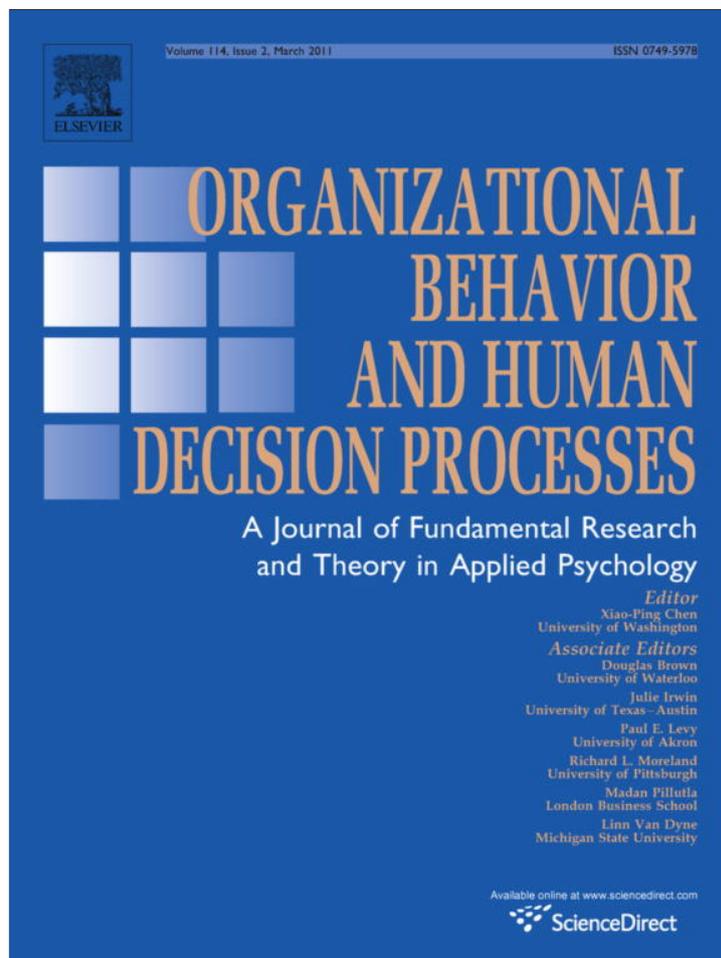


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Location in negotiation: Is there a home field advantage?

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ABSTRACT

Although location is considered to play an important role in negotiation potentially favoring one side over the other, little research has examined whether negotiating on one's home field indeed confers an advantage to the resident party. We tested this possibility by experimentally manipulating participants' occupancy status (resident versus neutral versus visitor). Across three studies, we find that residents of an office space outperform the visiting party in a distributive negotiation. In addition, our results suggest that this performance discrepancy between residents and visitors may be due to both a resident advantage (residents outperforming a neutral party) and a visitor disadvantage (visitors performing worse than a neutral party). Finally, our findings reveal that confidence partially mediates the effects of occupancy status on negotiation performance and demonstrate that an intervention designed to boost visitor confidence can help overcome the home field advantage. Implications of these results for theory and practice are discussed.

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Introduction

The location of a negotiation—whether it is an international peace conference or a meeting between union representatives and management—tends to be the subject of careful deliberation (Bottom, 2003). Indeed, parties frequently discuss long and hard about where they are to meet before they ever sit down to actually negotiate (Salacuse & Rubin, 1990). This concern is driven by the widely shared belief that the particular location in which the negotiation is to occur can have a profound impact on the ensuing process and the ultimate outcome of the negotiation (Griffin & Daggatt, 1990; Mayfield, Mayfield, Martin, & Herbig, 1998).

The belief that location matters is reflected in the observation that if asked where they would like to negotiate, most people tend to choose their own territory—their home field. Sports lore abounds with references to the “home field advantage”—the consistent finding that home teams win over 50% of the games played under a balanced home and away schedule (Courneya & Carron, 1992). The preoccupation with the home court advantage in sports appears to be warranted—game location can be as strong of a predictor of performance as team quality (Schwartz & Barsky, 1977; Snyder & Purdy, 1985), although the decisiveness of the effect varies considerably from one sport to another (Nevill & Holder, 1999).

Similarly, negotiating on one's “home field” is widely believed to confer a number of advantages to the home party and/or to be

disadvantageous to the visiting party (Mayfield et al., 1998). Anecdotal evidence, for example, suggests that because people are more familiar with their own surroundings, they tend to be more comfortable and confident in them (Lewicki & Litterer, 1985). In addition, negotiating on one's home field allows for easier access to information and control of the negotiation environment (Johnson, 1993; Salacuse & Rubin, 1990). Indeed, history is replete with examples that negotiation on one's home field can be beneficial to the hosting part. For instance, the agreement of the Western allies to meet in Soviet controlled Potsdam after the end of World War II in 1945 allowed Stalin to manipulate the negotiation environment to the Soviet Union's advantage (Mayfield et al., 1998).

Despite the anecdotal and historical evidence attesting to the importance of the home field advantage in negotiation—we borrow from competitive sports and adopt the same terminology—there is surprisingly little systematic research examining whether location indeed matters and no study explains why this may be the case. As a result, the home field advantage remains one of the least understood phenomena in negotiation. The goal of the present examination was to shed light on this issue by evaluating the extent to which negotiating on one's home field indeed provides the host with a distinct advantage and/or the visiting party with a disadvantage. In addition, we set out to theoretically and empirically isolate the mechanism mediating this effect. In exploring the causal pathways we not only contribute to the extant work on negotiation but also to research on the home field advantage in competitive sports which, to the best of our knowledge, has not yet identified the precise psychological mechanism underlying this important phenomenon.

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Before reviewing the relevant literature, it is important to clarify several terms as they will be used throughout the manuscript. In the context of the home field advantage and the present research, “resident” refers to the person who is seen as the occupant of a territory. This could be the home team in a football stadium or the person who occupies a particular office and claims the space as his or her territory. A “territory” is an object that someone has claimed (often through the territorial behavior of marking) as their own (Brown, Lawrence, & Robinson, 2005). In the present study, “territory” refers to physical spaces, such as a home, an office, or a sports stadium. These territories are the figurative “homes” we refer to when describing the “home field advantage.”

Theoretical development

Site selection is an important decision in negotiation. Today, negotiation locations are often chosen with the intent to isolate negotiators from the pressure of public opinion and to achieve a degree of balance between the different parties (Bottom, 2003). To achieve this balance, “neutral” ground is typically sought out. As Johnson (1993) pointed out, a neutral site is ideal for negotiations because it can be agreeable and comfortable for both sides and advantageous to neither. For example, two ships off the coast of Malta, the Soviet cruise ship SS Maxim Gorkiy and the USS Belknap, were selected as the location for the Malta Summit between US President Bush and USSR leader Mikhail Gorbachev at the end of the Cold War in 1989. More recently, the Dayton Accord was named so after Bosnia and Herzegovina outlined a peace treaty at the Wright-Patterson Air Force Base near Dayton, Ohio in 1995. The practice of seeking “neutral” territory dates back hundreds of years—the Treaty of Tilsit between Napoleon I of France and Czar Alexander I of Russia, for example, was signed on a raft in the middle of the Neman River—and is not confined to international peace negotiations. Union representatives, for instance, often prefer neutral locations, such as a hotel meeting room as opposed to company headquarters when conducting contract negotiations (Griffin & Daggatt, 1990).

