiation roleplays to test the effect of constraint and disparagement rationales. Study 2 sought to clarify causal effects by controlling the presentation of constraint and disparagement rationales to respondents in a scenario study. Study 3 blended experimental control and dyadic interaction in a yoked design, counseling buyer participants to offer constraint or disparagement rationales for their proposals and then gauging how seller participants responded. Study 4 explored whether market information functioned as a boundary, manipulating sellers' knowledge of the value of their negotiated object and examining their reactions to buyers' disparagement and constraint rationales.

Along with testing our central prediction (that disparagement rationales generally fare worse than constraint rationales) and our boundary expectation (that this gap will be diminished or even reversed when sellers have limited information about the value of their object), we also pursued exploratory analyses to gauge whether sellers' expectations of buyers' limits played a mediating role. If constraint rationales (versus disparagement rationales) lead sellers to assume that buyers have lower limits, such an information value effect might explain part or all of the impact of these rationales on counteroffers and settlements. All four of our studies provided opportunities to gauge such effects.

Our results have implications for researchers and practitioners alike. In practical terms, our findings suggest that negotiators should reconsider disparagement, a commonly-used tactic, especially in cases where sellers have a reasonable amount of information on the value of their object. We also contribute to the scholarly literature by introducing a new distinction between kinds of rationales, showing that these rationales typically have divergent effects on outcomes. Further, we provide evidence of an information value mechanism, not just revealing that certain rationales matter but also shedding light on when and why.

2. Study 1

To gauge the impact of constraint and disparagement rationale usage on instrumental outcomes (i.e., deal terms), we analyzed video recordings of dyadic roleplay negotiations conducted between developing professionals. We expected that the spontaneous use of constraint and disparagement rationales would have divergent effects. Specifically, we expected that buyers' constraint rationale usage would be associated with better deal terms (i.e., lower final prices). We expected that disparagement rationales would not be associated with such benefits and, indeed, that they might be associated with worse outcomes.

2.1. Method

2.1.1. Participants and design

Participants included 162 Master's of Business Administration (MBA) students enrolled in negotiation courses at a U.S. business school (62 females; $M_{age} = 28.32$, $SD_{age} = 2.04$). In the course's

second session, students were randomly paired and assigned to the buyer or seller role in a negotiation involving licensing fees for a graphic novel. Sellers represented the family that owned the graphic novel, negotiating the novel's licensing fee with a production company, the buyer, who was interested in licensing the rights to develop a feature film around the novel's story. Sellers were told that the family would not sell the novel's licensing rights for less than $1.5 million (i.e., seller's reservation price), and the buyers could not spend more than $2.25 million for the licensing rights (i.e., buyer's reservation price). This was a distributive negotiation; the only issue being negotiated was price. Negotiations, which typically lasted 10–15 minutes, were videotaped.

2.1.2. Materials and procedure

Our past experience and an initial review of videotaped negotiations suggested that disparagement and constraint rationales were the most salient and commonly-used rationales by buyers in negotiations. We recruited two independent research assistants, blind to the hypotheses, to code buyers' usage of disparagement and constraint rationales in each videotaped negotiation.

We coded rationale usage at two levels. At a general level, our coders indicated the overall degree of *emphasis* the buyer placed on constraint and disparagement rationales throughout the negotiation—that is, how much the buyer relied on those kinds of accounts in making their argument for a lower final price. After reviewing an entire negotiation, coders rated constraint emphasis and disparagement emphasis separately on scales ranging from 1 = *weak emphasis* to 3 = *strong emphasis*. In order for coders to have a basis for judgment, they first watched multiple negotiation videos before beginning coding, giving them a sense for relative emphasis of constraint and disparagement rationales across our sample population.

At a more granular level, our coders recorded the *frequency* with which each rationale was used. More specifically, separate conversational turns featuring constraint or disparagement accounts were considered unique counts towards the frequency of their corresponding rationales. If multiple continuous statements were making one large account, they were counted as a single occurrence. For instance, some buyers made a number of statements (e.g., the novel has a childish storyline, the novel is only popular among pre-teen boys) to make a comprehensive account about the lacking quality of the seller's object (e.g., the novel is not marketable to a broad age-group). In such instances, all continuous statements were counted towards a single disparagement rationale. In other cases, in which buyers made independent statements for unrelated accounts, each separate statement counted as a unique rationale.

Along with our coding of rationales from negotiation videos, we considered two additional measures: final settlement values (when a deal was reached) and sellers' assumptions about their buyer counterparts' limits ("What do you think your counterpart's reservation price is?") as captured in a post-negotiation survey.

2.2. Results

2.2.1. Rationale coding

We assessed interrater reliability for the emphasis measures by computing the intraclass correlation coefficient (ICC, McGraw & Wong, 1996; Shrout & Fleiss, 1979). The ratings of the two coders demonstrated substantial agreement both for the emphasis of constraint rationales, ICC (2, 2) = 0.89 and emphasis of disparagement rationales, ICC (2, 2) = 0.85. We averaged the ratings to form a composite measure of emphasis for each rationale (constraint emphasis: $M = 1.30$, $SD = 0.85$; disparagement emphasis: $M = 2.00$, $SD = 0.80$).

The two coders also showed substantial agreement on their assessment of frequencies, producing interrater reliability correlations of $r = 0.74$ for frequency of constraint rationales, and $r = 0.76$ for frequency of disparagement rationales. We averaged coders' evaluations to create aggregate measures (constraint frequency: $M = 2.46$, $SD = 1.69$; disparagement frequency: $M = 5.31$, $SD = 3.20$; Chatman, Boisnier, Spataro, Anderson, & Berdahl, 2008).

The correlation between the emphasis and frequency measures within each rationale was positive and significant (constraint rationales: $r = 0.84$, $p < 0.001$; disparagement rationales: $r = 0.72$, $p < 0.001$). Given the high correlations, we created a composite measure of rationale *usage*, combining the emphasis and frequency measures of each rationale. This composite usage measure was applied in all subsequent analyses.[2] Disparagement rationale usage was not significantly correlated with constraint rationale usage, either in terms of frequency ($r = 0.12$, $p = 0.28$) or emphasis ($r = 0.043$, $p = 0.70$).

As previewed in the introduction, both types of rationales were used with considerable frequency (Fig. 1). Buyers used disparagement rationales significantly more frequently ($M = 5.31$, $SD = 3.20$) than constraint rationales ($M = 2.46$, $SD = 1.69$), $t(80) = 7.46$, $p < 0.001$, $d = 1.11$. Buyers also emphasized disparagement rationales ($M = 2.00$, $SD = 0.80$) significantly more than constraint rationales ($M = 1.30$, $SD = 0.85$), $t(80) = 5.445$, $p < 0.001$, $d = 0.85$.

Seventy of the 81 dyads reached a deal (86%), whereas 11 dyads concluded the negotiation without an agreement (i.e., impasse).[3] Of the seventy dyads that reached a deal, two dyads were excluded from subsequent analyses for failing to comply with instructions (i.e., reached a deal outside of the $1.5 million to $2.25 million bargaining zone).

