

FROM LOOKING BACKWARD TO LOOKING FORWARD:
ON CONSUMING THE ANTICIPATION OF
EXPERIENTIAL AND MATERIAL PURCHASES

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When it comes to enhancing consumer welfare, psychological research suggests that people can get a better hedonic return on their money if they opt to buy experiences instead of material possessions. While the existing literature demonstrates that experiential purchases provide more enduring happiness than material purchases in recall, the present investigation is the first to explore differences that occur *before* purchases have been made. It demonstrates that anticipatory states are more positive when one is thinking about future experiential consumption than when one is considering future material consumption. It further goes on to show that people often delay their consumption of upcoming experiential purchases in order to prolong these pleasurable feelings. And finally, reasons for *why* the anticipation of experiential purchases tends to be more rewarding are examined. People reliably talk to others more about their impending experiences than their soon-to-be-bought material goods and they derive considerable hedonic benefits from doing so. These conclusions are arrived at using diverse methods, including surveys, experiments, experience sampling, and an archival analysis. The research reported here adds to the growing body of evidence that there is more satisfaction to be had from spending on doing rather than having, and, notably, that this recommendation is robust across a rather broad time course.

BIOGRAPHICAL SKETCH

Before starting graduate school at Cornell in 2010, Amit Kumar studied Psychology and Economics at Harvard University, graduating *magna cum laude* with Highest Honors in his field. In September 2015, he will begin a postdoctoral fellowship at the University of Chicago's Booth School of Business, where he hopes to consume a great many experiences. Feel free to give him a call any time you have an extra seat available at Alinea.

*For my grandfather, who would have been happier than anyone to read this work,
but was sadly lost during the early stages of its development*

ACKNOWLEDGEMENTS

Though it may not always be apparent, I, too, have my moments of self-doubt. As should be abundantly clear, the research presented in this dissertation was heavily influenced by the previous work of Tom Gilovich. So much so that in one of the aforementioned instances of self-reflection, I found myself wondering if I wasn't original enough, if I wasn't creative enough. I took my worries and confided in the great Dan Gilbert, who assured me that "A student of Pavarotti whose main complaint is that he can only sing like Pavarotti is a lucky student indeed." I can only hope that I will one day be able to carry a tune anywhere near The Key of Tom, but, for now, I can take great pride in knowing that we crafted a few hits together. Everything herein, and in fact, everything I have done at Cornell has been a joint effort with Tom, substantially shaped by one of the most inspiring minds I have ever encountered. Half-baked ideas concocted late at night in the depths of my psyche have been filtered through the lump of matter under that poofy head of hair, and they have come out immensely better as a result. His input has been invaluable, and I am forever grateful for his time, his patience, and his wisdom.

I, of course, am greatly indebted to Dan Gilbert, for first getting me excited about psychological phenomena and to Carey Morewedge for teaching me how to run a good experiment. I also wish to thank my loved ones, the other two tenors on my wonderful committee (Melissa Ferguson and Dave Dunning), and my fellow graduate students in social psychology, especially Shai Davidai. Shai made graduate school as fun as it was edifying, and one couldn't ask for a better colleague or a better friend. We made the right decision.

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Finally, thank you to the 4,126 participants who volunteered for the 21 experiments reported here, and to the thousands more who have participated in other studies I have conducted on human behavior. When I was a budding researcher, I would often show up a few minutes late to a scheduled laboratory session, only to be chastised by Karim Kassam—who would remind me that participants were our “lifeblood.” I didn’t fully appreciate this until I started collecting data of my own. Now I do. But I still hope that because the experience they were about to have in the lab was so gratifying, the extra time they spent waiting wasn’t quite so bad.

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CHAPTER ONE

LOOKING FORWARD

On December 17, 2014, a fellow Cornell doctoral student, Ann Bybee Finley, was celebrating the completion of her comprehensive exams at a popular Ithaca watering hole. Around nine o'clock that evening, despite being a seemingly healthy 25-year-old, an unknown condition reared its ugly head, and she went into full cardiac arrest. Local firefighter Kenny Thompson was one of the first emergency responders on the scene, arriving about a minute after a 911 call was made. Thompson noted that Finley was "clinically dead," and began performing CPR until paramedics arrived. It took EMTs approximately 15 minutes to get a pulse back and Finley was hospitalized for two weeks following the incident.

On the morning of April 28, 2015—a mere four months after her near-death (or post-death) experience—Finley wrote the following on social media:

"My broken heart broke once more as I thought of all the days I could not travel. My first thoughts of recovery were the places I would visit. The long walks lost but not worried in cities. The hard packed trails up mountains. The fine restaurants and the mother with a roadside stand. The people and the culture and the perspective. I am traveling again. A part of my broken being is filled with joy."

The day before sitting down to write this introduction, Finley, still recovering, gave me a hug and we talked about the food she would eat, the museums she would see, and the neighborhoods she would visit on her upcoming trip to Spain.

Twenty-five-year-olds aren't supposed to have scares like these. But perhaps there is wisdom to be gleaned from such life-altering events. A central question humans face is what it means to live "the good life." From what sorts of things do we derive joy? In stark contrast to

some of what we see in today’s consumerist society, according to Finley’s perspective, joy comes not from “things” at all, but rather from the places to which she travels, from the trails she treks, from the restaurants she dines at, and from the people with whom she interacts.

As I detail below, a great deal of social psychological literature supports the claim that Finley has it right.

Differential Delight from Doing and Having

Indeed, a whole host of empirical evidence has now been collected on the hedonic superiority of *experiential* over *material* purchases (Caprariello & Reis, 2013; Carter & Gilovich 2010, 2012; Chan & Mogilner, 2015; Guevarra & Howell, 2015; Howell & Hill, 2009; Nicolao, Irwin, & Goodman, 2009; Pchelin & Howell, 2014; Van Boven, Campbell, & Gilovich, 2010; Van Boven & Gilovich, 2003; for a comprehensive review, see Gilovich & Kumar, 2015). Van Boven and Gilovich (2003) were the first to distinguish between these two types of purchases and, in their introduction of the topic into the literature, defined experiential purchases as those “made with the primary intention of acquiring a life experience: an event or series of events that one lives through” and material purchases as those “made with the primary intention of acquiring a material good: a tangible object that is kept in one’s possession” (p. 1193). Put simply, the distinction is between money spent on *doing* and money spent on *having*. Prototypical experiential purchases include vacations, meals out, fees for outdoor activities, and tickets to concerts, movies, or sporting events. Prototypical material purchases include clothing, jewelry, electronic goods, and furniture.

Though there are some purchases that reside at the “fuzzy boundary” between the two purchase types (bicycles, tennis rackets, musical instruments, and so on), independent coders, academic lecture audiences, popular media outlets, and perhaps most importantly, research

participants—that is, the consumers themselves—have readily understood the meaning of these two categories and have had no problem consistently categorizing purchases as either more material or more experiential in nature. In one analysis conducted by Carter and Gilovich (2010), for example, a set of purchases was coded along a continuum from material to experiential and this distribution was bimodal. Moreover, some experiments have had participants construe the very same purchase in either more experiential or more material terms and demonstrated that it is how one tends to think about a purchase that matters in terms of its psychological consequences (Carter & Gilovich, 2010, 2012; Rosenzweig & Gilovich, 2012). It should be noted, however, that although the distinction is sometimes murky, a great many purchases (such as those mentioned in the preceding paragraph) are more far likely to be thought of in one manner than the other.

I overview much of the research that has been conducted to date in the introductory sections of the chapters that follow, but I would be remiss if I didn't briefly mention here that much work has been done to understand the psychology of *why* experiential purchases represent better hedonic investments than material ones. Other studies have argued that the payoff in terms of well-being tends to be greater in part because experiential pursuits represent a more meaningful part of one's sense of self (Carter & Gilovich, 2012; Kumar, Mann, & Gilovich, 2015), are more social in nature (Caprariello & Reis, 2013; Kumar, et al., 2015), are more resistant to adaptation (Carter & Gilovich, 2010; Nicolao, et al., 2009), and tend to prompt fewer destructive and deflating comparisons (Carter & Gilovich, 2010). Because of these multiple mutually-reinforcing mechanisms, the robust effect that experiential purchases one has made tend to make people happier than do material purchases has been replicated several times in several different ways.

