

The Interdisciplinary Science of Consumption



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STUDENT POSTER SESSION - TITLES AND ABSTRACTS

Below are the full titles and abstracts for the student poster session, to be held in Assembly Hall on the 4th floor of Rackham on Saturday, May 15th from 10-11am (open to the public).

Saturday, May 15th

Spending Money in Pursuit of Happiness: To Have, To Do, or To Share?

Peter A. Caprariello & Harry T. Reis

University of Rochester

How can money be used to enhance one's own happiness? Recent studies have addressed this question. Van Boven and Gilovich (2003) showed that spending money on experiences makes people happier than spending money on material possessions. We propose that an artifact in this effect is whether the experience includes another person. Dunn, Aknin, & Norton (2008) showed that spending money prosocially makes people happier than spending money on themselves. Therefore, the present research tested whether spending money on experiences makes people happy because many people's experiences naturally include others. Hence, the social component of many experiences (e.g., vacationing with others versus vacationing alone) may render them better able to make people happy, relative to material possessions. Furthermore, we predict that experiences with others make people happier than experiences alone. A series of experiments supported these predictions. Experiment 1 showed that when deciding between hypothetical experiences alone or with others, people chose and said they would be made happier by social experiences. Moreover, when deciding between material objects and solitary experiences, participants in Study 2 chose and said they would be made happier by material objects than by experiences alone. The same pattern of preferences was confirmed in a large sample of German respondents who considered actual past purchases (rather than hypothetical purchases). In short, taking into account the relationship context of experiences appears to be key to predicting what kind of monetary purchases best lead to happiness.

Positive Feelings Facilitate Working Memory and Complex Decision Making Among Older Adults

Stephanie M. Carpenter, Ellen Peters, Alice M. Isen, and Daniel Västfjäll

University of Michigan, Decision Research, & Cornell University

Older adults (n=46; aged 63-85) participated in an experiment assessing the influence of feelings on decision making. Positive-feeling subjects received a gift of candy; the rest received no gift. All subjects completed a computer-based card task. In the background, positive-feeling subjects saw smiling suns; neutral-feeling subjects saw control circles. All completed several tasks measuring cognitive performance. Results indicated that positive feelings were related to choosing better, and this effect was mediated by an increase in working memory (WM) in the positive-feeling condition. A follow-up study using a subset of the original sample indicated that without a positive-feeling induction, WM decreased.

Finding the Apple of My Eye: Categorization Effects on Satisfaction from Hedonic vs. Utilitarian Consumption

Eugene Y. Chan and Andrew Mitchell

Rotman School of Management, University of Toronto

The categorization of choice sets often allows for the matching of preferences, thereby increasing outcome satisfaction, reducing satiation, boosting consumption level, and driving in-store traffic. In the present study, we examine the effects of categorization on consumers' satisfaction from making hedonic versus utilitarian choices. We find that participants who hypothetically purchase a cup of coffee for hedonic (vs. utilitarian) purposes indicate more reasons for their purchase, and thus are willing to pay more money when they make their choice from a menu of 30 blends under six than no categories, supporting our prediction that categorization would lead to greater satisfaction from hedonic (vs. utilitarian) consumption. These findings suggest that the structure of choice sets influences satisfaction from hedonic but not utilitarian consumption, offering new perspectives on the benefits of categorization of particular consumer goods in today's marketplace.

Life History Strategy Affects Financial Planning, Economic Display, and Financial Distress

William J. Chopik & Daniel J. Kruger

University of Michigan

Life history theory is a powerful framework for examining variation in behavioral strategies, integrating evolutionary, ecological, and socio-developmental perspectives. Individuals who develop in relatively harsh and unpredictable environments may develop riskier behavioral strategies to take advantage of possibly fleeting opportunities. Figueredo and colleagues developed the 20-item Mini-K Short Form of the Arizona Life History Battery (ALHB) to assess the common factor believed to underlie a multiplicity of human life history parameters. We used a demographically representative sample from a community health survey to assess relationships between the Mini-K and financial strategies. Those with a slower life history scored higher on conservative financial planning, building long-term savings rather than maximizing current economic display. Those with a slower life history also scored lower on a scale of worries about financial distress. These relationships were maintained when controlling for age as well as educational attainment and income range, which are also arguably attributes related to life history strategy.

Reference Effects as Unconscious Processes Guiding Human Food Consumption**Leonie Cramer****Cognitive Science Program, ABC-West Lab, Indiana University, Bloomington; Economics of Consumers and Households group, Wageningen University, the Netherlands**

Difficulties in adapting food consumption choices to today's abundant food supply may stem from the dual function of food products providing both sustenance and pleasure, requiring balance to prevent diseases from not just nutrient deficiencies but also nutrient excesses. A distinction can also be made between reasoned preferences as 'shoulds', relating to benefits in the long run, and affective preferences as 'wants' relating to immediate benefits which might harm consumers in the long run and therefore are often associated with not just pleasure but also guilt. Attempts to influence consumer food choices often rely on providing more information for conscious decision making, but this leaves out possibly more powerful evolved unconscious processes including reference effects, status quo bias and loss aversion. An experiment with 554 Dutch pupils showed a relatively strong loss aversion for evolutionarily novel hedonic food products compared to utilitarian food products. This status quo bias, adaptive in challenging and variable ancestral environments, may lead today to maintaining relatively unhealthy patterns of food consumption. However, if more is known about these unconscious processes it might be possible to influence people's reference points and therefore preferences to help people abandon unhealthy food habits.