2.2.2. Instrumental outcomes

We tested our central prediction about the effect of rationales on deal terms by examining the simultaneous effects of constraint and disparagement rationales. We expected that more emphasis on constraint rationales would benefit buyers (i.e., lead to lower settlement values) whereas this would not be true for disparagement rationales. In a multiple regression model using the composite usage measure, we found that, indeed, usage of constraint rationales was negatively related to deal value ($\beta = -0.31$, $p = 0.009$; i.e., more favorable to buyers) whereas usage of disparagement rationales was not significantly predictive ($\beta = -0.16$, $p = 0.17$).

We also examined sellers' estimates of buyers' reservation prices. In a multiple regression using the composite usage measure, we found that usage of constraint rationales was negatively related to estimated reservation prices ($\beta = -0.25$, $p = 0.045$) whereas usage of disparagement rationales was not significantly predictive ($\beta = -0.15$, $p = 0.22$).

2.2.3. Mediation

We pursued mediation analyses to explore potential information value effects, namely that the link between constraint rationales and final deal value could be at least partly accounted for

[2] All reported results replicate when applying the emphasis and frequency measures separately for each rationale. The authors are ready to share these results upon request.

[3] A series of binary logistic regressions with the likelihood of impasse as the dependent variable suggest the possibility of a stronger relationship between buyers' usage of disparagement rationales and the likelihood of impasse (composite: $b = 0.035$, $SE = 0.029$, Wald $z = 1.44$, $p = 0.23$; emphasis: $b = 0.54$, $SE = 0.44$, Wald $z = 1.47$, $p = 0.23$; frequency: $b = 0.13$, $SE = 0.093$, Wald $z = 1.84$, $p = 0.18$) compared to that of constraint rationales and impasse (composite: $b = 0.005$, $SE = 0.070$, Wald $z = 0.005$, $p = 0.95$; emphasis: $b = 0.094$, $SE = 0.38$, Wald $z = 0.062$, $p = 0.80$; frequency: $b = 0.052$, $SE = 0.19$, Wald $z = 0.074$, $p = 0.79$), though neither rationale reached statistical significance.

by sellers' expectations about buyers' reservation prices. Following the recommendations outlined by Hayes (2013), we computed the indirect effect using bias-corrected bootstrapping with 5000 resamples (bootstrapping provides evidence of mediation if the bias-corrected confidence interval (CI) does not include zero for indirect effects). Results showed that sellers' assumptions of buyers' reservation prices significantly mediated the effect of buyers' constraint rationale usage on settlement values (*indirect effect* = −4,851.60, *SE* = 2,513.20, 95% CI [−11,216.97, −1,082.78]).

2.3. Discussion

Analyses of over 80 videotaped negotiations showed that, as expected, constraint and disparagement rationales had divergent effects on deal value. Specifically, constraint rationales were associated with better deal values for buyers whereas disparagement rationales were not. A similar pattern emerged for sellers' assumptions about buyers' reservation prices (i.e., greater constraint rationale usage led to lower seller estimates of buyers' limits). While we did not find evidence that disparagement was associated with worse deal terms, we did observe a substantial divergence between disparagement and constraint rationales associations with outcomes.

Mediation analyses revealed that the positive impact of constraint rationales on deal value for buyers was partly accounted for by sellers' assumptions about buyers' reservation prices. This is consistent with an information value mechanism (i.e., sellers take buyers' constraint rationales, but not disparagement ones, as meaningful signals of their limits).

3. Study 2

Study 1 gauged how buyers' spontaneous use of constraint and disparagement rationales affected negotiation outcomes. Although Study 1 provided initial support for our hypothesis that constraint rationales have more benefits than disparagement ones for buyers in negotiations, the correlational results leave causality unresolved. It could be, for instance, that disparagement is provoked by (rather than the cause of) faring poorly in a negotiation. To address causality, Study 2 employed negotiation scenarios, holding buyer offer behavior (i.e., amount) constant while manipulating rationale content. We expected that seller respondents in Study 2 would be more accommodating to buyers offering constraint rationales than to buyers offering disparagement rationales. Study 2 also allowed us to gauge relational outcomes.

3.1. Method

3.1.1. Participants and design

To determine adequately-powered sample sizes for Study 2 and all of the subsequent experiments, we conducted sample size analyses using G*Power (Faul, Erdfelder, Lang, & Buchner, 2007). Using the G*Power 3 software, we determined that we needed a sample of at least 180 for this study to attain adequate power ($1 - \beta > 0.80$). Data collection was halted after the minimum sample was obtained. A total of 185 U.S. participants responded to an online survey for payment through Amazon's Mechanical Turk platform. Eleven of these participants provided incomplete responses, failed at least one of two attention check questions (e.g., with instructions to select the left-most option on a scale), or provided values inconsistent with understanding the survey materials (e.g., making a counteroffer that was higher than the price they originally listed the antique desk for). This left 174 U.S. adults in the final sample (90 females; M_{age} = 34.7, SD_{age} = 12.2), which met the minimally required sample size for the observed effect ($1 - \beta = 0.90$; $\lambda = 12.85$). The experiment had a single between-participants factor (rationale type: disparagement, constraint, control).

3.1.2. Materials and procedure

After reviewing informed consent materials, participants were asked to imagine themselves engaged in an online negotiation, attempting to sell an antique desk to a potential buyer. A picture of an antique desk was displayed. All participants were in a seller role, responding to offers made by a buyer counterpart. The scenario described that the seller was fond of the desk and had owned it for several years. However, the seller was moving to a smaller home with insufficient space for the desk and, after careful thought, decided to sell the desk. The scenario concluded with the seller listing their desk for $750 based on researching the prices of similar antique desks.

After reading the scenario, participants were instructed to write an advertisement for their antique desk. Once participants submitted their advertisements, they received a response from a (hypothetical) buyer. Participants were randomly assigned to one of three buyer rationale conditions. The disparagement rationale featured criticisms of the table ("The color of the finish seems washed out in places and there appear to be some scratches on the legs. . . .there are better quality tables that sell for less"). The constraint rationale referred to the buyer's situation and limits ("I am currently between jobs and have a very limited budget. . . . the price you are asking is above the limit of what I can afford"). The control rationale featured minimal and neutral text ("I am interested in your antique desk"). In all cases, the buyer's counteroffer was held constant at $500.

Participants were then asked to respond to the buyer's message and indicate their counteroffer ("What price proposal would you make in response to your counterpart's offer of $500?"), their assumption of their counterpart's reservation price ("What do you think is the highest price your counterpart can pay?"), and their predicted settlement price ("If you reached a settlement with this person, what price do you think you would end up with?"). We also gauged participants' impressions of buyers, capturing judgments relevant to a bargaining context. Participants rated buyers on six pairs of adjectives ("stubborn, demanding," "aggressive, competitive," "helpful, considerate," "sneaky, devious," "trustworthy, cooperative," and "selfish, cold") on a seven-point Likert-scale ranging from 1 = *not at all* to 7 = *very much*.