The Anticipation of Experiences and Possessions

Finley's moving post suggest that there is "joy" to be had not only from experiencing the trip, the food, or the climb, but also from the mere thought of such events occurring. That is, Finley described attaining happiness from looking ahead to the experiences she was *going to have*. This is an important distinction, as most of the previous research conducted on the differences between experiential and material purchases thus far has focused on retrospective enjoyment; people reliably derive greater and more enduring satisfaction from the experiences they have *already had* than the material goods they have already bought.

A central claim maintained in the literature on experiential and material consumption is that the satisfaction one derives from the former tends to be more enduring than that derived from the latter. In most examinations, researchers have used the term "enduring" to mean something akin to "long after the purchase has been made." Here, I investigate whether the hedonic benefits of buying experiences endure in another sense: across a broad time course that includes the anticipatory period *before* consumption. In other words, all of the research that has previously been done in this topic of inquiry has emphasized differences in the post-consumption period. The data I present in the pages that follow represent a novel contribution to the field in that they are the first to investigate differences between these two categories of purchases across the time course. I argue that experiential purchases are more rewarding in prospect as well as in retrospect.

Anticipation has been an intriguing area of investigation since Loewenstein first explored the subject in his seminal 1987 paper. Subsequent chapters review this work in greater detail, but the fundamental point Loewenstein (1987) put forward was about how anticipatory hedonic states can be positive (what he termed *savoring*) or negative (what he termed *dread*). Waiting

can often be frustrating or anxiety-inducing, but Loewenstein showed that waiting can also have its benefits when it affords one the opportunity to savor future consumption—for instance, when one is looking forward to a kiss from someone to whom they are attracted. This dissertation contends that savoring is much more prevalent when one is anticipating an experiential purchase than a material purchase, explores the consequences of this notion, and examines the underlying reasons for why this is the case.

The Road Ahead

In the present research, I focus on differences between experiential and material purchases before these purchases have been made. Chapter 2, published in *Psychological Science*, establishes the primary effect that anticipatory consumption tends to be more pleasurable for experiential than for material purchases. In Chapter 3, accepted for publication in the *Journal of Consumer Psychology*, I examine a downstream consequence of this finding—namely that the benefits of looking forward to an upcoming experiential purchase lead to a tendency to delay these purchases relative to impending purchases of material goods. Because of differences in the amount of anticipatory utility provided by experiential and material expenditures, the preferred timing of consumption tends to be more immediate for things than for experiences. Chapter 4, forthcoming in *Personality and Social Psychology Bulletin*, then investigates one feature of experiential purchases that gives rise to these hedonic differences. More specifically, I begin the chapter by positing that another not-yet systematically explored reason for why experiential purchases hedonically trump possessions in retrospect is because they are more likely to be discussed with other people. I go on to show that people also talk to others more about their *future* experiential purchases and demonstrate that this fact is one

mediator of the primary effect documented in Chapters 2 and 3. Finally, in Chapter 5, I look forward to future research, identifying opportunities ripe for further investigation.

CHAPTER TWO

WAITING FOR MERLOT:

ANTICIPATORY CONSUMPTION OF EXPERIENTIAL AND MATERIAL PURCHASES¹

So tedious is this day
As is the night before some festival
To an impatient child that hath new robes
And may not wear them.

Shakespeare, *Romeo and Juliet*, Act III, Scene ii, lines 28-31

Think back to a time you waited in line. Was it a pleasurable experience or did you feel a bit like Shakespeare's impatient child? We contend that your experience likely varied depending on what you were waiting for. Specifically, we propose that waiting for an experience tends to be more enjoyable than waiting to receive a material good. Waiting to get into a Black Friday sale is likely to differ from waiting to get tickets to Saturday Night Live, even if your initial excitement about each is the same. We suspect that you're likely to savor the amusing sketches you might see in the latter case, but experience a bit more impatience when waiting to get a coveted material possession, like high-end clothing or the newest gadget.

To be sure, waiting is often an aversive experience. As the literature on temporal discounting indicates, people have a marked preference for consuming things now rather than later (McClure, Laibson, Loewenstein, & Cohen, 2004). But Loewenstein (1987) has shown that anticipation sometimes has its benefits and he defines *savoring* as the positive utility derived from the anticipation of future consumption. In a well-known study, he found that participants were willing to pay more to kiss their favorite celebrity three days in the future than to experience the kiss immediately, indicating that people get pleasure from anticipation. He argues that savoring is most likely when consumption is fleeting: in such cases, "anticipation (and

¹ Chapter 2 was published in *Psychological Science*. It is referred to as Kumar, Killingsworth, and Gilovich (2014) in Chapters 3 and 4. See References section for full citation details.

sometimes memory) serves to extend the otherwise fleeting benefit provided by consumption” (Loewenstein, 1987, p. 672).

Most of the examples of savoring cited by Loewenstein (1987) involve experiences, an asymmetry that dovetails with research on experiential versus material purchases, or money spent on *doing* versus *having* (Van Boven & Gilovich, 2003). Van Boven and Gilovich found that experiences tend to produce more enduring satisfaction than possessions. Subsequent research has explored the mechanisms underlying this difference. Experiential purchases tend to make people happier because they evoke fewer comparisons (Carter & Gilovich, 2010), are more associated with the self (Carter & Gilovich, 2012), and foster more social connection (Caprariello & Reis, 2013; Kumar & Gilovich, in press-a; Kumar, Mann, & Gilovich, 2015; Van Boven, Campbell, & Gilovich, 2010). Other work has focused on additional downstream consequences of experiential consumption. For instance, experiential purchases are more likely than material purchases to promote prosocial behavior (Kumar & Gilovich, 2015a).

Existing work on experiences and possessions has focused on what happens *after* a purchase has been made. What about beforehand? How people think about the future is often very different from how they think about the past (Caruso, Gilbert, & Wilson, 2008; Helzer & Gilovich, 2012) and so it is unclear whether the retrospective benefits of experiential consumption apply to anticipation as well. We conducted the present research to find out. Specifically, we investigated whether people get more utility from the anticipation of experiential purchases than material purchases. Study 1 examines whether people report that waiting is more pleasant for an experiential purchase than a material purchase. Study 2 uses experience sampling to explore whether thinking about upcoming experiences is associated with greater happiness than thinking about soon-to-be-acquired possessions. Study 3 employs an

archival analysis of news articles about people in queues to examine whether customers waiting to purchase experiences tend to be in a better mood than those waiting to purchase possessions. Study 4 rules out an artifactual interpretation of these archival results.

Study 1

We assigned participants to think about an upcoming experiential or material purchase, and then asked them about their state of mind while waiting for their purchase. We predicted that participants asked about an experiential purchase would report feeling relatively more excitement than impatience compared to those asked about a material purchase. We also expected the former to think of waiting as more pleasant.

Method

Participants. Ninety-seven Cornell students (60 female; $M_{age} = 20.59$, $SD = 2.06$) served as participants.

Procedure. Participants were given the definition of either experiential or material purchases provided by Van Boven and Gilovich (2003) and asked to think of an example of that type of purchase they intended to make “in the very near future.” Experiential purchases were defined as those “made with the primary intention of acquiring a life experience: an event or series of events that one lives through.” Material purchases were defined as those “made with the primary intention of acquiring a material good: a tangible object that is kept in one’s possession.” They then rated whether their anticipation of the purchase felt more like impatience or excitement on a scale from -4 (*Much more like impatience*) to 4 (*Much more like excitement*). They were then asked to rate the pleasantness of their anticipatory state on a scale from -4 (*Extremely unpleasant*) to 4 (*Extremely pleasant*). Finally, they estimated the cost of the purchase and provided their age and gender. For this and all studies reported below, we have

reported all conditions and analyzed all dependent measures, and no data were excluded from any of our analyses. Moreover, the data were not analyzed until collection was complete.

Results

No significant main effects of age or gender, nor any interactions with experimental condition, were found for any of our dependent measures in any of the studies in this paper. These demographic variables are therefore not discussed further.

Participants reported a variety of material (e.g. clothing, laptops) and experiential purchases (e.g. ski passes, concert tickets), but the experiential and material purchases did not differ in cost ($t < 1$). However, they did differ as hypothesized on the dependent measures. Participants reported that the anticipation of an experience was more pleasant ($M = 2.64$, $SD = 1.33$) than the anticipation of a possession ($M = 1.37$, $SD = 1.52$), $t(95) = 4.37$, $p < 0.0001$, Cohen's $d = 0.81$, and that their anticipation was infused with relatively more excitement (and less impatience) for experiential purchases ($M = 2.58$, $SD = 1.34$) than for material purchases ($M = 1.06$, $SD = 1.90$), $t(95) = 4.48$, $p < 0.0001$, Cohen's $d = 0.84$.