The tendency to seek neutral territory to resolve a dispute is firmly grounded in the almost universally held belief that location matters and that negotiating on one side’s home field clearly favors that side over the other. Salacuse and Rubin (1990) were among the first to explicitly discuss the importance of location in negotiation and identified several advantages and disadvantages of meeting in various locations (see also Mayfield et al., 1998; Salacuse, 2005). For example, they suggested that meeting in “my place” provides a sense of familiarity, allows control over layout, and promotes greater and quicker access to information.

Despite the anecdotal and historical evidence attesting to the existence of the home field advantage in negotiation, there is surprisingly little systematic theoretical and empirical work that has examined this issue. A few efforts have been undertaken, however (e.g., Conroy & Sundstrom, 1977; Han, Li, & Shi, 2009). For example, Martindale (1971) investigated the interaction of resident–visitor dyads in a competitive situation. Charged with the task to decide upon an appropriate prison sentence in a fictional criminal case, one person in each dyad was assigned the role of prosecuting attorney and the other was assigned the role of defense attorney. Territorial dominance was measured via floor time and whether the resident participant won the negotiation. Results indicated that occupancy status (i.e., being a resident or a visitor) had the strongest impact on the measures of dominance with residents occupying more floor time and more frequently achieving sentences consistent with the role of either prosecutor or defense attorney (i.e., a longer or shorter sentence, respectively). Extending this work, Taylor and Lanni (1981) suggested that the resident advantage

would also emerge in triads and that it would apply to low-dominance as well as high-dominance persons. Triads were composed of a low-, medium-, and high-dominance student each and met in either the high- or low-dominance person’s room to discuss and reach consensus on a budget problem. In support of their arguments, the triad’s solution was most reflective of the resident’s original solution to the problem, regardless of whether this person was a high- or low-dominance person.

This earlier work appears to suggest that there may be a home field advantage in negotiation. Nonetheless there are at least two important shortcomings to these studies. First, even if there is a home field advantage in negotiation, it is not at all clear why such an advantage emerges. Thus, research is needed not only to establish whether residents indeed enjoy a home field advantage in negotiation but also to theoretically and empirically isolate the relevant causal mechanisms. Second, it is not clear whether any performance differences between residents and visitors are due to a resident advantage (resident outperforming a neutral party), a visitor disadvantage (neutral party outperforming visitor), or both. Thus, research is needed that allows for these two forces to be disentangled. The goal of the present paper was to address these issues. Building on previous research, we suggest that there will be a home field advantage in negotiation and that this effect is due to differences in confidence between the resident and the visiting party. In addition, we explore empirically whether the home field benefit is due to a resident advantage, a visitor disadvantage, or both.

Effects of occupancy status on confidence and negotiation performance

There is good reason to believe that negotiation on one’s home field is likely to instill a sense of confidence in people which, in turn, boosts negotiation performance. Consistent with Stajkovic (2006), we define confidence as the extent to which people feel certain about their ability to handle a given situation. In understanding why residents may enjoy a confidence advantage on their home territory, we draw on recent work on psychological ownership (Pierce, Kostova, & Dirks, 2001, 2003). Psychological ownership is defined as “the state in which individuals feel as though the target of ownership or a piece of that target is ‘theirs’ (i.e., ‘It is mine!’)” (Pierce et al., 2003, p. 86). In essence, psychological ownership provides the answer to the question “What do I feel is mine?”

Being in one’s surroundings—in a place that we consider to be “ours” or that we own—and, as a result, having the freedom to control that environment gives rise to feelings of efficacy and competence (Pierce et al., 2003). For example, Furby (1978) suggested that the control of an object, such as a space through ownership produces pleasure and leads to perceptions of personal efficacy. Thus, possessing space is important because it is instrumental in providing people opportunities to exercise control over the physical environment. Being on one’s home field and having the ability to exercise control should therefore instill a sense of efficacy and confidence in individuals.

In addition, being on one’s home field provides a sense of security. According to Duncan (1981), the home is an object of ownership that may serve the human need for having a place (“my place”). Similarly, Porteous (1976) suggested that home is important because it provides individuals with both a physical and psychological sense of security. Because being on one’s home field in essence functions as a kind of security blanket for people, we expect individuals who negotiate on their home territory to feel a greater sense of certainty about their ability to handle a negotiation occurring in that space, that is, a greater sense of confidence.

Although no study has explicitly examined the extent to which negotiating on one’s home field provides the resident party with a

confidence boost or potentially depresses the confidence level of the visiting party, research on the home field advantage in competitive sports provides some evidence suggesting that confidence is indeed an important outcome of operating in one's own surroundings (e.g., Bray, Jones, & Owen, 2002). For example, Courneya and Carron (1992) suggested that players' confidence may be one of the critical psychological states that translate location factors, such as crowd support into better performance for the home team. These authors cited a study by Jurkovic (1985) that compared college basketball players' perceptions of playing at home with their perceptions of playing away. Consistent with our theoretical arguments, results of 74 surveys indicated that players felt they were more confident when playing at home. Follow-up interviews with 14 players further confirmed the importance of confidence by suggesting that crowd support was a motivational factor that led to greater confidence. Moreover, in a study of 100 male rugby players, Terry, Walrond, and Carron (1998) found that participants scored higher on self-confidence when competing at home as compared to away. Similarly, Thuot, Kavouras, and Kenefick (1998) observed higher self-confidence among high school basketball players competing at home as compared to on the road. However, Bray and Martin (2003) did not observe any differences in self-reported confidence among junior alpine skiers prior to competitions at home compared to away.

In addition, several cross-cultural researchers have suggested that people tend to be more comfortable and confident when negotiating in their own surroundings (Moran & Stripp, 1991; Peak, 1985). For example, Chu, Strong, Ma, and Greene (2005) reported that 71% of participants of a survey study felt that they had a greater advantage in a negotiation when the negotiation occurred in their own surroundings. Moreover, 71% of participants reported feeling more "comfortable" when negotiating on their home field and 66% said they felt more "confident" (p. 124).

There are at least two reasons to believe that confidence has important implications for performance in a negotiation. First, the more confident people are, that is, the more they perceive that they can handle a given situation, the more likely they are to initiate action, put sufficient effort in it, and sustain that effort. In contrast, the more people are skeptical that they can handle a situation, the more likely they are to dwell on their perceived shortcomings, and the less likely they are to initiate or sustain a certain course of action (Stajkovic, 2006). The beneficial effects of confidence are partly attributable to the fact that highly confident people are likely to set higher performance goals (Bandura, 1997; Bandura & Cervone, 1986). Indeed, work on self-efficacy—one of the manifestations of confidence (Stajkovic, 2006)—has been shown to predict people's chosen level of goal difficulty (Locke, Frederick, Lee, & Bobko, 1984; Seo & Ilies, 2009) as well as their persistence in the face of obstacles (Bandura & Wood, 1989; Cervone & Peake, 1986). Applied to the context of negotiation, this work suggests that highly confident individuals are likely to set higher personal aspiration points and to work harder in achieving them, ultimately performing better in a negotiation. Supporting this logic, Kray, Thompson, and Galinsky (2001) suggested that confidence is likely to cause individuals to demand more for themselves at the bargaining table.

Second, confidence has been suggested to be an important factor in both the tendency to exercise influence and the selection of specific influence strategies. In general, the more confident people are, the more likely they are to exercise influence (Mowday, 1980; Pollard & Mitchell, 1972) and to employ persuasive strategies (Gamson, 1968). Consistent with this logic, Instone, Major, and Bunker (1983) showed that confidence predicted the frequency with which individuals made social influence attempts while serving as a superior in a simulated organizational setting. Given that the use of persuasive strategies is likely to confer an advantage

in a bargaining situation, higher levels of confidence should translate into better negotiation performance.