Financial Clarity: Tracking Spending Leads to Positive Financial & Well-being Outcomes**Grant Donnelly and Ryan T. Howell****San Francisco State University**

Money is an area in which people commonly display a lack of self control (Vohs & Faber, 2007; Kellett & Bolton, 2009). Effective self-control depends on three major components: (1) standards, (2) a monitoring process, and (3) the operational capacity to alter one's behavior (Baumeister, 2002). The main goal of this study was to corroborate the relationship between monitoring financial behavior and financial outcomes. Past research suggests that individuals who track their spending save more and spend less (Oaten & Cheng, 2006). For the purposes of this study a financial clarity variable was created to assess participant's clarity and vagueness around their personal financial situation. A diverse national sample (N=1703) completed an online survey which measured their financial clarity, purchasing preferences, spending and saving behavior. Data suggest that financial clarity is correlated with life satisfaction, increased savings and financial security, and is associated with decreased instances of impulse buying, materialism, and psychological distress. Additionally, the results suggest that financial clarity significantly interacts with age, showing higher financial clarity related to more savings and investments later in life, and less debt accumulation throughout life. These results support the previous findings of the positive financial outcomes from tracking spending, and extends past work by more precisely indicating that age might be moderating the effect financial clarity has on economic behaviors.

A Tale of Two Theories: Intertemporal Substitution vs. Income Targeting in an Experimental Work Task**Jesse Langstaff & Derek Koehler**
University of Waterloo

Previous research suggests that, even when they form part of an interrelated sequence, people often make decisions one at a time, in isolation from one another. The resulting decisions are often suboptimal because the individual fails to adopt a broader, more integrative choice strategy that incorporates beneficial tradeoffs across the decision sequence. Few studies, however have attempted to analyze the underlying processes in an experimental setting. [PARA] We attempt to address this shortcoming by creating a simulated work environment where participants are tasked with allocating their available time between work and leisure. Work wages and performance feedback are manipulated and the resulting changes in intertemporal substitution between work and leisure are observed. Current results show that participants are behaving suboptimally; however, it does not appear that they are being as myopic or loss averse as prior field studies have suggested.

Aligning Consumers Around the Low-Carbon Competitiveness: Effects of Incidental Guilt and Shame on Environmental Decision-Making**Julia Lee**
Harvard University

This study identifies which affective and cognitive factors influence consumers' behavioral change with regard to environmental decisions. It hypothesizes that consumers who know their own carbon footprint to be higher than the national average are more likely to show higher measures of pro-environmental consumption behavioral predictors. It also hypothesizes that eliciting guilt prior to calculating carbon footprint is more effective in changing consumer behavior than eliciting shame. One hundred participants were recruited to take the online survey. Results suggest that higher willingness-to-pay and perceived self-efficacy measures were associated with individual's knowledge of higher-than-average carbon emissions and unrelated, incidental emotions that are given prior to information disclosure. Also, it suggests that consumers' environmental decisions may be misattributed, and informed by an individual's incidental emotional state. The study concludes with policy implications for communicating climate risks to consumers.

Pick Your Poison: Uncovering the Mechanisms Behind the Planning Fallacy**Ester Moher**
University of Waterloo

It has been well-documented that individuals often overestimate the speed at which tasks will be completed (Buehler, Griffin & Ross, 1997). This planning fallacy has been thought of as a combination of an optimistic bias (Byram, 1997) and ignorance of important procedural steps (Koehler & Tversky, 1994; Buehler, Peetz & Griffin, 2009). We compare several strategies of attenuating the planning fallacy, and discuss preliminary findings.

Sweatshop Labor is Wrong Unless the Jeans are Cute: Motivated Moral Disengagement**Neeru Paharia, Rohit Deshpande, & Kathleen Vohs****Harvard Business School & Carlson School of Management, University of Minnesota**

We examine whether people may be motivated to morally disengage (Bandura 1991, 1999) in the presence of harmful attributes such as sweatshop labor when desire for a product is high. We show that moral disengagement can be driven by affective desire for a product. Mechanisms of moral disengagement may allow consumers to perceive their desire for products made with sweatshop labor to be consistent with their moral standards (Tsang 2002) enabling them to avoid dissonance (Festinger 1957). In two studies, we demonstrate that levels of moral disengagement can be motivated by one's level of desire for a product made with sweatshop labor. Furthermore, we show a full mediated moderation (Muller, Judd, and Yzerbyt 2005) where beliefs about sweatshop labor use moderates the impact of desirability on purchase intention, and moral disengagement mediates this process. For high desirability products this mediated moderation leads to findings that one might not expect – when beliefs about sweatshop labor use are high, purchase intention actually increases. However, this effect does not hold for low desirability products. Thus, desire-driven moral disengagement can drive people to like products they believe to be made with sweatshop labor even more. As affective desire is nearly a ubiquitous feature of the human condition, desire-driven moral disengagement may broadly contribute towards the tolerance of harm in our social and economic systems.