Note that participants' responses tended to lie on the positive side of our scales in both conditions. That is, waiting to receive a material good is, not surprisingly, a positive experience. Our claim is that there is *relative* difference in the amount of enjoyment people derive from waiting for experiential and material purchases. Waiting for any upcoming purchase has both positive and negative elements—pleasant feelings of excitement and unpleasant feelings of impatience. What we found is that the enjoyment associated with anticipation is tinged with more excitement when it comes to experiential purchases and more tinged with impatience when it comes to material purchases. Because impatience and excitement are not opposite ends of a unitary dimension, we also asked participants a straightforward question about how pleasant they

found the anticipation of their purchase. The fact that we found converging results for the two measures indicates that our findings are not due to anything unusual about the bi-polar impatience/excitement scale. In Study 2, we tested whether we would obtain further support for our hypothesis using a third measure—how happy participants said they were while waiting for experiences or possessions.

Study 2

We used experience sampling to examine whether the same results would be observed for purchases that are on participants' minds spontaneously, not those they are instructed to consider. We also investigated whether people thinking about future experiential purchases were happier than people thinking about future material purchases.

Method

Participants. Participants were 2,266 adults engaged in a large-scale experience sampling project hosted at trackyourhappiness.org (Killingsworth & Gilbert, 2010). Their median age was 33 (range 18 to 74), 61% were female, 68% were from the U.S., and median household income for the U.S. participants was \$80,000 (Mean = \$121,300, SD = \$186,214). Eight U.S. participants reported annual household incomes above \$2,000,000, distorting the income mean and standard deviation. Incomes above \$2,000,000 were therefore entered as \$2,000,000.

Procedure. Participants were signaled at random times during their waking hours by an iPhone notification and were asked a variety of questions about their feelings, thoughts, behavior, and environment.

Participants first answered a *happiness* question (“How are you feeling right now?”) using a sliding scale with endpoints labeled *Very bad* (0) and *Very good* (100). Participants were

then asked a *purchase thought* question (“Are you currently thinking about a purchase you intend to make (either a material good like a TV or item of clothing, or an experience like a vacation or concert?”) with response options *Yes* and *No*. If participants answered *Yes*, we asked three follow-up questions including an open-ended *purchase content* question (“What future purchase are you thinking about?”), a *pleasantness* question (“Is waiting to make this purchase more *unpleasant* or *pleasant*?”), employing a sliding scale with endpoints labeled *Unpleasant* (0) and *Pleasant* (100), and an *excitement/impatience* question (“Would you describe the nature of your anticipation of this purchase as more like *impatience* or more like *excitement*?”) employing a sliding scale with endpoints labeled *More Like Impatience* (0) and *More Like Excitement* (100).

Results

Participants reported thinking about a future purchase in 19.1% of the probes. Two coders who were blind to the purposes of the study rated each purchase in terms of how material or experiential it was. They were given definitions of experiential and material purchases from Van Boven and Gilovich (2003) and rated each purchase on the following scale: 1 = *definitely material*, 2 = *largely material*, 3 = *unclear/ambiguous*, 4 = *largely experiential*, 5 = *definitely experiential*. The coders tended to agree with each other ($\alpha = 0.8$), and their ratings were averaged for the following analyses. Of the samples in which people reported thinking about a future purchase, 586 purchases were rated on the experiential side of the scale, 318 were on the material side, and 272 were rated as unclear/ambiguous.

Figure 1 presents the results for all three measures, centered on purchases located 1 SD above and below the mean of the judges’ material/experiential ratings. As that figure makes clear, purchases that were more experiential in nature were associated with higher levels of

happiness, $b = 1.30, p < 0.05$, more pleasantness, $b = 1.42, p < 0.05$, and more excitement (and less impatience), $b = 3.17, p < 0.001$, than purchases that were more material in nature.

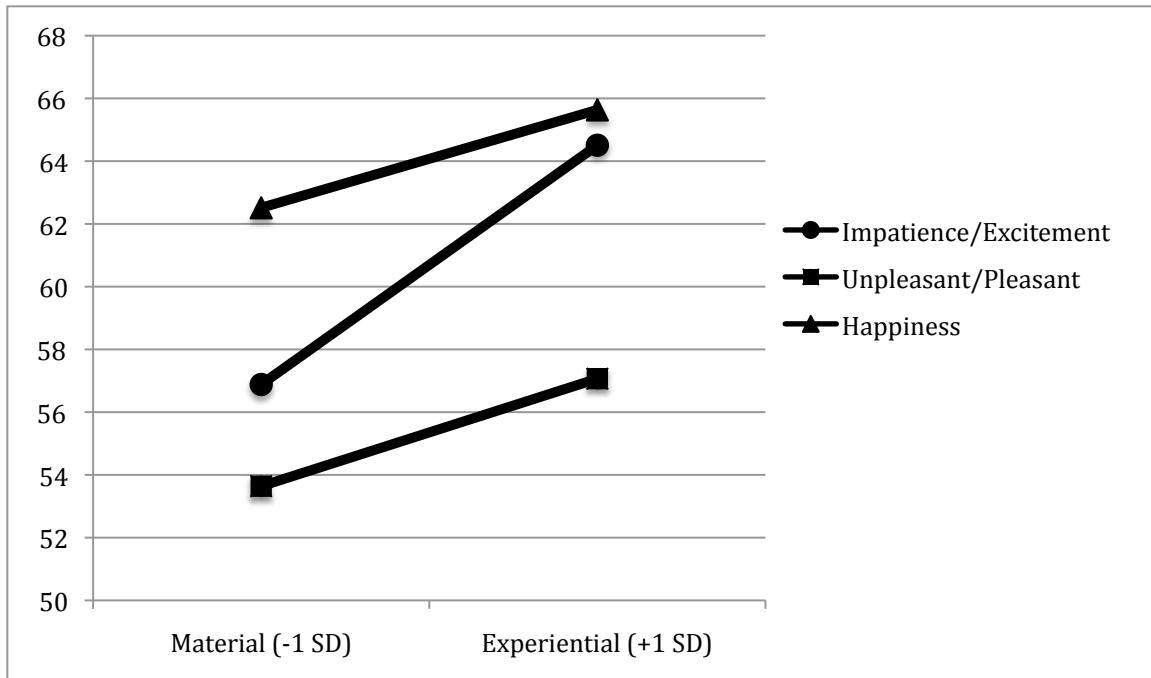


Figure 1. Mean Happiness, Pleasantness, and Excitement ratings for purchases 1 SD above and below the mean on the material-experiential purchase dimension.

Although these data are nested with multiple probes per person and would ordinarily be analyzed using multilevel regression, the vast majority of participants provided only one “Yes” response to the purchase thought question and the preceding results are consequently based on a regression performed on the first “Yes” sample provided by each participant (so that there is exactly one sample per participant). However, when all samples were included and analyzed using multilevel regression, the effect estimates and p values remained qualitatively unchanged (happiness: $b = 1.25, p < .05$; pleasantness: $b = 1.40, p < .05$; excitement/impatience: $b = 2.79, p < .001$). Note that these effects, although statistically significant, are not huge. But we wouldn’t expect them to be, as our participants were looking forward to purchases intended to advance their interests and make them happier. And on balance they no doubt succeeded. Nevertheless, it

is noteworthy that even in this restricted range of nearly-all-positive circumstances, the psychological state of waiting tends to be systematically more positive for experiences than for possessions.

This raises the question of how the happiness experienced when thinking about these different types of purchases compares to that experienced when not thinking about a future purchase at all. To find out, we used the samples in which participants answered “No” to the purchase question as the reference value in a multilevel regression, and compared the happiness of those who responded “No” to the happiness of those who indicated they were thinking of experiential, material, or indeterminate (purchases coded as equally material and experiential) purchases. Compared to samples in which participants were not thinking about a future purchase, thinking about an experiential purchase was associated with higher levels of happiness ($b = 2.44, p < 0.05$) while material ($b = 0.33, t < 1$) and indeterminate purchase thoughts ($b = -0.88, t < 1$) were not associated with different levels of happiness.