3.2. Results

3.2.1. Instrumental outcomes

Our key comparison of interest was the difference in participants' reactions to constraint and disparagement rationales. We found support for our predictions about assumed reservation prices (Table 1): Participants who received constraint rationales assumed their buyer counterparts had significantly lower reservation prices than participants who received disparagement rationales and those in the control condition (i.e., no rationales). Assumed reservation prices among those who received disparagement rationales and no rationales were not significantly different from one another. Our results were also consistent with our predictions about counteroffers (Table 1). Participants who received constraint rationales made more conciliatory counteroffers to their buyers compared to those responding to disparagement rationales and to no rationales. Counteroffers among those who received disparagement rationales and no rationales were not significantly different from one another. Anticipated settlement values did not show significant differences across conditions, though the pattern of means was in the expected direction (see Table 1).

Table 1
Offer-recipients' assumed reservation prices, counteroffers, anticipated settlement values, and impressions by rationale condition, Study 2.

	Counterpart rationale condition		
	Constraint	Control	Disparage
Instrumental outcomes			
Assumed counterpart RP ($)	601.8 (73.2)$_a$	651.3 (76.7)$_b$	633.7 (75.4)$_b$
Counteroffer ($)	657.5 (60.5)$_a$	680.0 (63.8)$_b$	686.4 (59.0)$_b$
Anticipated settlement value ($)	629.0 (62.1)$_a$	647.0 (66.8)$_a$	644.6 (62.7)$_a$
Relational outcomes			
Positive evaluation (α = *0.78*)	**4.08 (0.93)$_b$**	**3.78 (1.17)$_b$**	**3.17 (1.00)$_a$**
Trustworthy, Cooperative	4.18 (1.10)$_b$	3.79 (1.30)$_b$	3.31 (1.12)$_a$
Helpful, Considerate	3.98 (1.08)$_b$	3.74 (1.19)$_b$	3.03 (1.19)$_a$
Negative evaluation (α = *0.86*)	**2.80 (1.32)$_a$**	**3.07 (1.23)$_a$**	**3.83 (1.20)$_b$**
Aggressive, Competitive	3.32 (1.85)$_a$	3.79 (1.58)$_a$	4.78 (1.44)$_b$
Stubborn, Demanding	2.72 (1.50)$_a$	3.09 (1.51)$_a$	3.90 (1.59)$_b$
Selfish, Cold	2.39 (1.40)$_a$	2.72 (1.35)$_a$	3.34 (1.53)$_b$
Sneaky, Devious	2.79 (1.60)$_{ab}$	2.69 (1.34)$_a$	3.29 (1.48)$_b$

Note. Values in parentheses are standard deviations. Means in rows that share a subscript letter do not differ by $p \leq 0.05$ in a two-tailed t test. RP = reservation price (i.e., sellers' assumptions about buyer limits). Positive and negative evaluation variables (in bold) represent averages of specific items, with alpha values showing scale reliability.

3.2.2. Mediation

As in Study 1, we explored the potential mediating role of sellers' assumptions about buyers' reservation prices in accounting for the link between rationale type and instrumental outcomes. We focused on the two conditions relevant to our question (dummy coding for constraint versus disparagement rationales) with counteroffers as the dependent variable (we did not examine anticipated settlements because this variable was not significantly related to the rationale variable). A bootstrap analysis with 5000 resamples (Hayes, 2013; Preacher & Hayes, 2004) revealed that the seller's assumption of buyer resistance price mediated the effect of the type of rationale on the seller's counteroffer (*indirect effect* = −8.43, *SE* = 4.46, 95% CI [−19.60, −1.77]).

3.2.3. Relational outcomes

Consistent with our expectations, participants (sellers) who received constraint rationales felt more positively about their buyer counterparts than participants who received disparagement rationales (all p's < 0.001 except 'sneaky, devious', p = 0.070; see Table 1). Further, disparagement rationales appeared to carry relational costs compared to no rationales. Specifically, participants who received disparagement rationales generally felt less positively and more negatively toward their counterpart compared to those who received no rationales (all p's < 0.03). Perceived impressions did not differ between those who received constraint rationales and no rationales (all p's > 0.08).

3.3. Discussion

Study 2 manipulated buyers' rationale content while holding offer amount constant in a hypothetical negotiation. The results were consistent with our expectation that constraint rationales, compared to disparagement rationales, would evoke more accommodating and positive responses from rationale-recipients (i.e., sellers). Buyers giving constraint rationales, compared to disparagement rationales, elicited more generous counteroffers from their seller counterparts. Their seller counterparts also assumed these buyer counterparts had lower limits. Further, buyers offering constraint rationales, compared to disparagement rationales, were seen more positively (e.g., trustworthy) and less negatively (e.g., aggressive) by their seller counterparts. Study 2 also provided evidence in support of an information value mechanism: sellers' assumptions about counterpart limits accounted for the link between rationale and counteroffers. This suggests that one reason constraint rationales may fare better than disparagement ones is because they are taken as valid signals of reservation prices.

One possible concern regarding Study 2 is the potential confound in our manipulation of disparagement rationale ("The color of the finish seems washed out in places and there appear to be some scratches on the legs. . . .there are better quality tables that sell for less"). Specifically, it is possible that the latter part of the manipulation, which touches on the *relative* quality of the object, might be at odds with the former part of the manipulation, which focuses on the *absolute* quality of the object. While we see both relative and absolute critiques to fall under our definition of disparagement rationales—as critiques that highlight the shortcomings of the object under negotiation—we wanted to ensure that our manipulation in Study 2 was not confounding one type of critique with another. We address this issue in Study 4, where we operationalized the disparagement rationale to solely focus on the absolute quality of the object under negotiation.

4. Study 3

Study 2 clarified the potential causal effect of constraint and disparagement rationales on instrumental and relational outcomes. However, an alternative possibility is that we (unintentionally) crafted a weak and unrepresentative argument for our disparagement rationale condition and an especially strong one for our constraint rationale condition. While we sought to create reasonable and representative exemplars of each kind of rationale – based, in part, on our experience in Study 1 – we sought to address this issue in Study 3. We asked one sample of participants to generate offers in a buyer role in a hypothetical negotiation and another yoked sample of participants to evaluate and respond to those offers in a seller role. We controlled buyers' offer amount but guided some buyers to craft constraint rationales and others to create disparagement rationales. A third (control) condition let buyers describe their offer in any way they wanted. In pursuit of generalizability, we also shifted the context from an object-oriented negotiation to a service-oriented negotiation. Our central prediction was that disparagement rationales would evoke worse instrumental and relational outcomes than constraint rationales.

4.1. Method

4.1.1. Participants and design

There were two phases in this study: the Buyer Offer Phase and Seller Response Phase. In the Buyer Offer Phase, one sample of participants adopted the role of a buyer, reading a scenario in which they were seeking interior design services and writing an offer to a potential seller (i.e., an interior designer). Buyers were randomly

assigned to one of three conditions: some were asked to offer constraint rationales, others to offer disparagement rationales, and a third (control) group was given no specific instructions. In the Seller Response Phase, a separate group of participants was asked to imagine themselves in the seller role in the hypothetical scenario (there was only a single seller condition). These sellers were yoked to participants from our first phase, randomly assigned to read an offer from a buyer.