Although there is a wealth of research that has examined the performance implications of confidence in general and self-efficacy more specifically (Bandura, 1997; Stajkovic & Luthans, 1998), only a few studies have done so in a negotiation context. However, these studies generally provide support for our arguments. For example, Stevens, Bavetta, and Gist (1993) showed that, at least among men, confidence was associated with significantly higher aspiration levels (i.e., goals) in a salary negotiation. In addition, Kray et al. (2001) showed that men were more adept at claiming resources in a negotiation when gender stereotypes had been activated than when they had not been activated and this effect was believed to be due to the increased confidence experienced by men who were exposed to a gender stereotype.

Based on the above discussion of the effects of occupancy status on confidence and of confidence on negotiation performance, we expect the resident of a territory (an office space in the present study) to outperform the visiting party in a negotiation. In testing these arguments, we explicitly focus on distributive negotiations—the type of negotiation in which parties compete over the distribution of a fixed pool of value (Luecke, 2003). Also known as a zero-sum or win-lose negotiation, in a distributive negotiation any gain by one party represents a loss to the other. We specifically focused on distributive negotiation because factors such as confidence should matter most in negotiations in which the interests of parties are opposed and which invoke the notion of "competition" thus paralleling sports contests where there are distinct winners and losers. Consequently, we predict that: Hypothesis 1 Residents will outperform visitors in a distributive negotiation. The logic of the link between occupancy status and confidence along with the relation between confidence and negotiation performance just described also implies that confidence serves to mediate the effects of occupancy status on negotiation performance. In the present study, we directly tested this theorized mediating role of confidence.

Hypothesis 2. Confidence mediates the effects of occupancy status on negotiation performance.

Overview of the present research

We conducted three experiments to test our hypotheses. In Study 1, we tested Hypothesis 1 that there would be a home field advantage in distributive negotiation. In Study 2, we replicated this test and also tested Hypothesis 2 that confidence would mediate the effects of occupancy status on the outcome of the distributive negotiation. In Study 3, we conducted an alternative test of Hypothesis 2 by evaluating the effectiveness of an intervention designed to boost visitors' confidence levels. If boosting the confidence of the visiting party reduces or altogether eliminates the home field advantage, this would provide additional evidence for the importance of confidence as a key mediating mechanism.

Throughout all three experiments, we compare and contrast residents and visitors with each other, and both with a neutral negotiator (i.e., someone who is neither a resident nor a visitor). Although the notion of a neutral occupant of a space is not always meaningful—as long as there is a resident there will always be a visitor—comparing the performance of residents and visitors to neutrals allows us to disentangle the sources of the home field advantage. There are three potential sources contributing to the home field advantage. First, residents may outperform visitors because negotiating on their home field may provide them with a confidence boost changing the way they approach the negotiation and ultimately the amount they claim during the process. If this were the case, we would expect residents to outperform not only

visitors but also neutral parties but no differences between the neutral negotiator and a visitor. Second, the opposite view is also tenable in that the home field benefit may be fueled not so much by a resident advantage as by a visitor disadvantage. That is, rather than residents improving their negotiation performance due to higher confidence levels stemming from negotiating on their own territory, performance discrepancies between residents and visitors are due to performance declines on the part of the visiting party. Negotiating on someone else's territory may decrease visitors' confidence levels ultimately undermining their negotiation performance. If this were the case, we would expect visitors to be outperformed not only by residents but also by neutral parties but no differences between a neutral negotiator and a resident. Third, the home field benefit may be due to both a resident advantage and a visitor disadvantage resulting in a cumulative effect. If this were the case, we would expect residents to outperform neutrals who, in turn, outperform visitors. We evaluated these three possibilities in all three studies by comparing residents to visitors, residents to neutrals, and neutrals to visitors.

Study 1

Method

Participants and design

One hundred and sixty-eight undergraduate students enrolled in an introductory organizational behavior course at a university in Singapore participated in this study for course credit. The median age for the sample was 21 years and 52% were women. Participants were randomly assigned to one of three occupancy groups (resident, neutral, or visitor) and then negotiated with a same-sex partner. In total, there were 84 dyads split across three potential combinations: resident–visitor ($n = 33$), resident–neutral ($n = 27$), and neutral–visitor ($n = 24$).

Procedure

The procedure used to manipulate participants' occupancy status and to create the various negotiation dyads are described below. We start by outlining the approach we used to create each of the three different groups of occupants (resident, neutral, or visitor) and then describe the procedure employed to create the various dyadic combinations (resident–visitor; resident–neutral; neutral–visitor).

Resident status. Participants assuming the status of a “resident” were taken by the experimenter to a private office. To instill a sense of ownership over the office, participants were then given 20 min alone in the office with multiple tasks to complete. Specifically, they were asked to (1) write their name on a small name board outside the office, (2) choose one from a selection of five chairs, (3) choose two from a selection of 12 posters to hang up, (4) select three postcards from an assortment of 20 and place them around the office, (5) do a planning activity by writing their schedule on a whiteboard in the office indicating their classes and other activities, and (6) log onto the computer and check their email or surf the internet. They were also given a key to the office and asked to lock the door if they left the room. These participants were told that they would be negotiating with a fellow student (from the same course) in their room and that the instructor would bring the student to the room as soon as the person arrived.

Neutral status. “Neutral” participants were taken by the experimenter to a side room in which they prepared for the negotiation. Once in the room, these participants were told that they would be negotiating with a fellow student (from the same course) in a dif-

ferent room that was used for visiting professors (i.e., the other student had no claim to the office).

Visitor status. Participants assuming the status of a “visitor” were taken by the experimenter to a side room in which they prepared for the negotiation. Once in the room, these participants were told that they would be negotiating with a fellow student (from the same course) and that the student had an office because he or she was entering data for a professor in the department (i.e., the other student had a claim to the office).

All three groups of occupants were given the same pre-negotiation questionnaire, followed by the same set of instructions regarding the negotiation exercise. Once both participants had arrived, they were randomly assigned to either the buyer or seller role and given 10 min to study the negotiation exercise and to prepare for the negotiation. Participants in the neutral and visitor groups prepared in the empty offices; residents prepared in the office that they had previously personalized and where the negotiation would ultimately be conducted. The dyads were given 15 min to complete the negotiation exercise, indicating that they had reached a deal by signing a contract. At the conclusion of the negotiation, the dyad handed in the signed contract. All participants then completed a post-negotiation questionnaire.

We created three different types of negotiation dyads: resident versus visitor, resident versus neutral, and neutral versus visitor. Each of these three combinations is described below.

Resident–visitor dyad. After the 10 min preparation period, the visitor participant was led to the resident participant's office where the pair then negotiated. Given that we had told visitors earlier that they were negotiating with fellow students who had their own room because they were entering data for a faculty member, the visitor was aware of his/her visiting status. However, residents did not know whether the person they were negotiating with was in fact a visitor or a neutral participant (residents were also unaware that there was this distinction).

Resident–neutral dyad. After the 10 min preparation period, the neutral participant was led to the resident participant's office where the pair then negotiated. Given that we had told neutral participants earlier that they were negotiating with a fellow student in a room used for visiting professors, neutral participants were not aware of the resident's status. To facilitate this, just prior to bringing the neutral participant to the resident's office, the experimenter erased the name that the resident had written on the name board outside the office. However, the resident was unaware of this and believed that their name was still on the door.