Furthermore, because many participants who provided a “Yes” response to our purchase question on one occasion responded “No” on another, we were able to perform an analysis that compared reports in which a person was thinking about an anticipated purchase with the very same person’s reports when not anticipating an upcoming purchase. This analysis was necessarily restricted to our happiness measure, as this was the only additional measure collected when participants answered “No” to the purchase question. In this within-person analysis, participants were (marginally) happier when anticipating an experiential purchase than when not anticipating a purchase of any kind, $b = 1.20, p = 0.07$. Participants were not any more or less happy when anticipating a material purchase ($b = 0.30, t < 1$) or a purchase that was judged to be neither experiential nor material ($b = 0.67, t < 1$) than when not anticipating any sort of purchase.

These results help to dispel any concern that our main findings may have stemmed from a simple selection effect—that the people who tend to be thinking about upcoming experiences are a cheerier lot than those thinking about the imminent acquisition of material goods.²

Although any difference between the kind of people thinking about upcoming experiences versus upcoming material acquisitions cannot account for our findings, might respondents have been happier thinking about upcoming experiences simply because they thought of better, more expensive experiences than material goods? To examine this possibility, we had five independent coders rate all of the purchases participants listed in terms of how expensive they were. (We did not have the participants themselves list the cost of each purchase because of the need to limit the number of questions asked when using experience sampling methods). The coders rated each purchase in two ways. First, they estimated the expensiveness of the purchase on a 10-point scale where 1 = *less expensive purchases, like a cup of coffee or school supplies* and 10 = *more expensive purchases, like a car or paying for a wedding*. Second, they simply estimated the dollar cost of each purchase.

Coders were consistent in their use of both scales (both α 's > 0.9), and so their ratings for each measure were averaged. Because of skewness in the dollar estimates, we used the natural log of average cost in our analyses (and indeed, the correlation between expensiveness ratings and the natural log of average cost was $r = .93$, as opposed to $r = 0.45$ before taking the natural log). Our results for the effect of type of purchase remained largely unchanged when rated

² A follow-up study with a much bigger sample (over 13,000 responses) replicated the main findings reported here. It also allowed us to conduct a within-subject analysis that compared participants' happiness, pleasantness, and excitement ratings when thinking about an upcoming experiential purchase versus an upcoming material purchase. Casting further doubt on a selection artifact, participants rated their anticipatory state as significantly more pleasant ($t=4.60$) and more exciting ($t=8.70$) for an upcoming experiential purchase than an upcoming material purchase. They were also happier waiting for an experiential purchase, but not significantly so ($t=.95$).

expensiveness was included as a covariate in an analysis of the first “yes” sample provided by participants, $p < .05$ for happiness, $p = .127$ for pleasantness, and $p < .001$ for excitement/impatience. Using the multilevel models with rated expensiveness included as a covariate, we obtained p values less than .05, .10, and .001, respectively. When estimated cost was used as a covariate, the p values from analyses of participants’ first “yes” response were as follows—happiness: $p = .06$; unpleasantness: $p = .07$; and excitement/impatience: $p < .001$; in the multilevel models, the p value was less than .05 for happiness and pleasantness and less than .001 for excitement/impatience. These results make it clear that our findings are not an artifact of participants simply anticipating “better,” more expensive experiences than possessions.

Study 3

Does the more pleasant experience of waiting for an experience rather than a possession have implications for how people behave while waiting to make their purchase? Specifically, does the greater impatience observed in people thinking about a material purchase make them more likely to act in impulsive ways while waiting to make their purchase? To find out, we conducted an analysis of newspaper accounts of people waiting in line for a commercial transaction. We predicted that the mood and behavior of people waiting for a material good would be more negative than that of people waiting for an experience.

Method

We searched the LexisNexis database for a two-year period from January 2011 through December 2012 for stories of people waiting in long lines, using the terms “line AND wait,” “queue AND wait,” “line OR queue AND hours,” “wait AND hours,” “line OR queue AND crowd,” “crowd AND hours,” “line OR queue OR wait AND long,” “line up OR lining up AND wait,” “long AND line AND wait,” and “line OR wait OR queue OR waiting OR lines OR

queues AND long OR slow.” We did not include duplicate articles about the same event occurring on the same date. Our search yielded 149 articles. We recorded the title of the article, the source, the date of the article, what people were waiting in line for, and comments on the mood and behavior of those in line (usually a crowd).

Two coders who were unaware of the hypothesis were given this information and the definitions of material and experiential purchases offered by Van Boven and Gilovich (2003) and were asked to rate the extent to which whatever the individuals were waiting in line for was material or experiential in nature. Their ratings were made on a 5-point scale labeled, 1 = *definitely material*, 2 = *somewhat material*, 3 = *ambiguous or unclear*, 4 = *somewhat experiential*, and 5 = *definitely experiential*. Two different independent coders, who were also unaware of the hypothesis (and the material/experiential ratings made by the other pair of coders), read the portions of the articles that described the mood or behavior of those waiting in line and rated how negative or positive the actions or experience of those waiting in line seemed, where 1 = *very negative*, 2 = *somewhat negative*, 3 = *ambiguous or unclear*, 4 = *somewhat positive*, and 5 = *very positive*.

Results

The coders’ material/experiential ratings were highly correlated ($\alpha > .9$) and were therefore averaged. Likewise, the negative/positive ratings were highly correlated ($\alpha > .9$) and were also averaged. As predicted, those waiting for an experience seemed to be better behaved and in a better mood than those waiting for a material possession. That is, there was a significant linear relationship between how experiential the source of the wait was and how positive the experience of waiting appeared to be, $\beta = 0.36$ ($SE = 0.07$), $p < 0.0001$.

Probing this relationship more closely, 18 of the articles mentioned clearly negative behavior on the part of those waiting in line (e.g., smashing windows, rioting) and the mean experiential/material rating of what these individuals were in line to buy was 2.39 ($SD = 1.01$), significantly below in the midpoint in the material direction, $t(17) = -2.57, p < .02$. Twenty of the articles mentioned clearly positive behavior (e.g., singing, playing games) and the mean experiential/material rating of what these individuals were in line for was 4.63 ($SD = 0.72$), significantly above the midpoint in the experiential direction, $t(19) = 10.05, p < 0.0001$. Those waiting for an experience were clearly cheerier and better behaved than those waiting to get a material possession.

One might wonder whether this effect was driven by scarcity. Perhaps people waiting for material goods were more anxious and ill-behaved because they were worried that the items they were waiting for might run out, whereas those waiting in line for experiences already had their tickets in hand and had no reason to worry. To address this issue, we took all of the experiential purchases (those rated higher than 3 on the scale detailed above) and divided them into those in which scarcity was an issue (e.g., they were in line to buy tickets) and those in which it wasn't (e.g., they already had tickets). If we now examine only those experiential stories that involved scarcity (55 out of the 93 experiential stories), the effect remains statistically significant, $\beta = 0.34$ ($SE = 0.08$), $p < 0.0001$. Our results are not an artifact of differential scarcity and desperation.

To control for any differences in the cost of the purchases for which these people were waiting in line, we again had independent raters estimate the cost (in dollars) of what they were waiting for and rate how expensive it was on the same 10-point scale as Study 2. Inter-rater reliability was high for the scale ratings ($\alpha = 0.9$), but low for the cost estimates ($\alpha = 0.3$). We re-ran our original analyses twice, using each of the measures as separate covariates. With the

scale ratings of expensiveness as a covariate, the material/experiential nature of what the people in line were waiting for continued to predict ratings of the positivity of their mood and behavior, $\beta = 0.37$ (SE = 0.08), $p < 0.0001$. With the natural log of the dollar estimates as a covariate, the material/experiential nature of what they were waiting for again still predicted the positivity of their mood and behavior, $\beta = 0.36$ (SE = 0.08), $p < 0.0001$. Here too, then, our results do not appear to be an artifact of the cost of the purchases for which those in line were waiting.

It seems that the experience of waiting in line for an experiential purchase tends to be more pleasurable than waiting in line for a material purchase. The reporter's mantra that "if it bleeds, it leads" is thus more likely to come into play during Black Friday sales on gadgets and sneakers than when people are lined up for tickets to see their favorite performers or to taste the offerings at the newest food truck.