We determined that we needed a sample of at least 160 for the Buyer Offer Phase to provide adequate power ($1 - \beta > 0.80$). A total of 164 U.S. adults participated in the Buyer Offer Phase through Amazon's Mechanical Turk platform (85 females; $M_{age} = 33.8$, $SD_{age} = 12.5$). The experimenter and a research assistant blind to the hypothesis (a separate individual from Study 1), read through the 164 responses and selected 40 responses per condition (120 responses total for all three conditions) that implemented the specific rationales as instructed (e.g., setting aside cases where a disparagement rationale was made when the buyer participant was asked to make a constraint rationale). In the control condition, in which we provided no explicit instructions regarding rationales, we excluded participants who failed to pass the attention check (e.g., instructions to select the left-most option on a scale). Some control cases featured disparagement rationales, others featured constraints, and yet others featured neither or some combination of the two. We regard this spontaneous mix as a meaningful benchmark for comparing the other conditions.

In the Seller Response Phase, a total of 122 U.S. adults recruited through Amazon's Mechanical Turk platform responded to a randomly selected buyer message from the Buyer Offer Phase. Using the same attention and comprehension checks as in Study 2, 14 participants were excluded from subsequent analyses. This left 108 individuals in the sample (64 females; $M_{age} = 34.5$ years, $SD_{age} = 12.0$), which met the minimally required sample size for the observed effect ($1 - \beta = 0.93$; $\lambda = 14.63$). The experiment had a single between-participants factor (buyer rationale type: disparagement, constraint, control).

4.1.2. Materials and procedure: Buyer offer Phase

After reviewing informed consent materials, participants read a scenario about an interior design negotiation. All participants in the Buyer Offer Phase played the buyer role as the owner of a cafe in need of an interior makeover, in discussions with a potential designer (i.e., seller). The scenario described the seller making an initial estimate of $20,000 for the entire project in response to the buyer's inquiry. Buyers read that they had a financial constraint of $16,000, which included the budget they set aside to pay their employees during the time the cafe is closed for renovation. Spending any more than $16,000 would force the buyer to cut back on their employees' wages, which would put a great strain on their financial situation. The scenario described the seller's work as of mixed quality: The seller had won a few rewards in the past, but their more recent designs have been tacky and untrendy. The buyers heard a disappointing review from the seller's recent customer, further confirming the buyer's view that the seller's designs are outdated.

After reading the scenario, participants were instructed to respond to the seller's initial estimate of $20,000. Participants in the constraint rationale condition were encouraged to focus on their own budgetary constraints when formulating their response ("... focus on how your personal constraint in this scenario is affecting your counteroffer amount.... Try to convince the seller that you are currently in a difficult situation due to these constraints."). Participants in the disparagement rationale condition were asked to focus on the mixed quality of the seller's past work ("... focus on how the quality of the company's designs is affecting your counteroffer amount ... by elaborating on why you don't think the designs are worth as much as the designer claims ..."). Participants in the control condition were not given any special guidance.

4.1.3. Materials and procedure: Seller response phase

Participants in the Seller Response Phase were asked to assume the seller role in the hypothetical interior design negotiation as the head designer and founder of a small interior design firm. The scenario described that the seller had responded to an inquiry from the owner of the cafe (i.e., buyer), with an estimate of $20,000. Seller participants were then randomly assigned to read a real response from a participant in one of the three conditions from the Buyer Offer Phase (constraint, disparagement, control). While we preserved the entire original text of buyer offers, we held the offer amount constant at $16,000 in all buyer responses.

Sellers then responded to the buyer's message and indicated their counteroffer. They recorded their assumption of their counterpart's reservation price and their predicted settlement price, as measured in Study 2. Sellers also indicated the likelihood of an impasse (i.e., that the negotiation would end without a deal) and the likelihood that they would recommend the buyer counterpart to a friend on a seven-point Likert scale (from 1 = *not at all likely* to 7 = *very likely*. We also measured impressions using the same items as Study 2.

4.2. Results

4.2.1. Instrumental outcomes

As in Study 2, our key comparison of interest was the difference in participants' reactions to constraint and disparagement rationales. We found support for our predictions about all four of our instrumental outcome variables (Table 2). Constraint rationales, compared to disparagement ones, were associated with more accommodating assumptions about reservation prices, more accommodating counteroffers, more accommodating anticipated settlement values, and lower expected rates of impasse. Moreover, for each of these variables, disparagement rationales fared worse than the control condition. Constraint rationales fared better than control in terms of expected impasse rate, but did not differ significantly for the other three instrumental variables.

4.2.2. Mediation

As in Studies 1 and 2, we explored the potential mediating role of sellers' assumptions about buyers' reservation prices in accounting for the link between rationale type and instrumental outcomes. We focused on the two conditions relevant to our question (dummy coding for constraint versus disparagement rationales) and two dependent variables (counteroffers and anticipated settlements). Two bootstrap analyses with 5000 resamples (Hayes, 2013; Preacher & Hayes, 2004) revealed that the seller's assumption of buyer reservation prices significantly mediated the impact of the type of rationale on both the seller's counteroffer (*indirect effect* = −579.53, *SE* = 223.01, 95% CI [−1,107.46, −211.41]), and the seller's estimation of the settlement price (*indirect effect* = −550.75, *SE* = 212.91, 95% CI [−1,041.54, −197.68]),

4.2.3. Relational outcomes

As expected, sellers who received constraint rationales felt far more positively and far less negatively about their buyer counterparts than participants who received disparagement rationales (Table 2). Moreover, both of these conditions differed significantly from the control condition: Buyers in the disparagement condition were seen more negatively than those in the control condition whereas buyers in the constraint condition were seen more positively than those in the control condition. Our recommendation

Table 2
Offer-recipients' assumed reservation prices, counteroffers, anticipated settlement values, impasse, impressions, and recommend by rationale condition, Study 3.

