

# Endowment Effect in Latin America: Empirical Evidence and Implications

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**Abstract** Authors from several disciplines—decision sciences, management, marketing, behavioral economics—have documented the existence of anomalies to the standard rational model of human behavior. Among several anomalies, the endowment effect has found substantive support in previous research. Few studies have explored the endowment effect in developing countries. This study reports the results of an experiment conducted in Chile to empirically analyze the endowment effect in an experimental setting. The results support the hypothesis that endowment effects are also applicable to Chilean and Latin American consumers, adding to the growing evidence in favor of quasi-rational models of consumer behavior. Implications for marketing, management and policy-making practices are briefly presented.

**References:** Available upon request

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