

# **FOUR MORE YEARS: PRESIDENTIAL ELECTIONS, COMPARATIVE MIND-SET, AND MANAGERIAL DECISIONS**

## Abstract

Exposure to stimuli that elicit comparisons in one domain activates a *comparative mind-set*. In this state, managers are more likely to select from available options and increase their level of spending, when making subsequent, unrelated managerial decisions. Five studies demonstrate this effect. Arguing that U.S. presidential elections likely elicit a comparative mind-set among managers, we show in Study 1 that U.S. firms, but not non-U.S. firms, spend more on advertising in presidential election years than in non-election years. In a controlled business simulation, Study 2 demonstrates that participants spend more money on advertising and training in presidential election years than in non-election years. Three experiments involving practicing managers follow. Study 3a exposes managers to stimuli featuring a U.S. senate election and we observe an increase in spending on training and development programs, while Study 3b examines the underlying mechanism linking the activation of a comparative mind-set to increased choice and spending on marketing programs. Finally, Study 4 shows that shifting the decision frame from choosing to rejecting options attenuates the comparative mind-set effect. We conclude with a discussion of the theoretical and practical contributions of this research.