Study 4

Although Study 3 highlights a notable consequence of the difference between waiting for an experience and waiting for a possession, the data are correlational and therefore subject to alternative interpretation. Perhaps the people who *choose* to wait in line for experiences are simply better behaved generally than those waiting for possessions. To test this possibility, we randomly assigned participants to think of a time they waited in line for an experience or a possession and then asked them to report how they felt.

Method

Participants. Ninety-seven Cornell students (53 female; $M_{\text{age}} = 18.63$, $SD = 1.39$) served as participants.

Procedure. All participants read a brief statement about how waiting can often be an unpleasant experience, as people sometimes report feeling impatient while waiting, but that

waiting can also sometimes be pleasant and exciting. They were then randomly assigned to read a description of either experiential or material purchases and asked to take a moment to recall a *specific* instance when they waited in a long line for the type of purchase that had just been defined for them. After recalling a specific time they had waited in a long line, they were asked how unpleasant or pleasant the experience of waiting was on a scale from -4 (*Extremely Unpleasant*) to 4 (*Extremely Pleasant*). Finally, they provided their age and gender.

Results

Participants who were asked to recall an instance of waiting for an experiential purchase reported that waiting was relatively more pleasant ($M = 0.28$, $SD = 1.89$) than did those who were asked to think of an instance of waiting for a material purchase ($M = -0.66$, $SD = 1.95$), $t(95) = 2.41$, $p < 0.02$, Cohen's $d = 0.49$. This finding is consistent with the archival data in Study 3, indicating that the greater positivity of waiting for experiences relative to possessions is not the result of different types of people waiting for these two different types of purchases. These results thus reinforce our contention that waiting for an experiential purchase tends to be more enjoyable than waiting for a material purchase.

General Discussion

Waiting can be pleasurable or aversive. We found that waiting for an experience elicits significantly more happiness, pleasantness and excitement, than waiting for a material good. Waiting for a material purchase is often “edgier”—fraught with more impatience.

Previous research has focused on the differences between experiential and material purchases in terms of how much satisfaction they bring (Van Boven & Gilovich, 2003), how likely they are to spark comparisons (Carter & Gilovich, 2010), how reflective they are of the self (Carter & Gilovich, 2012), and how much they foster feelings of social connectedness

(Caprariello & Reis, 2013; Howell & Hill, 2009; Kumar & Gilovich, in press-a; Kumar, et al., 2015). Those differences emerge *after* a purchase is made. The present research is the first to identify the benefits that result from experiential purchases *before* consumption. This is a significant contribution to the literature for two reasons. First, the differences between prospection and retrospection can be stark (Caruso, et al., 2008; Helzer & Gilovich, 2012), so one cannot assume that retrospective differences in the satisfaction people derive from material and experiential purchases applies prospectively as well. The present research establishes that they do, that people “consume” their expectations and get more utility from doing so for experiences than possessions.

Second, the utility people derive from a purchase—or any event—is not only in the here-and-now, but also in anticipation. To advance well-being, then, it is important to understand the variables that influence the utility that comes from looking forward to events, such as whether one is looking forward to a material or experiential purchase. Scholars of well-being have distinguished between *experienced* and *remembered* utility (Kahneman, 2000), to which we think it’s important to add *anticipatory* utility (Loewenstein, 1987). After all, experienced utility comes and goes in a moment, and much of the enjoyment we derive from the things we buy or do comes from looking forward to them.

One reason that people are often tempted to spend their money on material goods rather than experiences is that the here-and-now of experiences is so fleeting. People often say that “If I opt for the [experience], it will be over in a flash, but at least I’ll always have the [possession].” The irony is that although this is true in a material sense, it is not true psychologically. A vast literature attests to people’s remarkable capacity for adaptation (Frederick & Loewenstein, 1999), which robs them of the ability to appreciate things to which they are constantly exposed,

like their couches, clothes, and cars. But the fleetingness of experiences can make them resistant to habituation, allowing them to compensate in recall and story utility—and, as shown here, in anticipation—what they lack in here-and-now extension.

An obvious question is what is responsible for the effects we demonstrate. Why does waiting for experiential purchases tend to be more pleasurable than waiting for material purchases? One possibility involves the level of abstraction of people's thoughts about their upcoming purchases. People may think about future experiential consumption at a higher level of construal than future material consumption (Trope & Liberman, 2003). When thinking about an article of clothing or a piece of furniture, the images that arise are likely to be concrete. We know the coat is wool and the desk is cherry. When thinking about an upcoming vacation or theatre performance, our thoughts will surely focus on some details as well. But these thoughts may be relatively more focused on higher-level considerations like what the purpose of the vacation is ("adventure") or how the theatre performance might connect us to others ("I finally have something to say to the Spamalot fanatics at work"). These more abstract thoughts about experiences can make them seem more significant, and hence more gratifying.

Another possibility is that material goods might prompt a more competitive mindset than experiences. People have difficulty deciding whether they'd rather have a higher absolute salary when their peers make even more money, or have a lower absolute salary that's higher than their peers (Solnick & Hemenway, 1998). The decision is hard because more money is preferred to less, but people want to "keep up with the Jones's" and not fall behind their peers. But this problem disappears when it comes to experiential goods: People have no difficulty deciding between 2 weeks of vacation when their peers get only a week, or 4 weeks when their peers get 8. People don't care much about the comparison and opt for 4 weeks rather than 2.

This difference in social comparison likely contributes to the finding that asking people to reflect on experiential purchases encourages prosocial behavior (Kumar & Gilovich, 2015a). The sorts of social benefits that come from reflecting on past experiential purchases (Kumar & Gilovich, in press-a; Kumar, et al., 2015) may arise during anticipation as well. Just as people are more likely to talk about experiential purchases than about material purchases after the fact (Kumar & Gilovich, in press-a), they may be more likely to talk about future experiential consumption than about future material consumption. Indeed, this difference might contribute to the findings of Study 3: People waiting in line for an experiential purchase rather than a material purchase might be more likely to strike up conversations with other consumers, which in turn would make them feel more connected and make the experience of waiting more pleasurable (Kumar & Gilovich, in press-a; Kumar, et al., 2015).

If waiting for experiential purchases feels good, why not extend the wait? Evidence suggests that people do just that. Because the anticipation of experiences is more pleasurable, people prefer to hold off on experiential consumption, whereas material purchases foster more of a “give-it-to-me-now” mindset (Kumar & Gilovich, in press-b). Given the present results, it makes sense that people would rather avoid the feelings associated with waiting for material purchases and choose to consume more immediately, whereas they’d rather savor just how wonderful their experiences will be. People are less inclined to wait for a Volvo, Polo, or Lenovo than to sip Pernod, take a furlough, or open a Merlot because waiting for the latter is simply more pleasurable.

CHAPTER THREE

TO DO OR TO HAVE, NOW OR LATER?

THE PREFERRED CONSUMPTION PROFILES OF MATERIAL AND EXPERIENTIAL PURCHASES³

Nearly everyone has limited discretionary income and so it is important that consumers know how to spend their money in the most beneficial ways. Recent research on this issue has focused on *what* they might be advised to purchase to increase their hedonic welfare (Dunn, Gilbert, & Wilson, 2011; Dunn & Norton, 2013; Gilovich & Kumar, 2015; Gilovich, Kumar, & Jampol, 2015a, 2015b; Van Boven & Gilovich, 2003). In this paper, we examine *when* people prefer to spend it, and how those preferences change depending on what they are buying. Although it is known that a trip to Paris or meal at Daniel is likely to bring about more happiness than a new wristwatch or a set of rims for one's Mercedes (Van Boven & Gilovich, 2003), might even more satisfaction be derived when the vacation or dining experience is consumed not now, but later?