	Counterpart rationale condition		
	Constraint	Control	Disparage
Instrumental outcomes			
Assumed counterpart RP ($)	17,264.7 (1,426.1)$_a$	17,605.3 (1,429.2)$_a$	18,361.1 (1,402.1)$_b$
Counteroffer ($)	17,058.8 (1,050.0)$_a$	17,563.2 (1,273.5)$_a$	18,375 (1,375.2)$_b$
Anticipated settlement value ($)	16,911.8 (839.1)$_a$	17,250.0 (1,038.1)$_a$	18,116.7 (1,240.4)$_b$
Impasse	2.24 (1.50)$_a$	3.08 (1.48)$_b$	4.00 (1.99)$_c$
Relational outcomes			
Positive evaluation (α = 0.87)	**4.97 (1.22)$_c$**	**4.36 (1.16)$_b$**	**3.24 (1.12)$_a$**
Trustworthy, Cooperative	5.03 (1.24)$_b$	4.53 (1.20)$_b$	3.25 (1.20)$_a$
Helpful, Considerate	4.91 (1.40)$_c$	4.18 (1.29)$_b$	3.22 (1.22)$_a$
Negative evaluation (α = 0.89)	**2.13 (1.03)$_a$**	**2.89 (1.26)$_b$**	**4.14 (1.24)$_c$**
Aggressive, Competitive	2.65 (1.39)$_a$	3.47 (1.84)$_b$	4.83 (1.40)$_c$
Stubborn, Demanding	2.26 (1.16)$_a$	3.13 (1.47)$_b$	4.39 (1.38)$_c$
Selfish, Cold	1.76 (1.18)$_a$	2.39 (1.35)$_a$	3.64 (1.52)$_b$
Sneaky, Devious	1.82 (1.19)$_a$	2.58 (1.50)$_b$	3.69 (1.69)$_c$
Recommend	5.09 (1.38)$_b$	4.53 (1.27)$_b$	3.58 (1.87)$_a$

Note. Values in parentheses are standard deviations. Means in rows that share a subscript letter do not differ by $p \leq 0.05$ in a two-tailed t test. RP = reservation price (i.e., sellers' assumptions about buyer limits). Positive and negative evaluation variables (in bold) represent averages of specific items, with alpha values showing scale reliability.

variable (i.e., recommend to a friend) paralleled these impression results (Table 2).

4.3. Discussion

Study 3 extended our previous findings by having one sample of participants generate constraint and disparagement rationales (as well as control offers) as buyers in a hypothetical negotiation and another sample of participants react to those offers as sellers in the same scenario. The results from Study 3 were consistent with our expectation that, for buyers, constraint rationales, compared to disparagement rationales, would evoke more accommodating and positive responses from rationale-recipients (i.e., sellers). Buyers giving constraint rationales, compared to disparagement rationales, elicited more generous counteroffers from their seller counterparts. Their counterparts also assumed these buyers had lower limits and expected to reach deals that were more attractive for the buyers. Further, buyers offering constraint rationales, compared to disparagement rationales, were seen more positively (e.g., trustworthy) and less negatively (e.g., aggressive) by their seller counterparts. These relational outcomes also departed significantly from the control condition: Buyers offering disparagement rationales were seen more negatively than those in the control condition whereas buyers offering constraint rationales were seen more positively than those in the control condition.

Study 3 also provided additional evidence in support of an information value mechanism, suggesting that one explanation for why constraint rationales may fare better than disparagement ones is because they are often taken as credible signals of reservation prices.

It is worth noting the separate takeaways from the different operationalization of control conditions in Study 2 and Study 3. In Study 2, sellers in the control condition received no rationales from the buyer, whereas in Study 3, sellers in the control condition received a rationale freely drafted by the buyer without any guidance on content. One reason we included these control conditions was to evaluate the larger question of whether rationales matter. In Study 2, with a no-rationale control condition, we see evidence that constraint rationales differ from control in terms of instrumental outcomes and that disparagement rationales differ from control in terms of relational outcomes. This leads us to conclude that these rationales are doing "something" other than being simply dismissed or overlooked. Put another way, both rationale conditions differ from having no rationale at all. Study 3 featured an unguided-rationale control condition. Here, the contrast between this control and our constraint/disparagement conditions is tantamount to saying "what happens when people are counseled to give a particular type of account rather than receive no guidance at all." This could be seen as a test of an intervention or advice. Here, disparagement advice leads to worse instrumental and relational outcomes (vs. no advice) whereas constraint advice leads to better relational outcomes (vs. no advice). In sum, the overall picture that emerges from these contrasts with control conditions is that "these rationales do matter compared to no rationale" and that "advice to use one rationale or another matters compared to no advice."

5. Study 4

Studies 1 through 3 generally supported our expectation that buyers often achieve worse instrumental and relational outcomes with disparagement compared to constraint rationales. Notably, across all three studies, sellers had a reasonable amount of information about the value of the good they were negotiating over. For instance, in Study 2, seller participants were given information in their scenario that alluded to them having arrived at their offer price after researching the market for other antique desks ("...After researching the prices of other antique desks, you decide that you are going to list your table at $750."). Similarly, in Study 3, sellers were told that their offers were competitive to other similar services ("...you responded to Pierre's with an estimate of $20,000, which you believe is a reasonable price based on comparable projects you've worked on in the past.").

When sellers have some sense of the market value of the object under negotiation (a material thing, a service, etc.) – such as the scenarios provided in the first three studies – they may not take a disparagement rationale as diagnostic of the object's quality and value but rather as a gambit or an attack. This may, in turn, lead the seller to display defensive reactions such as making more aggressive counteroffers and adopting a markedly negative view of the buyer as a person. However, there may also be situations in which the seller has little information about the object they are selling, possibly because of the object's novelty or rarity or simply because they are uninformed. In such contexts, sellers may seek to better understand the plausible value of their object, possibly taking the buyer's critique as a source of information about the object's shortcomings and, as a result, revising their valuation downward.

To explore this possibility, Study 4 manipulated market information (low versus high) as well as offer rationale (constraint

versus disparagement). When sellers have reasonable information about the market value of their object, we expected to replicate our previous findings such that buyers that make constraint rationales would fare better than those that make disparagement rationales, both in terms of their instrumental outcomes as well as their relational outcomes. On the other hand, when sellers have little information about the market, we predicted that the gap between buyers' disparagement and constraint rationales on instrumental and relational outcomes would close. Indeed, we thought this gap might even reverse, with disparagement yielding better outcomes than constraint when sellers were largely uninformed. Regardless of the differences *between* disparagement and constraint rationales, we expected that *within* disparagement rationales, we would find a significant effect of information such that buyers' disparagement rationales would fare substantially better when sellers' were relatively uninformed versus informed.

5.1. Method

5.1.1. Participants and design

As with the previous studies, we conducted sample size analyses using G*Power and determined that we needed a sample of at least 240 for this study to attain adequate power ($1 - \beta > 0.80$). Two hundred and forty-five U.S. participants responded to an online survey for payment through Amazon's Mechanical Turk platform. Using the same attention and comprehension checks as in Studies 2 and 3, 38 participants were excluded from the analyses. This left 207 U.S. adults in the sample (112 females; $M_{age} = 36.57$, $SD_{age} = 12.14$), which met the minimally required sample size for the observed effect ($1 - \beta = 0.81$; $\lambda = 11.44$). The experiment had a 2 (market information: low, high) × 2 (type of rationale: disparagement, constraint) between-participants design.

5.1.2. Materials and procedure

After reviewing informed consent materials, participants were asked to imagine that they were working for a full-service resort, heading an event team that helps clients arrange various meetings and events. The scenario described that the buyer, a potential client that was arranging a two-day offsite meeting for his organization, was looking for rooms that could accommodate his team's needs and asking the seller for a price quote. All participants were in the seller role and were randomly assigned to one of two scenarios with different descriptions of how much market information they had about the value of their service. In the high market information condition, participants read that they "have a pretty clear sense of typical market prices" and that they "have gathered information about what current rates are, and have detailed information about the market." In the low market information condition, participants read that they "don't have much sense for typical market prices" and that they "have tried their best to gather information about what current rates would be, but have come up empty handed." Across both conditions, participants were told that they made a first offer of $8000.