Neutral–visitor dyad. In this condition, a research assistant setup an empty office similar to the way residents had been asked to personalize the office. Specifically, the research assistant selected a chair, hung up two posters, selected three postcards, and wrote a generic planning schedule on the whiteboard. Given that we had told visitors earlier that they were negotiating with a fellow student who had his/her own room because he/she was entering data for a faculty member, we had the neutral participant enter the room first, 1 min prior to the visitor. After the neutral person entered the room, the research assistant wrote the neutral person's name on the outside of the door (unbeknownst to the neutral participant). Thus, to visitors it appeared as if they were negotiating with the resident of the office. In contrast, because we had told neutral participants earlier that they were negotiating with a fellow student in a room used for visiting professors, they were not aware of their “resident” status (to neutral participants, it appeared as if they were negotiating with another neutral participant).

Negotiation

We used a two-party distributive negotiation between a buyer, the Director of Food and Beverage for a three-star hotel in Ithaca attached to the renowned School of Hotel Administration, and a seller, the Vice President of Sales for Anderson Coffee (Simons & Tripp, 1999). Participants were randomly assigned to either the buyer or seller role. The negotiation itself involved an annual supply contract for 10,000 lb of coffee. Buyers were informed that compared to the current vendor, Anderson coffee was a superior product and that they were able to pay as much as \$7.40/lb—substantially more than the price paid to the current vendor. In addition, buyers were told that the increase in expenses would be closely scrutinized and could have important implications for their job security. They were also informed that their manager had suggested that every penny that they are able to save would translate into a bonus of \$50. Sellers were told that despite the only moderate volume, the hotel account would be attractive from a publicity standpoint, as the hotel serves many current and future hospitality managers. The sellers were further told that they should not accept any deal for less than \$6.50/lb and that every penny that they are able to add to the per-pound prices would translate into a personal commission of \$50. These instructions resulted in a sizeable bargaining zone promoting a wide range of negotiated outcomes.

Negotiated price

The primary dependent variable was the negotiated price. From the buyers' perspective, lower prices were preferable; from the sellers' perspective, higher prices were more desirable.

Results

To determine the effectiveness of our experimental manipulation, we conducted a one-way analysis of variance (ANOVA) using the experimental condition as the independent variable and a one-item measure of felt ownership of the office as the dependent variable. Specifically, after the negotiation concluded, participants rated their ownership on the following item "To what extent did you feel like an owner/resident in the office you negotiated in?" using a scale ranging from 1 = *Not at All* to 7 = *Absolutely Completely*. The results of an ANOVA of this item indicated a statistically significant effect, $F(2, 164) = 23.97, p < .001$. Planned contrasts revealed that residents ($M = 4.70, SD = 1.20$) reported statistically significantly higher levels of ownership of the office than both neutrals ($M = 3.96, SD = 1.61$), $t(90.95) = 2.70, p < .01$, and visitors ($M = 2.91, SD = 1.38$), $t(164) = 6.90, p < .001$.² Similarly, participants in the neutral condition expressed statistically significantly higher levels of ownership of the office they negotiated in than visitors, $t(164) = 3.89, p < .001$. Thus, our manipulation was successful in producing the intended effects.

To test Hypothesis 1 that there would be a home field advantage in distributive negotiation, we compared negotiated prices across the three occupancy groups, separately for buyers and sellers.³ Roles in negotiations are often not symmetrical and to account for potential differences between buyers and sellers, we report re-

Table 1

Negotiated price as a function of occupancy status and negotiation role (Study 1).

	Resident		Neutral		Visitor	
	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>
Buyer	6.78	.32	6.99	.22	7.12	.30
Seller	7.06 _a	.27	7.01 _{ab}	.38	6.90 _b	.24

Note. Means within a row not sharing the same subscript differ significantly at $p \leq .05$ or smaller. For buyers, lower scores indicate better negotiation performance; for sellers, higher scores indicate better negotiation performance.

sults separately from the perspective of each negotiator role (see Table 1).

A one-way ANOVA using negotiated price as the dependent variable revealed a statistically significant effect for occupancy status of the buyer, $F(2, 81) = 7.79, p < .001$. Planned contrasts revealed that resident buyers ($M = 6.78, SD = .32$) negotiated statistically significantly lower prices than both neutral buyers ($M = 6.99, SD = .22$), $t(81) = 2.45, p < .05$ and visiting buyers ($M = 7.12, SD = .30$), $t(81) = 3.93, p < .001$. Similarly, neutral buyers achieved statistically significantly lower prices than visiting buyers, $t(62.04) = 1.96, p = .05$. Results of an ANOVA from the perspective of the seller revealed no significant effect of occupancy status on negotiated price, $F(2, 81) = 2.12, p > .05$. However, in support of Hypothesis 1, planned contrasts indicated that resident sellers ($M = 7.06, SD = .27$) negotiated statistically significantly higher prices than visiting sellers ($M = 6.90, SD = .24$), $t(81) = 2.06, p < .05$. In contrast, there were no statistically significant differences in negotiated prices between resident sellers and neutral sellers ($M = 7.01, SD = .38$), $t(81) = .61, p > .05$ and between neutral sellers and visiting sellers, $t(81) = 1.12, p > .05$. Overall, then, these results provide support for Hypothesis 1 that there is a home field advantage in negotiations and suggest that this effect, at least when analyzed from the perspective of the buyer, is due to both a resident advantage (i.e., resident buyers outperformed neutral buyers) and a visitor disadvantage (i.e., neutral buyers outperformed visiting buyers).

Although our results support Hypothesis 1, scholars have suggested that some seating arrangements may place the visiting party at a significant disadvantage (Gifford, 1997; Lewicki & Litterer, 1985). In the room setup, residents always sat behind the desk (a L-shaped computer desk); visitors always sat in front of the desk. Although residents usually sit behind their desks, this position is also stereotypically associated with higher power (Gifford, 1997). Thus, the observed effects may be partly attributable to the fact that residents simply sat in the "power" position in the room (i.e., behind the desk) and, as a result, had an advantage in the negotiation not because of their occupancy status but because of the seating arrangement. To test for the potential confound of seating position, we compared the performance of two groups of participants, both of which were neutral to the office. Specifically, we brought one neutral participant to the office and asked the person to sit down in the "resident" (high power) position. Immediately after that (within 1 min), we brought the second neutral participant to the office and asked the person to sit down in the "visiting" (low power) position. Both participants then negotiated with each other. In total, we ran 27 of these neutral-neutral negotiations. If seating arrangement indeed affected the results observed in our study, we would expect neutrals in the resident (high power) position to outperform neutrals in the visiting (low power) position. However, no such difference was observed, as neutrals in the high power position ($M = 6.91, SD = .23$) scored effectively the same as the neutrals in the visiting position ($M = 6.89, SD = .32$), $F(1, 25) = .02, p > .05$. Thus, seating arrangement does not appear to have confounded the effects observed in Study 1.

² In cases in which Levene's test for equality of variances was significant, we report the results of t -tests with adjusted degrees of freedom accounting for the fact that the population variances are unequal.

³ To evaluate whether the occupancy status of one's negotiation partner had an impact on a focal individual's negotiation performance, we tested whether negotiated price for each occupancy status (e.g., resident) differed across negotiation partners (e.g., resident negotiating with visitor versus resident negotiating with neutral), separately for buyers and sellers. No differences were found except in one case—neutral sellers fared statistically significantly worse when negotiating with a resident ($M = 6.63, SD = .40$) than when negotiating with a visitor ($M = 7.16, SD = .25$), $t(15) = 3.31, p < .01$. Thus, we concluded that, by and large, negotiation performance was independent of the occupancy status of one's negotiation partner.