A substantial amount of research in psychology and economics indicates that people have a general preference to consume now rather than later, a preference so pronounced that quite a bit of research has been devoted to finding ways to encourage people to delay gratification (Duckworth & Seligman, 2005; Loewenstein & Prelec, 1992; McClure, Laibson, Loewenstein, & Cohen, 2004; Mischel, 1974). At the same time, Loewenstein (1987) provided evidence that people sometimes prefer to delay consumption, so they can savor an experience that will be consumed in the future. Closing our eyes and envisioning endless possibilities for how things might turn out is itself a pleasurable experience, sometimes more rewarding than the here-and-

³ Chapter 3 has been accepted for publication in the *Journal of Consumer Psychology*. It is referred to as Kumar & Gilovich (in press-b) in Chapters 2 and 4. See References section for full citation details.

now of the actual experience itself. Loewenstein maintains that the desire to savor and put off consumption is especially likely when the consumption is fleeting: because the satisfaction that such consumption provides is only temporary, a prior period of savoring allows people to increase their hedonic return. And indeed, in the marketing literature as well, though a number of studies have found that customers do not much like waiting (e.g., Hoch & Loewenstein, 1991; Houston, Bettencourt, & Wenger, 1988; Taylor, 1994), some researchers have argued that waiting can be positive (e.g., Nowlis, Mandel, & McCabe, 2004). For example, in line with Loewenstein's (1987) theorizing, waiting for a consumer purchase is more likely to increase utility when one is anticipating pleasant rather than unpleasant consumption (Nowlis, et al., 2004).

The work on savoring and delayed consumption led to a recent exploration of how the experience of waiting might be different for two different types of consumption (Kumar, Killingsworth, & Gilovich, 2014). Specifically, this work investigated how the experience of waiting differs for experiential and material purchases – that is, money spent on *doing* (e.g. vacations, concerts, sporting events, meals out) versus money spent on *having* (e.g. clothing, gadgets, jewelry, furniture). A growing body of literature has found that experiential purchases tend to bring about more enduring happiness compared to valued possessions (Caprariello & Reis, 2013; Carter & Gilovich, 2010, 2012, 2014; Gilovich & Kumar, 2015; Gilovich, Kumar, & Jampol, 2015a, 2015b; Howell & Hill, 2009; Kumar & Gilovich, in press-a; Nicolao, Irwin, & Goodman, 2009; Van Boven & Gilovich, 2003). This difference in consumer satisfaction is the result of several psychological processes: experiential purchases are less subject to invidious comparisons (Carter & Gilovich, 2010), are more central to a person's sense of self (Carter & Gilovich, 2012), are typically more social in nature (Caprariello & Reis, 2013; Kumar, Mann, &

Gilovich, 2015), and tend to be talked about more with other people (Kumar & Gilovich, in press-a).

Although nearly all of the existing research on people's enjoyment of material and experiential purchases has dealt solely with the hedonic return that comes *after* consumption, Kumar et al (2014) found that there is a difference in the value derived from material and experiential purchases even *before* the good is acquired or the experience attained. In one study, they found that when participants were asked to think about a purchase they intended to make in the near future, their anticipation tended to be more pleasant, more exciting, and less fraught with impatience for experiential purchases than for material purchases. This finding was replicated in a large-scale experience sampling study: Participants who were "caught in the act" of thinking about future experiential consumption reported being happier, more excited, and less impatient than those thinking about future materialistic consumption. Finally, an archival analysis of news stories about people waiting in long lines found that those waiting for an experience (e.g., for the opening of a food truck) tended to be in a better mood, and better behaved, than those waiting for a possession (e.g., for the doors to open on Black Friday). There are times, then, when waiting is part of the fun, and that seems to be the case significantly more often for experiential purchases than for material purchases.

In his seminal paper, Loewenstein (1987) maintained that the value people get from anticipation can lead them to delay consumption. For instance, in the signature finding from that work, people said they would prefer to receive a kiss from their favorite movie star three days in the future rather than right away. Accordingly, we sought to extend the findings from Kumar et al (2014) by looking into whether, as a result of the difference in the pleasure associated with waiting, people might prefer to delay their consumption of experiential purchases, while

preferring to consume material purchases immediately. Indeed, people seem to enjoy planning their vacations as much or more than actually going on them. In one study, vacationers were happier in the weeks leading up to a vacation than the weeks that followed, suggesting that they didn't get much of a hedonic boost, or much of an enduring boost, from the vacation itself (Nawijn, Marchand, Veenhoven, & Vingerhoets, 2010). More generally, one way people may seek to boost the happiness they get from their experiential purchases is to delay their consumption.

Of course, people might delay the consumption of experiences for a psychologically uninteresting reason: because they are often over quickly and the only way to stretch out their enjoyment is to put off when they begin. Material purchases, in contrast, can usually be enjoyed now *and* down the road. Although this difference doubtless accounts for part of the phenomenon we explore here, it is not the whole story, as we show in three ways below. First, we had participants in some of our studies tell us when they would like to consume experiential purchases that have the same still-available-for-further-consumption property as most material goods. Second, we had participants express their temporal preferences for experiential purchases relative to material possessions that were also time-limited, just like most experiences. Finally, we had participants in one study specify when they would most like to make the same purchase—a trip to New York City—that they were led to construe in more material or experiential terms. By holding the broad nature of the purchase constant, we were able to rule out the possibility that people prefer to delay their acquisition of experiences more than material goods simply because the latter are more available for later consumption than the former.

In their initial work on the topic, Van Boven and Gilovich (2003) asked a simple question: “To Do or To Have?” When it comes to happiness and consumer satisfaction, their

answer was clear—the hedonic return tends to be greater for experiential purchases than for material purchases. Here, we ask an important follow-up question: When? To that end, we first show in Studies 1a through 1c that when asked to choose between an experience and a possession at different times, people show a marked preference for consuming the material purchase now and the experiential purchase later. We then extend these findings in Study 2a using a different paradigm in which participants simply state their preferred time of consumption of a variety of different purchases. Study 2b replicates this result using a material purchase and an experiential purchase that can be (in equal measure) consumed repeatedly. Next, participants in Studies 3a-3c were presented with a choice between a lesser purchase now and a superior purchase later on and we examined whether they were more likely to choose lesser material possessions now but opt to wait to consume the superior experiential purchases later. Study 3b demonstrates that this preference can be traced to the tendency of consumers to get more utility from waiting for experiential purchases than from waiting to acquire material goods. Finally, we investigate whether people's real-world consumption decisions conform to this pattern (Study 4).

Experiments 1a - 1c

Because people consume anticipation and get more utility from waiting for experiences than waiting for possessions (Kumar et al., 2014; Kumar & Gilovich, *in press-a*; Loewenstein, 1987), we examined whether people are more inclined to delay the consumption of experiences than the consumption of material goods. More specifically, would people prefer to have a possession now and an experience later, or an experience now and a possession later? We presented participants in Study 1a with just such a choice as an initial assessment of whether people would rather delay their consumption of experiences than delay their consumption of material purchases. But as we noted earlier, there is a powerful, banal reason to be more inclined

to put off the consumption of an experience than a material possession: most experiences are “time limited” but most material goods are not. To deal with this concern, we conducted two follow-up replications (Studies 1b and 1c) using an experiential and material purchase that were matched on the degree to which they were time limited.

Method

Participants. Ninety-seven students and affiliates at Cornell University (45 female; $M_{age} = 21.24$, $SD = 3.71$) served as participants in Study 1a and 99 (different) students from the same university served as participants in Study 1b (58 female; $M_{age} = 19.91$, $SD = 2.51$). Both samples were recruited at various locations around campus and asked to volunteer their time. One hundred U.S. respondents (38 female; $M_{age} = 29.83$, $SD = 8.60$) from Amazon’s Mechanical Turk participated in Study 1c in exchange for modest compensation.

Procedure. Participants in Study 1a were told to imagine that they were given \$1500 to spend on two purchases: an electronic gadget that cost \$750 and an all-expenses-paid beach vacation that also cost \$750. It is worth noting that in addition to being matched on price, these two broad categories have been shown in previous research (Kumar & Gilovich, in press-a) to be comparable in subjective appeal. That is, 40 raters in a separate investigation (from the same participant pool) confirmed that vacations and electronic goods are seen as roughly equally attractive. They were asked to imagine they had a sum of money to spend on a gadget or a beach vacation and asked to rate on a scale from 1 (*not at all appealing*) to 7 (*very appealing*) how appealing such a purchase seemed to them. Electronic goods ($M = 5.60$, $SD = 1.82$) and beach vacations ($M = 4.85$, $SD = 1.53$) did not differ in appeal, $t(38) = 1.41$, $p = 0.17$. This is especially likely to be true when they cost exactly the same amount, as they do in the current investigation.

They were then told to imagine further that they were given this money with one stipulation: one purchase had to be made within the week, and the other purchase had to be made at least one month from now. Participants were then asked to choose which purchase they wanted now and which one they wanted later. They then provided their age and gender. For this and all studies reported below, we have reported all conditions and analyzed all dependent measures, and no data were excluded from any of our analyses.