The buyer then told the seller that they would call back after discussing the offer with their colleagues. When the buyer called back, half of the participants received a constraint rationale from the buyer, which focused on the buyer's financial restrictions ("...the company has had a tough fiscal year and has a very limited budget. The price you are asking is above the limit of what the company can afford for the offsite."). The other half received a disparagement rationale from the buyer, which focused on the (lacking) quality of the seller's resort ("From the pictures online, the rooms at the resort look small and somewhat cramped. The meeting room also appears pretty dated and has an odd layout that isn't ideal for our event."). The buyer then made a counteroffer of $6500 in both conditions.

In addition to the instrumental and relational measures from Studies 2 and 3, we asked participants to indicate how comfortable they felt about the price they were offering to the buyer, and how confident they were that their initial offer to the buyer was a reasonable offer, using seven-point Likert scales ranging from 1 = *not at all* to 7 = *very much*. We also included a question at the end of the survey as a manipulation check measure, asking participants how much information they had about the market when making their offer, using a seven-point Likert scale ranging from 1 = *very little information* to 7 = *a lot of information*.

5.2. Results

To assess whether our attachment manipulation had the intended effect, we compared participants' responses in the high and low market information conditions. As anticipated, participants in the high market information condition reported having significantly more information about the resorts market when making their offer ($M = 5.27$, $SD = 1.79$) than participants in the low market information condition ($M = 2.01$, $SD = 1.42$), $t(205) = 14.44$, $p < 0.001$, $d = 2.02$. Furthermore, participants with high market information felt more comfortable about the offer they made to the buyer ($M = 5.81$, $SD = 1.31$), and felt more confident that their offer was a reasonable one ($M = 5.71$, $SD = 1.25$) compared to those with low market information (price comfort: $M = 3.58$, $SD = 1.67$, $t(205) = 10.73$, $p < 0.001$, $d = 1.49$; offer confidence: $M = 4.28$, $SD = 1.65$, $t(205) = 7.05$, $p < 0.001$, $d = 0.98$).

5.2.1. Instrumental outcomes

Consistent with our expectations, in the high market information condition, a very similar pattern of results emerged for all three of our instrumental measures. Replicating our previous findings, a backlash to disparagement rationales emerged such that disparagement rationales, compared to constraint rationales, evoked less favorable (i.e., higher for buyers) assumptions of reservation prices, counteroffers, and anticipated settlement prices from sellers (Fig. 2). In contrast, when sellers had relatively little information about the market, disparagement rationales were as effective as constraint rationales, with sellers showing no difference in their assumption of the buyer's reservation price, counteroffer amount, and anticipated settlement values in response to constraint and disparagement rationales (Fig. 2). Disparagement rationales did not fare better than constraint rationales under the low information condition—but they did not fare significantly worse.

To further understand the effect that market information had on the efficacy of disparagement rationales, we contrasted seller responses to disparagement rationales in low versus high market information conditions. As predicted, when buyers made disparagement rationales, sellers with low information made significantly more conciliatory counteroffers ($M = 7{,}147.12$, $SD = 321.98$) compared to those with high information on the market ($M = 7{,}348.04$, $SD = 350.99$), $t(101) = 3.03$, $p = 0.003$, $d = 0.60$. Sellers also anticipated lower settlement values (i.e., more favorable to buyer) when they had low information about the market ($M = 6{,}967.31$, $SD = 234.08$), compared to when they had high information about the market ($M = 7{,}122.55$, $SD = 280.06$), $t(101) = 3.06$, $p = 0.003$, $d = 0.60$. Assumptions of reservation prices did not show significant differences across market information conditions, though the pattern of means was in the expected direction with sellers in the low market information condition assuming lower reservation prices from their buyer counterparts ($M = 7{,}488.46$, $SD = 828.81$) than sellers in the high market information condition ($M = 7{,}700.00$, $SD = 793.47$), $t(101) = 1.32$, $p = 0.19$, $d = 0.26$. In short, as expected, disparagement offers fared better for buyers when sellers had limited information about the market.