Discussion

In Study 1 we found that similar to research on decision-making (Taylor & Lanni, 1981), there is a home field advantage in distributive negotiations. Analyses both from the buyer's and seller's point of view confirmed Hypothesis 1 that residents outperformed visitors during a distributive negotiation. Extending previous research, we also examined the extent to which this home field advantage was due to performance improvements on the part of the resident, a visitor disadvantage, or both. Analyses using occupancy status of the buyer as our independent variable revealed that residents outperformed neutrals and neutrals, in turn, outperformed visitors, indicating that the home field benefit may be due both to a resident advantage and a visitor disadvantage. However, as the results from the seller's perspective failed to produce similar differences between residents and neutrals and neutrals and visitors, these conclusions have to be considered tentative.

Study 2

Although the results of Study 1 provide support for the home field advantage and suggest that this advantage is not simply due to the seating position in the room, it still is not clear *why* negotiating as a resident or a visitor of a given space translates into better or worse negotiation outcomes. Thus it is important, both from a theoretical and practical standpoint, to isolate the mechanism that mediates the effects observed in Study 1. Consistent with our theoretical arguments, in Study 2 we examined the role of confidence as a key mechanism translating the effects of occupancy status into different negotiation outcomes. In addition, Study 2 provided an opportunity to replicate the findings of our first study. To facilitate replicability, we employed the same research design as used in Study 1.

Method

Participants and design

Ninety undergraduate students enrolled in an introductory organizational behavior course at a university in Singapore participated in this study for course credit. The age ranged from 18 to 24 years with a median of 21 years. Of the sample, 58% were women. As in Study 1, participants were randomly assigned to one of three occupancy groups (resident, neutral, or visitor) and then negotiated with a same-sex partner. In total, there were 45 dyads split equally across three potential combinations: resident–visitor, resident–neutral, and neutral–visitor.

Procedure and negotiation

The experimental procedure employed was identical to the one used in Study 1, with one exception. After having read the description of their negotiator role and having been instructed regarding their occupancy status but prior to the onset of the actual negotiation, participants completed a brief questionnaire containing a measure of confidence, our mediating variable. As in our first study, we used "Coffee Contract" as our distributive negotiation task.

Measures

Confidence. We measured confidence with a three-item measure developed for this study ($\alpha = .89$). Using a response scale ranging from 1 = *Strongly Disagree* to 7 = *Strongly Agree*, participants indicated their agreement with the following three items: "I am confident that I will do well in the negotiation;" "I expect the negotiation to go my way;" "I expect to do well in the negotiation."

Negotiated price. As in Study 1, the primary dependent variable was the negotiated price. From the buyers' perspective, lower

Table 2

Negotiated price as a function of occupancy status and negotiation role (Study 2).

	Resident		Neutral		Visitor	
	M	SD	M	SD	M	SD
Buyer	6.76	.28	6.99	.17	7.26	.32
Seller	7.09 _a	.17	7.10 _{ab}	.48	6.84 _b	.22

Note. Means within a row not sharing the same subscript differ significantly at $p \leq .05$ or smaller. For buyers, lower scores indicate better negotiation performance; for sellers, higher scores indicate better negotiation performance.

prices were preferable; from the sellers' perspective, higher prices were more desirable.

Results

To determine the effectiveness of our experimental manipulation, we conducted a one-way ANOVA using the experimental condition as the independent variable and the measure of felt ownership used in Study 1 as the dependent variable. Results of this analysis indicated a statistically significant effect, $F(2, 87) = 12.68, p < .001$. Planned contrasts revealed that residents ($M = 4.97, SD = 1.30$) reported statistically significantly higher levels of ownership of the office than both neutrals ($M = 4.03, SD = 1.33$), $t(87) = 2.66, p < .01$, and visitors ($M = 3.20, SD = 1.45$), $t(87) = 5.03, p < .001$. Similarly, participants in the neutral condition expressed statistically significantly higher levels of ownership of the office they negotiated in than visitors, $t(87) = 2.37, p < .05$. Thus, our manipulation was successful in producing the intended effects.

To test Hypothesis 1 that there would be a home field advantage of residents over visitors, we again compared negotiated prices across the three occupancy groups, separately for buyers and sellers (see Table 2).⁴

A one-way ANOVA using negotiated price as the dependent variable revealed a statistically significant effect for occupancy status of the buyer, $F(2, 42) = 13.41, p < .001$. Planned contrasts revealed again that resident buyers ($M = 6.76, SD = .28$) negotiated statistically significantly lower prices than both neutral buyers ($M = 6.99, SD = .17$), $t(42) = 2.24, p < .05$ and visiting buyers ($M = 7.26, SD = .32$), $t(42) = 5.15, p < .001$. Similarly, neutral buyers achieved statistically significantly lower prices than visiting buyers, $t(42) = 2.81, p < .01$. Results of an ANOVA from the perspective of the seller revealed a statistically nonsignificant effect of occupancy status on negotiated price, $F(2, 42) = 2.91, p > .05$. In support of Hypothesis 1, however, contrasts indicated that resident sellers ($M = 7.09, SD = .17$) negotiated statistically significantly higher prices than visiting sellers ($M = 6.84, SD = .22$), $t(42) = 2.08, p < .05$. In contrast, there were no statistically significant differences in negotiated prices between resident sellers and neutral sellers ($M = 7.10, SD = .48$), $t(18.92) = .94, p > .05$ and between neutral sellers and visiting sellers, $t(21.88) = 1.96, p > .05$. Overall, then, these results replicate the results of Study 1 thereby providing additional support for Hypothesis 1 that there is a home field advantage in distributive negotiations. Similar to our first study, results suggest that this effect, at least when analyzed from the perspective of the buyer, is due to both a resident advantage and a visitor disadvantage.

⁴ We again tested whether negotiated price for each occupancy status differed across negotiation partners, separately for buyers and sellers. No differences were found except in one case—neutral sellers fared statistically significantly worse when negotiating with a resident ($M = 6.74, SD = .36$) than when negotiating with a visitor ($M = 7.38, SD = .36$), $t(14) = 3.57, p < .01$. Thus, we concluded that, by and large, negotiation performance was independent of the occupancy status of one's negotiation partner.

To test **Hypothesis 2** that confidence would mediate the effects of the home field advantage on the outcome of the negotiation, we used the bootstrapping approach outlined by Preacher and Hayes (Preacher & Hayes, 2004). Based on bootstrapping 5000 resamples, we estimated the direct and indirect effects of occupancy status via confidence on our dependent variable. Given that buyers desire lower prices whereas seller desire higher prices, however, we first needed to standardize our dependent variable so as to make outcomes across buyers and sellers comparable. We did so by converting negotiated price into a percentage score reflecting the fraction of the pie claimed by each negotiator. For example, a negotiated price of \$7.10 would result in a percentage score of 33.3 for buyers $(\$7.40 - \$7.10) \times 100/(\$90)$ and a percentage score of 66.6 for sellers $(\$7.10 - \$6.50) \times 100/(\$90)$. Results of the bootstrapping analysis revealed that occupancy status had a statistically significant positive effect on confidence ($b = .34, p < .01$), which in turn positively affected the percentage of the bargaining zone claimed ($b = 8.71, p < .05$). The bootstrapped estimate of the indirect effect was $b = 3.00$ and the true indirect effect was estimated to lie between .30 and 7.26 with 95% confidence. Because zero was not in the confidence interval, we can conclude that the indirect effect is indeed significantly different from zero at $p < .05$. The direct effect of occupancy status to the fraction of the pie claimed when controlling for confidence, however, remained significant ($b = 18.57, p < .001$). These results provide support for **Hypothesis 2** but suggest that confidence only partially mediates the effects of occupancy status on the outcome of the negotiation.