In Study 1b, participants were asked to imagine that they were given enough money to make two purchases: an electronic gadget and a lifetime membership at a local museum. They were told to assume that these two purchases cost exactly the same amount. They were then asked to indicate which purchase they'd rather have now and which they'd rather have in the future.

Participants in Study 1c were also asked to imagine that they were given enough money to make two different purchases: an experiential purchase and a material purchase that they could only use for a limited amount of time. The experiential purchase was an outdoor activity that one pays for (e.g. rafting, skydiving). The material purchase was a “loaner” pair of Google Glass that they could use for two weeks. They were told that they wouldn’t get to keep the new gadget indefinitely, but would get to try it out for a limited time. They, too, were told to assume that the two purchases cost exactly the same amount and were then asked to indicate which purchase they’d rather make immediately and which purchase they’d rather make later.

Results

No significant main effects of age or gender, nor any interactions with experimental condition, were found for any of our dependent measures. These demographic variables are therefore not discussed further.

Sixty-eight percent of the participants in Study 1a indicated that they would rather have the gadget now and the vacation later. This was statistically different from the 50/50 split expected under the null hypothesis of indifference between the two options, $\chi^2 (1, N=97) = 12.63, p < 0.001, \phi = 0.36$.

In Study 1b, 88.89% of the participants reported that they would rather have the gadget now and the lifetime museum membership later. This result was also significantly different from the 50-50 indifference split, $\chi^2 (1, N=99) = 59.89, p < 0.0001, \phi = 0.78$.

In Study 1c, 65.00% of the respondents said they would rather have the gadget immediately and do the outdoor activity later. This too was significantly different from a 50-50 split, $\chi^2 (1, N=100) = 9.00, p < 0.01, \phi = 0.30$.

Thus, when forced to choose, people prefer to have their material purchases sooner and their experiential purchases later. This was true, furthermore, even when the experiential purchase (lifetime museum membership) could be experienced as far into the future as the material purchase (electronic gadget) and when the material purchase (a test pair of Google Glass) was time-limited, as is typically the case with experiential purchases. Even in situations in which the material good is finite and the experience is durable, consumers seem to want to put off the consumption of experiences but have material possessions now, supporting our thesis.

Experiments 2a and 2b

Given the preferences participants exhibited in Studies 1a through 1c, we conducted Studies 2a and 2b to further test whether people prefer to delay consumption of experiential purchases more than material purchases. Participants in Study 2a were provided with a variety of material and experiential purchases and asked to indicate their ideal consumption time for each. We predicted that people would state a preferred time of consumption that was farther in the

future for experiences than for material goods. Study 2b was designed to examine whether the results obtained in Study 2a might be an artifact of the fact that experiential purchases tend to be time-limited but material goods are not.

Method

Participants. Participants in Study 2a were 98 American adults (50 female; $M_{age} = 32.13$, $SD = 10.89$) recruited via Amazon's Mechanical Turk in return for a nominal payment. Those in Study 2b were 102 U.S. Mechanical Turk users (31 female; $M_{age} = 29.08$, $SD = 9.25$) recruited in the same way as in Study 2a.

Procedure. Participants in both studies first read a brief statement about how there are certain things people spend money on that they want immediately and other things they'd rather wait and have at some point in the future. Those in Study 2a were told they would be presented with a number of purchases and asked to imagine that they had the money to spend on each one, but that they could decide when they'd want to consume the purchase in question. Participants were then presented with 20 purchases, ten experiential and ten material, in a different randomized order for each participant. They indicated, for each purchase, their preferred consumption time on a 5-point scale anchored at 1 (*Immediately*) and 5 (*One year from now*).

The ten experiential purchases were tickets to a sporting event, a beach vacation, ski passes, a meal at a nice restaurant, concert tickets, a trip to the zoo, movie tickets, fees for an outdoor activity (e.g. hiking, rafting, skydiving), a cruise package, and a trip to New York City. The ten material purchases were a jacket, pair of jeans, shirt, television set, stereo speakers, iPod, wristwatch, diamond necklace, designer handbag, and laptop computer. These two sets of purchases have been used in previous research, with the experiential and material purchases matched in terms of subjective appeal (Kumar & Gilovich, in press-a). More specifically, two

independent coders who were unaware of the purpose of the experiment rated these twenty purchases both in terms of appeal to them personally and likely appeal to the average person on 5-point scales, where 1 represented “*not very appealing*” and 5 represented “*very appealing*.⁷ The material ($M = 3.80$, $SD = 0.63$ for the first rating; $M = 3.60$, $SD = 0.66$ for the latter) and experiential ($M = 3.85$, $SD = 1.16$; $M = 3.95$, $SD = 0.60$) purchases did not differ significantly on either rating of subjective appeal, t 's = 0.12 and 1.24, p 's = 0.91 and 0.23. Our results are therefore not an artifact of the set of experiential or material purchases being higher in value or appeal.

Study 2b followed this basic set-up, but participants were only presented with two purchases, rather than twenty. They were told to imagine that they were thinking about buying a new electronic gadget and a lifetime membership at a local museum and that these purchases cost the same amount. They were asked to assume that they had the money to spend on both purchases and to simply state their preference, using the same 5-point scale used in Study 2a, for when they'd want the consumption of that purchase to happen.

Results

Participants in Study 2a reported that they would want to delay consumption of the experiential purchases ($M = 3.31$, $SD = 0.72$) longer than the material goods ($M = 2.79$ $SD = 1.12$), matched pairs $t(97) = 5.70$, $p < 0.0001$, Cohen's $d = 0.63$. In Study 2b, even when they were thinking about an experiential purchase that could be used both now and in the future, respondents indicated that would prefer to delay consumption of the experiential purchase ($M = 2.98$, $SD = 1.50$) longer than the material purchase ($M = 1.80$, $SD = 1.09$), matched pairs $t(101) = 6.39$, $p < 0.0001$, Cohen's $d = 0.64$. These results provide further evidence of a relative preference to delay the consumption of experiences.

Experiment 3a

When deciding whether to make a purchase, we are often forced to choose whether we want to consume now or wait until something better comes along. Do we go ahead and order the current model of a Smartphone, knowing that a newer, improved model will be out shortly? What if we knew that we could have a better experience in a few months than we could have now—would we want to wait in *that* circumstance, or consume more immediately? In Study 3a, participants were given an intertemporal choice task in which they could opt for a more modest version of a product/experience now or a better version later on. We predicted that participants would exhibit more patience for experiential purchases than material purchases. That is, we hypothesized that they would prefer to wait for a better experiential purchase, but would be more inclined to select the “lesser” material purchase immediately.

Method

Participants. Ninety-five Cornell students (46 female; $M_{\text{age}} = 19.88$, $SD = 1.78$) were recruited at various locations around campus and asked to participate in a short study.

Procedure. Participants were given a brief definition of either experiential or material purchases, as per Van Boven and Gilovich (2003). Experiential purchases were defined as those “made with the primary intention of acquiring a life experience: an event or series of events that one lives through.” Material purchases were defined as those “made with the primary intention of acquiring a material good: a tangible object that is kept in one’s possession.” They were then asked to take a moment to think about a purchase in the given category that they intended to make in the near future and to indicate what that purchase was. They were further asked to imagine that 6 months from now, for the very same price, they could get an “upgraded” version of that purchase. Participants in both conditions were given an example of what we meant by that

(e.g., “...if the experiential purchase you listed was ‘going on a trip,’ imagine you knew that if you waited for six months, the same amount of money would get you a much better trip.”).

After receiving this information, they were asked to indicate whether they would opt for the purchase they could make right now or the “upgraded” purchase they could make six months from now. Specifically, they rated their inclinations on a scale from -4 (*Strongly prefer making the purchase now*) to 4 (*Strongly prefer the improved purchase later*), with the mid-point (0) representing indifference between the two options. Participants then indicated how much money they intended to spend on the purchase in question.