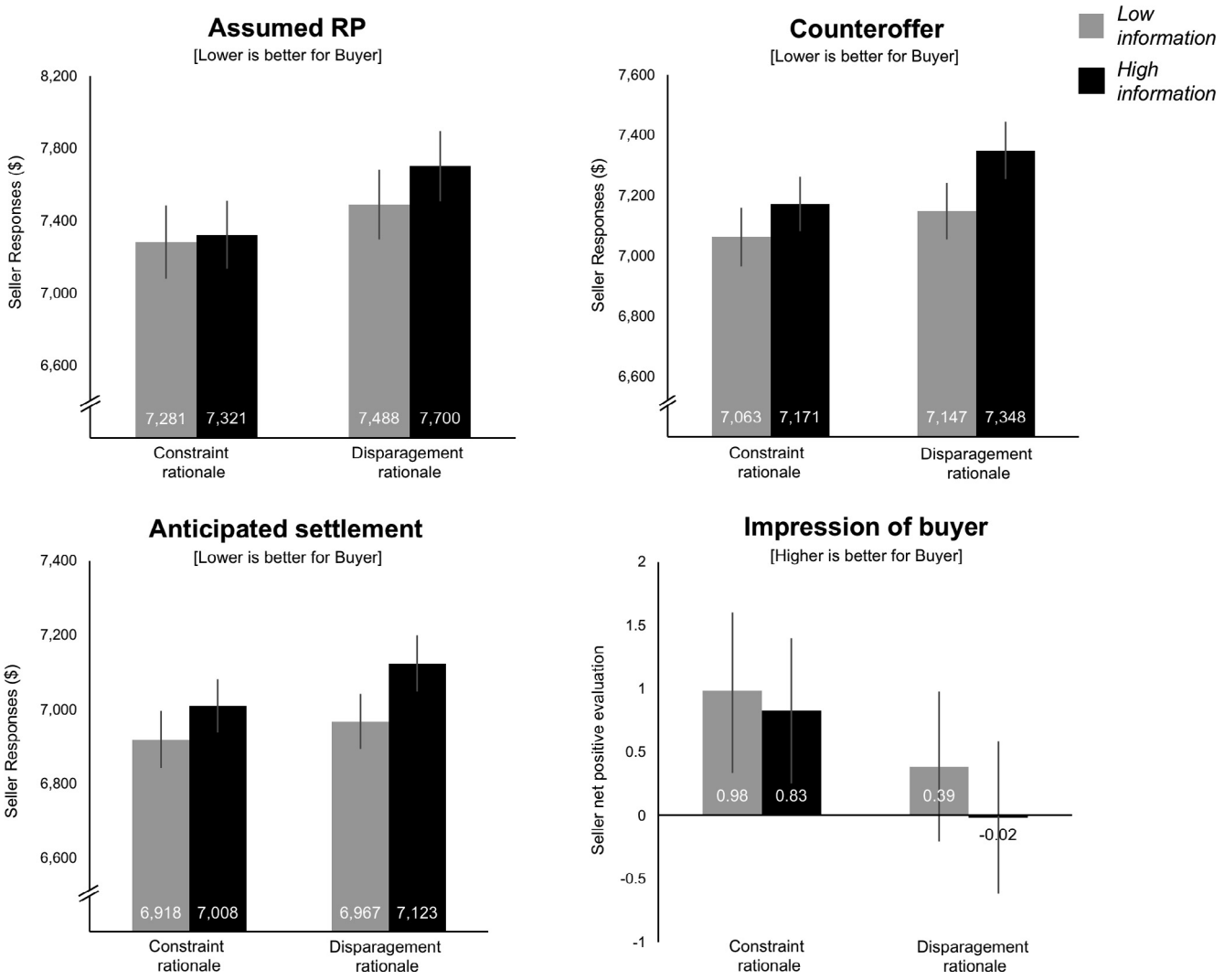

Fig. 2. Offer-Recipients' Assumed Reservation Prices, Counteroffers, Anticipated Settlement Values, and Impressions by Rationale and Market Information, Study 4. Note. Error bars represent 95% confidence intervals. Assumed RP = Seller assumptions of buyer reservation price. Net Positive Evaluation = Negative Evaluations subtracted from Positive Evaluations.

On the other hand, sellers' responses to constraint rationales did not differ based on the amount of information they had about the market. We interpret the overall pattern of results as suggesting that sellers often take buyers' constraint rationales as diagnostic about the buyers, regardless of how much information the sellers have about the market, but that sellers are more likely to take buyers' disparagement rationales as informative about instrumental outcomes when they are relatively uninformed about the object under negotiation.

5.2.2. Mediation

We expected to replicate our mediation findings from Studies 2 and 3 in the high market information condition. More specifically, we predicted that sellers' assumptions about buyers' reservation prices would account for the effect that rationale type (dummy coding for constraint versus disparagement rationales) had on instrumental outcomes when sellers had high information on the value of their good. Indeed, a bootstrap analysis with 5000 resamples (Hayes, 2013; Preacher & Hayes, 2004) revealed that the seller's assumption of buyer resistance price mediated the effect of the type of rationale on the seller's counteroffer (*indirect effect* = 105.00, *SE* = 38.32, 95% CI [35.98, 188.34]) and on the seller's anticipated settlement value (*indirect effect* = 107.64, *SE* = 52.90, 95% CI [4.81, 215.13]).

On the other hand, when sellers had little information about the value of their good, sellers' assumptions of buyers' reservation prices did not account for the effect of the type of rationale on the seller's counteroffer (*indirect effect* = 31.34, *SE* = 25.67, 95% CI [−7.41, 96.05]; confidence interval includes zero) or anticipated settlement value (*indirect effect* = 51.72, *SE* = 56.81, 95% CI [−53.10, 168.45]). This is not surprising as none of the instrumental variables were significantly related to the rationale variable.

We conducted further exploratory analyses to understand why the backlash to disparagement is mitigated when sellers have little information about the value of their good. We suspected that one potential explanation is the amount of confidence the seller has in their offer. When sellers have high information about the value of their good and, thus, have reasonable confidence in the price they are offering, disparagement rationales may be dismissed as having little to no persuasive or informational value. However, when sellers have relatively low information about their good and, thus, have little confidence in the value of their good, we expected sellers to become more open to taking disparagement rationales as informative about the good's worth. We conducted

a bootstrap analysis with 5000 resamples to test if sellers' confidence in their offer would account for the effect of market information (dummy coding for low versus high market information) on instrumental outcomes. As expected, sellers' confidence in their offers mediated the effect of market information on sellers' counteroffers (*indirect effect* = 96.62, *SE* = 38.21, 95% CI [34.37, 186.27]), and on their anticipated settlement values (*indirect effect* = 74.61, *SE* = 30.42, 95% CI [25.11, 146.30]), in response to disparagement rationales. Sellers' confidence in their offer did not explain their estimation of buyers' reservation prices (*indirect effect* = 81.67, *SE* = 84.27, 95% CI [−57.94, 282.46]), which was not surprising given that we predicted market information to affect information related to the seller's object rather than the buyer's limits.

5.2.3. Relational outcomes

A similar pattern emerged for relational outcomes. We created a net evaluation measure ("net positive evaluation") that subtracted negative evaluations ("aggressive, competitive", "stubborn, demanding", "selfish, cold", "sneaky, devious"; $\alpha = 0.87$) from positive evaluations ("trustworthy, cooperative", "helpful, considerate"; $\alpha = 0.86$) to measure the overall valence of how sellers felt about their buyer counterparts. A higher number on this measure represents a more positive (and less negative) evaluation the seller made about the buyer.

Consistent with our expectations, when sellers had high information about the market, they felt more negatively towards buyers making disparagement rationales ($M = -0.020$, $SD = 2.19$) compared to buyers making constraint rationales ($M = 0.83$, $SD = 2.19$), $t(105) = 1.99$, $p = 0.049$, $d = 0.39$. However, when sellers had relatively low information about the market, they did not show a difference in their impressions of buyers making constraint rationales ($M = 0.98$, $SD = 1.92$) and buyers making disparagement rationales ($M = 0.38$, $SD = 2.34$), $t(98) = 1.39$, $p = 0.17$, $d = 0.28$. No differences emerged when comparing perceived impressions from constraint and disparagement rationales across high and low market information conditions (both p's > 0.37)

5.3. Discussion

Study 4 manipulated rationales and market information, seeking evidence for a predicted boundary to the divergence across rationales: The gap between constraint and disparagement rationales on negotiation outcomes would close, or even reverse, when sellers have low market information about the value of their object. Our expectations were partly confirmed with the previously examined differences in assumed counterpart reservation prices, counteroffers, anticipated settlement values, and impressions falling to non-significant levels when sellers had low information about the market. Specifically, as in our earlier studies, disparagement (versus constraint) rationales led to worse instrumental and relational outcomes when sellers had some degree of information about the market—but not when they had very little information. In other words, the gap between the rationales closed under low information, but we found no evidence that it reversed, with disparagement rationales yielding better outcomes for buyers.

Setting aside the gaps between rationales, we observed that, for disparagement rationales, buyers fared significantly better when sellers had less (versus more) information about the market. Further exploratory mediation analyses revealed that sellers' confidence in their offer accounted for the effect of market information on instrumental outcomes. These results suggest that sellers at least partly take disparagement rationales as a source of information and persuasive appeal when they lack other sources to reference and, thus, lack confidence about the value of their object.

6. General discussion

In most cases, negotiations are not solely an exchange of numbers. Rather, negotiators often surround their offers with explanations, accounts, and rationales that seek to justify, explain, and legitimize whatever terms they are proposing. Some negotiations feel more like a battle of stories than a tug-of-war over numbers. But do these stories matter? If so, how, when, and why? Surprisingly little scholarship has examined these questions and the evidence that does exist seems inconclusive. Some past work indicates that accounts are often dismissed by recipients as "cheap talk" or "window dressing" or are otherwise irrelevant. Other work suggest that accounts may often backfire, activating defenses and evoking reactance, leading to worse outcomes than no story at all. Some recent research reveals that certain kinds of accounts and framing might have benefits.