Discussion

The results of Study 2 fully replicate the findings of our first study, thereby providing further support for the home field advantage in distributive negotiations. As in Study 1, results from the buyer's point of view suggested that the home field benefit is due both to a resident advantage and visitor disadvantage. However, results using occupancy status of the seller as the independent variable failed to provide evidence supporting this conclusion.

In addition to replicating the results of Study 1, our second study provided an important extension of previous research by demonstrating that negotiators' confidence partially translates the home field advantage into better negotiation outcomes. Thus, the advantage of residents over visitors in distributive negotiations can at least partly be explained by the different levels of confidence residents and visitors are likely to have from knowing that they will be negotiating on their home field or on someone else's territory. These results provide support for our second hypothesis and a glimpse into the psychological mechanisms that may be responsible for the home field advantage in negotiations. Previous research has not considered these mechanisms and our results provide a first attempt at uncovering these important mediators.

Study 3

The results of Study 2 also have some important practical implications. To the extent that the home field advantage translates into better negotiation outcomes because it affects negotiators' confidence, we should be able to overcome the home field advantage by boosting visitors' confidence levels prior to entering the negotiation. Study 3 was designed to test this possibility. Testing whether a confidence-boosting intervention for visitors could eliminate, or at least reduce, the home field advantage also provides an alternative test of **Hypothesis 2**. If we can raise the confidence levels of visitors thereby eliminating the home field advantage, this would provide additional support for the importance of confidence as a key mediating mechanism.

Method

Participants and design

Ninety-six undergraduate students enrolled in an introductory organizational behavior course at a university in Singapore participated in this study for course credit. The age ranged from 19 to 28 years with a median of 21 years. Of the sample, 50% were women. As in Studies 1 and 2, participants were randomly assigned to one of three occupancy groups (resident, neutral, or visitor) and then negotiated with a same-sex partner. To maximize sample size per cell, we excluded the resident-neutral condition because we were interested in examining the effects of boosting visitors' confidence levels. Thus, in total, there were four different conditions: resident-visitor (no confidence boost), resident-visitor (confidence boost), neutral-visitor (no confidence boost), and neutral-visitor (confidence boost). The total of 48 dyads was split equally across these four conditions.

Procedure

The experimental procedure employed was identical to the one used in Study 2, with two exceptions. First, we manipulated visitors' confidence levels just prior to the negotiation (herein referred to as Time 2) by having these participants complete a bogus "Negotiation Skills Assessment Questionnaire." All participants completed this assessment and then prepared for the exercise. While reading their role descriptions, participants in the confidence boost condition were told the following: "Your score on the assessment is really high. Based on this questionnaire, I think you will do very well in the negotiation." Participants in the no confidence boost condition were told nothing.

A second difference between Studies 2 and 3 was that we measured confidence at both the beginning of the study, prior to any experimental materials being distributed and any instructions being given (herein referred to as Time 1) and, as in Study 2, prior to the actual negotiation but after the confidence intervention at Time 2. This was done to evaluate the effectiveness of our confidence-boosting intervention. Residents had been in the office space for around 20 min before indicating their confidence levels for a second time. For neutrals and visitors, the time interval between the administration of the two questionnaires was approximately 15 min.

Negotiation

We used the same negotiation exercise as in the first two studies. In contrast to Studies 1 and 2, however, we expanded the bargaining zone of the coffee contract by 70 cents. We did this to ensure that our results translate across different negotiating parameters and are not a function of specific reservation points employed in Studies 1 and 2. In expanding the bargaining zone, we raised the buyer's reservation price by 35 cents and dropped the seller's reservation price by 35 cents. Thus, buyers were now informed that they were able to pay as much as \$7.75/lb for the coffee. As in our earlier studies, buyers were also told that their manager had suggested that every penny that they are able to save would translate into a bonus of \$50. Sellers were now told that they should not accept any deal for less than \$6.15/lb and that every penny that they are able to add to the per-pound prices would translate into a personal commission of \$50.

Measures

Confidence. We measured confidence at both Time 1 ($\alpha = .83$) and Time 2 ($\alpha = .86$) with the same three-item measure used in Study 2.

Negotiated price. As in Studies 1 and 2, the primary dependent variable was the negotiated price.

Results

Check of occupancy status manipulation

To determine the effectiveness of our occupancy manipulation, we conducted a one-way ANOVA using the measure of office ownership used in Studies 1 and 2 as the dependent variable. Results of this analysis indicated a statistically significant effect, $F(2, 92) = 11.50, p < .001$. Planned contrasts revealed that residents ($M = 5.21, SD = 1.10$) reported statistically significantly higher levels of ownership of the office than visitors ($M = 3.49, SD = 1.71$), $t(65.46) = 5.08, p < .001$, but not as compared to neutrals ($M = 4.54, SD = 1.29$), $t(92) = 1.55, p > .05$ although the results were in the expected direction. In addition, participants in the neutral condition expressed statistically significantly higher levels of office ownership than visitors, $t(59.73) = 2.89, p < .01$. Thus, we concluded that our manipulation was successful in producing the intended effects.

Check of confidence boost manipulation

To evaluate the effectiveness of our attempt to enhance visitors' confidence, we compared confidence levels between Time 1 and Time 2 separately for visitors who had and had not received the confidence boost. Results of pairwise comparisons indicated that visitors who had received the bogus feedback regarding their negotiation abilities experienced a statistically significant increase in their confidence levels from Time 1 ($M = 4.61, SD = .92$) to Time 2 ($M = 4.92, SD = .72$), $t(23) = 2.70, p < .05$. In contrast, visitors who had not received the confidence-boosting intervention experienced a statistically significant decline in their confidence levels between Time 1 ($M = 4.88, SD = .64$) and Time 2 ($M = 4.50, SD = .49$), $t(23) = 2.47, p < .05$. In addition, while there was no statistically significant difference between the two confidence conditions for Time 1 confidence, $t(46) = 1.15, p < .05$, participants in the confidence boost condition reported statistically significantly higher levels of confidence as compared to those in the no boost condition at Time 2, $t(46) = 2.33, p < .05$.⁵ These results provide support for the success of our confidence intervention.

Substantive results

To evaluate whether the confidence-boosting intervention would eradicate the home field advantage observed in Studies 1 and 2, we compared negotiated prices across the three occupancy groups and across the two confidence conditions, separately for buyers and sellers (see Table 3).

A two-way ANOVA using negotiated price as the dependent variable revealed a statistically significant main effect for occupancy status of the buyer, $F(2, 42) = 5.58, p < .01$, a statistically significant main effect for confidence condition, $F(1, 42) = 4.37, p < .05$, and the expected statistically significant interaction effect between occupancy status of the buyer and confidence condition, $F(2, 42) = 8.24, p < .01$. Planned contrasts revealed that, similar to Studies 1 and 2, in the no boost condition, resident buyers ($M = 6.64, SD = .37$) negotiated statistically significantly lower prices than visiting buyers ($M = 7.30, SD = .27$), $t(42) = 3.75, p < .01$. Similarly, neutral buyers ($M = 6.79, SD = .42$) achieved statistically significantly lower prices than visiting buyers, $t(42) = 2.93, p < .01$. No difference emerged in negotiated prices between resident buyers and neutral buyers, $t(42) = .71, p > .05$.