Patterns of Food Consumption Captured via Twitter**Kate M. Sanders, Kevin M. Gardner, & Peter M. Todd****Indiana University**

In many environments, stimuli reoccur in certain patterns: If a stimulus reoccurs shortly after its first occurrence, the probability that it will occur again in a short time is higher than the probability that it will occur much later; contrariwise, if a stimulus reoccurs long after its previous appearance, then it will probably not happen again for a long time. Anderson and Schooler (1991) found that the structure of memory in certain domains reflects that environmental regularity: Clustered stimuli are forgotten faster and widely-spaced stimuli are remembered longer. This has been found for domains of words and of social encounters, where power laws describe forgetting and reencounter rates.

Does food experience work the same way? Are foods consumed in clusters or spaced out over longer, regular periods of time, or do these regularities not occur in the food environment? Preliminary data suggest memory for foods eaten falls off rapidly over a few days. To assess whether the probability of eating a particular food again after N days also rapidly declines, we are examining information from TweetWhatYouEat (TWYE), an online food diary for Twitter users. TWYE lets members send in records (tweets) of each food that they have eaten each day, which are then compiled into food diaries so that members can keep track of the foods and calories they consume.

Using members with at least 90 consecutive days' worth of food entries, we categorize their entries into broader or finer food types and then examine the patterns of food consumption (the clusters or longer intervals between consumptions of a particular food). We have found evidence for small clusters of repeated foods over time, much like other environmental events studied by Anderson and Schooler. Such patterns of food consumption can then be analyzed and compared to the memory and forgetting functions for food.

Ethan Schoolman
University of Michigan
Abstract TBA

The Cost of Living: I Want and I Spend if My Neighbors are Wealthy

Jia Wei, Gary Zhang, and Ryan T. Howell
San Francisco State University

Past studies have examined the relationship between social comparison and materialism. For example, individuals who socially compare themselves with their friends and with media figures score higher on materialism. However, the traditional methods used to examine the impact of social comparison on materialism focus on individuals subjective evaluations. The aim of this study is to determine the possible impact objective factors have on materialistic values and financial decisions. We predicted that contextual factors (i.e., the geographic socioeconomic status of one's zip code and the number of financial institutions within their zip code) may influence an individual's materialistic desires and financial decisions. A diverse sample of participants were recruited from various social networking sites (i.e., Craigslist, Facebook, etc) to participate in this study (n = 2702; living in 1,258 unique zip codes; female = 74%; European/white = 54%). Each participant completed the Material Values Scale (MVS; Richins, 1992, 2004) and reported their income, wealth, debt, and savings behavior as well as the zip code they currently live in. After adjusting for gender, age and individual SES, our regression model demonstrated that living in a zip code with more financial and banking institutions, a high per-capita income, and a low poverty rate increased one's materialistic values, impulsive buying behaviors, and decreased one's savings behaviors. Further, the nested path model developed from this data suggests that as financial development and geographic SES increase so does an individual's materialistic values; this increase in materialistic values then increases impulsive buying and decreases savings behaviors. Thus, even though increases in personal wealth are associated with decreased materialism and impulsive buying as well as more savings behaviors, living in increasingly wealthier zip codes produces the opposite effect on each variable. [PARA] The present evidence suggests that in addition to our comparisons within our social context (i.e., friends, co-workers, and classmates - which increase our materialistic values) a geographic context (i.e., neighborhood) may also have an impact on our desire for material goods and our financial decisions.

Great Expectations: Exploring the Costs of Overly Optimistic Decisions on Future Behaviours

Amanda Wudarszewski & Derek Koehler
University of Waterloo

Previous research suggests that self-predictions are only modestly correlated with future behaviours (Griffin, Dunning & Ross, 1998). I will present behavioural data contributing to existing research that self-predictions are overly optimistic with respect to the actual probabilities of the future behaviours being carried out (Koehler & Poon, 2006). We employed a 2 (time delay: short vs. long) x 2 (payment option: low vs. high) x 3 (reminder: free reminder vs. no reminder vs. purchased reminder) between subjects design. In session 1, participants were prompted to make the decision of whether they would like to forego the initial payment for a chance to receive a larger incentive by completing a second questionnaire made available to complete after a certain amount of time delay. Our findings are in line with previous findings that self-predictions become more optimistic as the target behaviour becomes more distant in the future and that participants undervalue the effect that the reminder has on carrying out predicted behaviour.