We have argued that the impact and mechanisms of rationales will best come into focus when scholars can distinguish between different and meaningful kinds of rationales that negotiators use. The present work did not attempt to account for the full universe of rationales, but rather focused on two particular rationales often employed by buyers during bargaining: disparagement rationales, which focus on the quality and shortcomings of what the seller is offering, and constraint rationales, which focus on limitations in a buyer's own situation. We suggested that buyers' disparagement rationales may often provoke reactance from sellers, especially when they have reasonable confidence in the value of the negotiated object, who may see such criticism as a groundless attack, discounting its information value and taking a dim view of the buyer. Constraint rationales, in contrast, may often succeed by functioning as excuses, shifting the focus away from the buyer to their external circumstances and being taken as diagnostic signals of the buyer's limits.

Our central prediction revolved around this novel distinction: Disparagement rationales would lead to worse instrumental and relational outcomes than constraint rationales. We tested this idea across a series of studies, finding considerable support for it. In Study 1, we analyzed recordings of dyadic negotiation roleplays, coding spontaneous use of constraint and disparagement rationales. Buyers who emphasized constraint rationales and used them more frequently reached significantly better outcomes and were judged by their counterparts to have lower reservation prices. In contrast, the emphasis on, and frequency of, disparagement rationales was not related to final outcomes or sellers' estimate of buyers' resistance points.

Study 2 provided evidence of causality by experimentally manipulating rationales. Sellers receiving constraint (versus disparagement) rationales made more generous counteroffers and ascribed lower reservation prices to buyers. Furthermore, recipients of constraint (versus disparagement) rationales had more positive impressions of buyers. In Study 3, we expanded our approach to include rationales crafted by one wave of participants (in the role of buyers) and provided to a second, yoked wave of participants (in the role of sellers). We counseled some buyers to offer constraint rationales and others to offer disparagement rationales. A third (control) buyer condition gave no particular directions about rationales. Again, we found that disparagement rationales fared worse for buyers than constraint ones in terms of instrumental outcomes. In addition, relationship effects were substantial: Disparagement rationales led to impressions that were significantly more negative than the control condition whereas constraint rationales led to impressions that were significantly more positive than the control condition.

Across these studies, we also explored a potential information value mechanism, testing whether sellers' assumptions about

buyers' reservation prices partly or wholly mediated the link between rationales and outcomes. We found support for this idea across the studies, suggesting that one path by which constraint rationales have more benefits than disparagement ones is because they are taken as valid signals of a buyer's limits.

We also expected that one context in which disparagement rationales are not disadvantageous is when the seller is relatively uninformed about the value of the object under negotiation. Study 4 sought to test this idea by manipulating the amount of market information sellers had. As expected, we replicated the gap between disparagement and constraint rationale outcomes when sellers had reasonable market information, but this gap closed (i.e., was not statistically significant) when they had little information.

In sum, constraint rationales may often yield benefits for buyers, in part because they are taken as signaling a buyer's limits while at the same time cultivating a positive image of the buyer – quite likely by shifting causal attributions to external sources. Disparagement rationales, on the other hand, may often be damaging for buyers. Instead of appearing to signal a buyer's limit, they may be taken as an uninformative attack that in turn provokes a seller's reactance, especially when the seller has reasonable information on the value of the object under negotiation.

6.1. Implications

Stepping back, we see our results as yielding three larger points with both practical and scholarly implications. The first is that rationales can matter, sometimes a great deal. They can both help and hurt—and distinguishing between the content of rationales seems to be critical to understanding their effects. We think the distinction we have introduced between two commonly-used buyer rationales (disparagement and constraints) can give researchers and practitioners a valuable starting point for thinking about possible kinds of rationales. In practical terms, our results suggest that negotiators should devote some attention to preparing rationales and, more specifically, that those in a buyer role should recognize the risks of using disparagement rationales.

A second point concerns how rationales may have their effects. We found evidence of an information value mechanism, which may be implicated in the operation of various kinds of rationales, including ones not addressed in our work. Negotiators typically enter bargaining situations unaware of their counterparts' limits. They may generally be eager to diagnose a counterpart's reservation price but also skeptical of the information a counterpart offers. Surely, some rationales are treated as meaningless or as annoying gambits. However, our results suggest that some rationales, such as constraint rationales, may often be taken as having signal value. As prior scholars have noted, credibility likely plays an important moderating role (cf Rubin et al., 1980).

Our work also reveals a third larger point: The impact of the rationales may often depend on the qualities or situations of the recipient. Our final study manipulated how well-informed sellers were about the market for their offering, showing that the impact of disparagement rationales varied significantly along this dimension. Rationale recipient expertise or preparation may govern the impact of various rationales—and other recipient attributes (e.g., trust/cynicism, social motives, emotional state) are very likely to have substantial effects as well.

6.2. Limitations and future directions

The present research introduced and revolved around a novel distinction between buyers' constraint and disparagement rationales. While this appears to be a useful entry point, much remains to be done. We are quite certain that finer grain distinctions can be made within these rationales and that other kinds of rationales—including seller rationales—are worth charting. In addition, future work could examine when and for whom various accounts are more beneficial or costly. Recent research by Bowles and Babcock (2013) highlights the potential in this direction, finding that relational accounts may be more beneficial for female than male employees in compensation negotiations.

The vast majority of our evidence comes from American samples. Surely, the meaning attached to rationales, and the kinds of rationales used, varies from culture to culture. Some research suggests, for instance, that relatively egalitarian cultures (e.g., the U.S.) focus more on the direct content of communication, whereas relatively hierarchical cultures (e.g., East Asia) pay more attention to indirect cues and the relational context of the interaction (Ambady, Koo, Lee, & Rosenthal, 1996; Holtgraves, 1997). It is possible, then, that individuals from the U.S. may show stronger reactions to the content of rationales. Future work could fruitfully explore culture as a source and moderator of rationales by examining how the production, content, and impact of rationales may vary accordingly to cultural variance in such concerns. Our research focused on the consequences of rationales, but the antecedents merit attention as well. For instance, who is more likely to use a disparagement or constraint rationale—and when and why? Past work points to expectancies as a source for various kinds of assertive behavior (e.g.., Ames, 2008; Ames & Lee, 2015). It seems likely that negotiators use disparagement rationales when they expect that such behavior will help them, even if these expectations are wrong. Future research might explore whether such beliefs are widespread and, if so, why these beliefs emerge and how they are sustained or overturned.

In conclusion, even though the numerical aspect of offers has received a tremendous amount of attention over the past several decades in negotiation scholarship, nearly all practitioners and scholars agree that negotiation is more than just numbers. Accounts and rationales seem likely to play a significant role, even if that role varies dramatically from one kind of appeal, and one bargaining situation, to the next. We believe that the present results provide one provisional but concrete piece of this emerging story, helping to flesh out the portrait of the negotiator as account-giver.

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