While the results in the no confidence boost condition largely mirrored those we obtained in our earlier studies, the results in

Table 3

Negotiated price as a function of occupancy status, negotiation role, and confidence condition (Study 3).

	Resident		Neutral		Visitor	
	M	SD	M	SD	M	SD
<i>Buyer</i>						
No visitor confidence boost	6.64 _a	.37	6.79 _a	.42	7.30	.27
Visitor confidence boost	6.89 _a	.43	7.48	.14	7.02 _a	.42
<i>Seller</i>						
No visitor confidence boost	7.23 _a	.15	7.37 _a	.35	6.71	.39
Visitor confidence boost	7.18 _{ab}	.32	6.83 _{ac}	.48	7.21 _{bc}	.43

Note. Means within a row not sharing the same subscript differ significantly at $p \leq .05$ or smaller. For buyers, lower scores indicate better negotiation performance; for sellers, higher scores indicate better negotiation performance.

the condition in which we provided visitors with bogus feedback regarding their negotiation abilities differed considerably from our earlier findings. Specifically, the difference between resident buyers ($M = 6.89, SD = .43$) and visiting buyers ($M = 7.02, SD = .42$) was no longer statistically significant, $t(42) = -.79, p > .05$. In addition, visiting buyers now achieved statistically significantly lower prices as compared to neutral buyers ($M = 7.48, SD = .14$), $t(42) = 2.72, p < .01$, as did resident buyers, $t(42) = 3.09, p < .01$.

We repeated this analysis from the seller's perspective. A two-way ANOVA revealed the expected statistically significant interaction effect between occupancy status of the seller and confidence condition on negotiated price, $F(2, 42) = 7.51, p < .01$. Planned contrasts showed that, similar to Studies 1 and 2, in the no boost condition, resident sellers ($M = 7.23, SD = .15$) negotiated statistically significantly higher prices than visiting sellers ($M = 6.71, SD = .39$), $t(42) = 2.71, p < .01$. Similarly, neutral sellers ($M = 7.37, SD = .35$) achieved statistically significantly higher prices than visiting sellers, $t(42) = 3.49, p < .01$. No difference emerged in negotiated prices between resident and neutral sellers, $t(42) = .68, p > .05$.

While the results in the no confidence boost condition were similar to our earlier results, the findings in the confidence boost condition differed from our previous findings. Specifically, the difference between resident sellers ($M = 7.18, SD = .32$) and visiting sellers ($M = 7.21, SD = .43$) was no longer statistically significant, $t(42) = .12, p > .05$. In addition, there were no statistically significant differences between resident and neutral sellers ($M = 6.83, SD = .48$), $t(42) = 1.54, p > .05$ and between neutral and visiting sellers, $t(42) = 1.89, p > .05$.

Discussion

As in Studies 1 and 2, in Study 3 we found that the residents of an office space enjoyed a considerable advantage over visitors when negotiating in that space. Thus, our three studies show that there is a home field advantage in distributive negotiation. However, our Study 3 results revealed that an intervention targeted at boosting visitors' confidence levels just prior to negotiating can be successful in eliminating the home field advantage. Results from the perspective of both the buyer and seller revealed no difference in negotiated prices between residents and those visitors who received the confidence boosting treatment. Thus, the findings of Study 3 provide additional support for the notion that confidence plays an integral role in translating the resident–visitor distinction into better or worse negotiation outcomes.

General discussion

From our findings it appears that where people negotiate can have a substantial impact on how successful they are in claiming value in a distributive negotiation. Specifically, the results of our three studies consistently demonstrate that residents of an office

⁵ We also compared confidence levels between Time 1 and Time 2 for residents and neutrals. Residents experienced a statistically significant increase in their confidence levels between Time 1 ($M = 4.46, SD = .76$) and Time 2 ($M = 4.76, SD = .62$), $t(46) = 2.25, p < .05$. For neutrals, confidence levels did not differ significantly between Time 1 ($M = 4.79, SD = .63$) and Time 2 ($M = 4.93, SD = .67$), $t(23) = 1.42, p > .05$.

space enjoy a considerable advantage over the visiting party when negotiating in that space. Although the home field advantage has been found in areas such as sports and, to a limited degree, in dyadic interactions and group decision-making (Martindale, 1971; Taylor & Lanni, 1981), our study is among the first to empirically demonstrate that there is a home field advantage in negotiation. Thus, our findings suggest that location is an important factor to consider when examining the forces shaping outcomes of distributive negotiations and, therefore, should be incorporated into existing approaches to negotiation, for example, when “setting the table” (e.g., Lax & Sebenius, 2006).

To estimate the magnitude of the home field advantage, we conducted additional analyses evaluating the “percentage of the pie claimed” across the three occupancy groups, separately for buyers and sellers. Given that we used similar designs and the identical negotiation task across all three studies, we combined the data from Studies 1 through 3 (excluding participants who received the confidence boosting treatment in Study 3) to obtain more robust estimates. We calculated the percentage of the pie claimed following the steps described in Study 2 (adjusting our calculations for the change in reservation points in Study 3). Results indicated a statistically significant effect for occupancy status of the buyer, $F(2, 150) = 25.50$, $p < .001$. Resident buyers ($M = 69.75\%$, $SD = 31.02$) claimed statistically significantly more value than both neutral buyers ($M = 47.17\%$, $SD = 23.24$), $t(150) = 3.59$, $p < .001$ and visiting buyers ($M = 26.72\%$, $SD = 32.04$), $t(150) = 7.06$, $p < .001$. Similarly, neutral buyers claimed a statistically significantly larger piece of the pie than visiting buyers, $t(150) = 3.81$, $p < .001$. Analyses also indicated a statistically significant effect for occupancy status of the seller, $F(2, 150) = 8.63$, $p < .001$. Both resident sellers ($M = 63.20\%$, $SD = 26.56$) and neutral sellers ($M = 63.53\%$, $SD = 44.53$) claimed a statistically significantly larger piece of the pie than visiting sellers ($M = 40.20\%$, $SD = 25.33$), $t(150) = 3.81$ and 3.39 , $ps < .001$. However, there was no statistically significant difference in the fraction of the pie claimed between resident sellers and neutral sellers, $t(150) = 0.05$, $p > .05$ (see Fig. 1). These results suggest that residents claim between approximately 60% (seller) and 160% (buyer) more value than visitors whereas neutrals claim between approximately 60% (seller) and 80% (buyer) more value than visitors.

Theoretical contributions

In addition to demonstrating the existence of the home field advantage in distributive negotiations, our study makes several other important contributions to extant theory and research on negotiation. First, by including a neutral condition, we were able to disentangle whether the home field advantage was due to performance improvements on the part of the resident, performance decreases on the part of the visitor, or both. Our analyses, particularly from the point of view of the buyer, revealed that residents outperformed neutrals and neutrals, in turn, outperformed visitors, indicating that the home field benefit seems to be driven as much by a resident advantage as by a visitor disadvantage. However, as the results from the seller's perspective failed to produce a statistically significant difference between residents and neutrals (see Fig. 1), this conclusion has to be considered tentative. Because the roles in our negotiation were not symmetrical—the outcome of the negotiation carried more weight for the buyer than the seller (i.e., buyers were informed that their performance would be closely scrutinized and could have important implications for their job security) possibly fostering increased competitiveness and pressure to perform—it may not be surprising that the effects were more pronounced for buyers than for sellers. Future research using a different negotiation exercise in which the buyer and seller roles are more symmetrical is needed to bring more clarity to the ques-

tion of whether the home field advantage is driven by a resident advantage, by a visitor disadvantage, or by both.

In addition to disentangling the sources of the home field advantage, the present study also begins to explain *why* location matters. Results of Study 2 revealed that confidence measured just prior to the negotiation mediated, at least partially, the effects of occupancy status on fraction of the pie claimed. Because the effect of occupancy status remained statistically significant even when controlling for confidence, confidence appears to only serve as a partial mediator. Thus, it is likely that factors other than confidence also mediate the effects observed in the present study and future research is now needed to identify these factors. For example, some research on the home field advantage in competitive sports has found differences in affective states, such as anxiety in players competing on their home turf as compared to when they are away (e.g., Terry et al., 1998; Thuot et al., 1998). Thus, examining negotiators' affective responses may prove to be a fruitful avenue for identifying alternative mediators of the occupancy status-negotiation performance link. Nevertheless, given that Study 3, in which we elevated visitors' confidence levels just prior to the negotiation, showed that a confidence boost can eliminate the home field advantage, we can be relatively certain that confidence indeed is one of the mechanisms responsible for the home field advantage.

The present findings also have some important implications for research on the home field advantage in the area of sports. Most research in this area has attributed the home field advantage to game location factors, such as a visiting team's lack of crowd support or lack of familiarity with the ground conditions (e.g., Gifford, 1997; Greer, 1983) and has only recently started to consider the underlying psychological mechanisms that may transmit game location factors into different levels of performance. Although confidence and various affective states have been occasionally examined as correlates of the home field advantage (e.g., Duffy & Hinwood, 1997; Polman, Nicholls, Cohen, & Borkoles, 2007; Thelwell, Weston, Lane, & Greenless, 2006), few systematic efforts have been undertaken to test the precise psychological mechanisms mediating this effect. Our results suggest that player confidence may be a key mechanism explaining why crowd factors (e.g., size and density of partisan crowd), travel factors (e.g., distance and length of road trip), and learning factors (e.g., familiarity with physical characteristics of playing field) produce the home field advantage in competitive sports.

Limitations and potential avenues for future research

Despite these contributions, the present research also has some limitations that are worth noting. First, our use of a laboratory setting involving undergraduate students raises questions about the validity of our findings. However, we attempted to operationalize occupancy status in ways reflective of the real world by allowing residents to customize an office space similar to how people in organizations typically personalize their work spaces (Brown, 2009; Wells, 2000). Indeed, given that we were able to establish a home field advantage after residents had “owned” their space for only about 20 min, our test is a conservative one. In organizations where people have much longer and more meaningful histories with their workspaces, the home field advantage should be much more pronounced. Nevertheless, future research is now needed to examine the generalizability of our results beyond the laboratory setting and the undergraduate student population.

Second, in testing our hypotheses, we solely focused on distributive negotiations and the maximization of personal gain. Of course, not all negotiations are distributive in nature and, thus, it is important to consider whether a home field advantage also emerges in the context of integrative negotiations. The lack of confidence characterizing visiting negotiators may cause them to

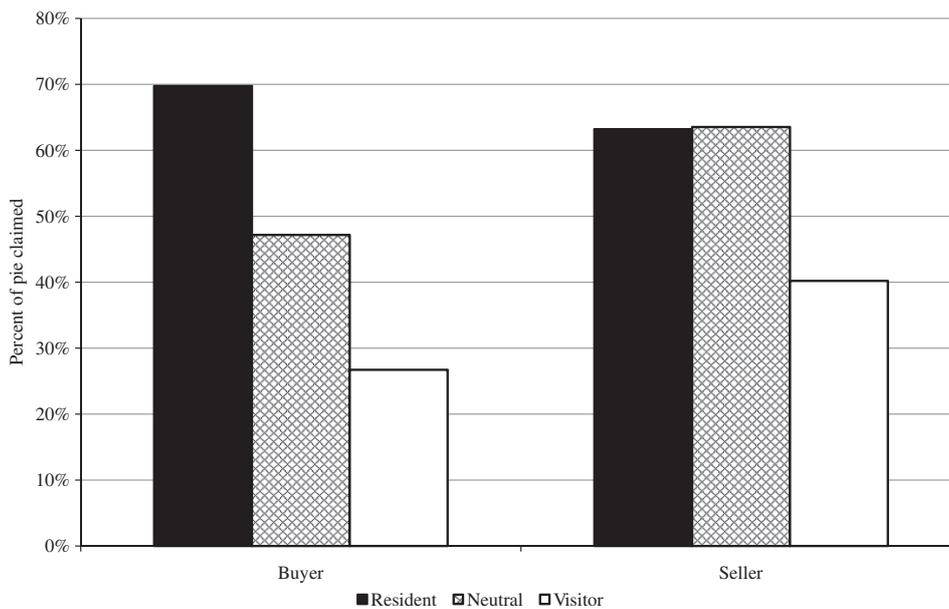


Fig. 1. Percent of pie (zone of possible agreement) claimed as a function of negotiation role and occupancy status (Studies 1–3).

concede too early and not put in the required effort thereby preventing them from finding integrative solutions. Future research is now needed to test this possibility.

Finally, one alternative explanation for why visitors may have fared more poorly during the negotiation is not because of differences in occupancy status but rather because they perceived the other party to be of higher status (as compared to themselves). Specifically, in manipulating visitor status, we told participants that they were negotiating with another student like themselves but that this student had an office because he/she was employed by one of the professors. Although this rationale was tested and found to be believable, it is possible that visitors may have thought of their negotiation partner as being of higher status due to the affiliation with the faculty member. To address this issue, we asked Study 1 visitor participants after they had completed the study if they thought the negotiation partner was a student from the same course. All participants indicated that this was the case and none thought that the other person was a more senior student. In addition, in Study 2, we included an item to directly measure perceived status differences (“Please indicate the status of the person relative to you”). Only one visitor indicated that the other party was of higher status and this pair was subsequently eliminated from the analyses. Given these results, we can be reasonably confident that visitors did not underperform because of perceived status differences. However, in organizations where distributive negotiations often occur between parties of different status (e.g., negotiation over a raise between employee and supervisor), such differences may further amplify the home field advantage. Future research may want to explore this possibility.

Practical implications

Despite these limitations, our study has some important practical implications. First and foremost, the results of our three experiments suggest that there is an advantage to negotiating on one's home field. Similar to the finding that home teams in sport competitions win over 50% of the games played under a balanced home and away schedule, parties who negotiate on their home field can be expected to claim between 60% and 160% more value than the visiting party. Thus, if one is to improve his/her odds at suc-

ceeding in a distributive negotiation, we would recommend “luring” the other party into one's lair or, at the very least, not entering theirs. Neutrality in location is a minimum requirement. For example, negotiating the size of a raise or a bonus in the office of one's boss is unlikely to bring the desired outcomes. Inviting the boss to a coffee, however, and negotiating in a more neutral setting is likely to be more fruitful.

The present research also suggests some concrete ways of overcoming the home field advantage in the case one cannot change the location to a neutral setting or one's home field. Specifically, by artificially boosting the confidence of the visiting party we were able to eradicate the home field advantage. Thus, any intervention that enhances one's confidence in the ability to positively affect a negotiation, such as participating in a negotiating training, may minimize the disadvantage of negotiating on someone else's territory. In addition to training, thinking about the territory in which the negotiation is to take place and considering the impact of the negotiation setting can help a negotiator overcome the disadvantage associated with being a visitor in someone else's territory (Johnson, 1993), thereby creating a more level playing field.

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