Results

Participants reported planning to make a variety of experiential (e.g., tickets to performances, trips) and material (e.g., clothing, gadgets) purchases. Two participants did not report the cost of their purchase, but responded to all other measures. Due to skewness in the price data, we conducted inferential tests using the natural log of the cost of each purchase, but report the untransformed descriptive statistics for ease of interpretation. The material (*Median* = \$50, *SD* = 229.48) and experiential (*Median* = \$225, *SD* = 7362.75) purchases participants listed differed in (natural) log-transformed price, $t(91) = 4.54, p < 0.0001$. We therefore included purchase price as a covariate in the analysis below to rule out any concern that our results are driven by differences in the cost of participants’ anticipated purchases.

As predicted, material and experiential purchases also differed in terms of when participants would prefer to consume them, with participants wanting to wait for better experiential purchases ($M = 1.29, SD = 2.48$), but not to wait for better material purchases ($M = -0.51, SD = 2.72$), $\beta = 0.85$ ($SE = 0.29$), $p < 0.01$. Log-transformed price was not a significant predictor of participants’ preferred time of consumption, $\beta = 0.18$ ($SE = 0.16$), $p = 0.25$.

Moreover, the preference for the delayed option was significantly higher than the midpoint in the experiential purchase condition, one-sample $t(47) = 3.62, p < 0.001$, but the mean response in the material condition did not differ from the midpoint, $t(47) = -1.29, p = 0.20$.

Experiment 3b

We contend that people's differential preferences for the timing of material and experiential consumption are due to the fact that waiting is more enjoyable for experiential purchases (Kumar, et al., 2014; Kumar & Gilovich, in press-a). To examine whether this is the case, we conducted a conceptual replication of Study 3a and added a measure of how much utility participants said they got from anticipating the purchase in question. We then examined whether people, as has been shown elsewhere (Kumar et al., 2014), find the anticipation of experiential purchases more pleasurable than the anticipation of material purchases, and whether this difference mediates the tendency for people to want to delay the purchase of experiences longer.

Method

Participants. Ninety-seven students and affiliates at Cornell University (57 female; $M_{age} = 20.79, SD = 3.35$) volunteered to participate.

Procedure. As in Study 3a, participants were given definitions of either experiential or material purchases (between-subjects) and asked to list a purchase in the given category that they intended to make in the near future. Participants were then told that "We get enjoyment from our purchases for a variety of reasons – we anticipate the happiness we are going to get from our purchases, we enjoy them in the here-and-now, and we derive happiness from our memories of them and from talking about them with other people." They were asked to focus on the utility that comes from the anticipation phase. After reading a brief statement that waiting can

sometimes be pleasant and sometimes be unpleasant, participants rated how much the anticipation period *took away from* or *added to* their overall enjoyment of the purchase they had listed. They responded on a scale from -4 (*Takes away from it a lot*) to 4 (*Adds to it a lot*), where the midpoint was labeled “*Has no effect on my enjoyment.*” The procedure then followed that of Experiment 3a exactly.

Results

Four participants did not report the cost of their purchase, but did respond on all other measures. Again, participants reported a similar variety of experiential and material purchases. And, like in Study 3a, the distribution of the cost of these purchases was skewed. We therefore once again conducted analyses using natural log-transformed prices, but report untransformed descriptive statistics. This time, the experiential purchases participants were planning to make (*Median* = \$100, *SD* = 688.88) were significantly more expensive than the material purchases (*Median* = \$40, *SD* = 224.81), $t(91) = 2.91, p < 0.01$. To account for this difference, we therefore again included price as a covariate in the analyses below.

Conceptually replicating the findings of Kumar et al. (2014), participants in Study 3b rated the anticipatory period as adding more to their enjoyment of experiential purchases ($M = 1.92, SD = 1.48$) than material purchases ($M = 1.17, SD = 1.65$), $\beta = 0.39$ ($SE = 0.16$), $p < 0.02$. Purchase price was not a significant predictor of how much anticipation added to participants’ rated enjoyment, $\beta = -0.12$, ($SE = 0.08$), $p = 0.16$. These results indicate that although the period of anticipation is positive for both experiential and material purchases (both means were significantly above the midpoint, $t_{\text{experiential}}(48) = 9.05, p < 0.0001$ and $t_{\text{material}}(47) = 4.89, p < 0.0001$), it is significantly more positive for experiences.

Directly replicating the results from the previous study, participants reported wanting to wait for better experiential purchases ($M = 1.59$, $SD = 2.47$), but not to wait for better material purchases ($M = 0.25$, $SD = 2.82$), $\beta = 0.63$ ($SE = 0.29$), $p = 0.03$. Price did not significantly predict participants' interest in delaying consumption, $\beta = 0.06$ ($SE = 0.15$), $p = 0.71$. Also like Study 3a, the preference for the delayed option was again significantly higher than the midpoint in the experiential purchase condition, one-sample $t(48) = 4.52$, $p < 0.0001$, but the mean response in the material condition did not differ from the midpoint, $t(47) = 0.61$, $p > 0.5$.

To examine whether the fact that waiting for an experience is more pleasurable than waiting for a material good mediates participants' inclination to wait to receive a better experience, we regressed participants' intertemporal preferences onto purchase condition and our measure of anticipatory utility and found that condition was no longer a significant predictor of purchase satisfaction, $p > 0.06$, while anticipatory utility did predict intertemporal preference, $\beta = 0.45$, $p < 0.01$ (see Figure 2 for details). This mediational relationship was confirmed by a bootstrapping analysis (bias-corrected; 10,000 samples), in which the 95% CI on the indirect effect did not include zero [0.05, 0.90]. In other words, participants were more willing to wait for a better experiential purchase than for a better material purchase, and this difference was due to the differences in the anticipatory utility these different types of purchases tend to provide.

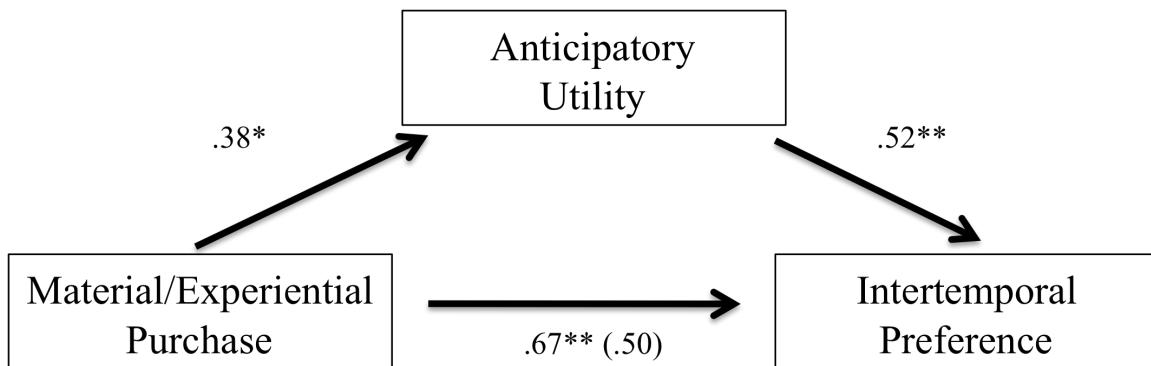


Figure 2. Relative to material purchases, experiential purchases provide more anticipatory pleasure, which, in turn, increases preferences for delayed consumption. Note: the beta weight in parentheses reflects the effect of type of purchase when the mediator is included in the regression. ** $p \leq .01$ * $p \leq .05$

Experiment 3c

As noted earlier, there is some concern that the results in Studies 3a and 3b may have been driven largely by the fact that the material goods participants listed tend to endure over time and thus have an open-ended consumption horizon. Participants might want to enjoy them right away, knowing that they can continue to enjoy them later. To address this issue, we conducted a conceptual replication of Study 3a in which we held the purchase constant and varied whether participants were led to think of it in material or experiential terms. In past research, a given purchase (a 3D TV, a boxed set of CDs) provided a greater hedonic benefit when participants were led to think of it in experiential rather than material terms (Carter & Gilovich 2010, 2012; Rosenzweig & Gilovich, 2012). In this study, we examined whether participants would be more inclined to delay their consumption of a purchase when they were led to think about it in experiential terms. We predicted that even a prototypically experiential purchase (a vacation) is desired more immediately when one highlights the material aspects of that purchase than when one focuses on its experiential elements.

Method

Participants. One hundred U.S. participants (26 female; $M_{\text{age}} = 31.29$, $SD = 9.75$) were recruited from Amazon's Mechanical Turk in exchange for modest monetary compensation.

Procedure. Participants were asked to imagine that they were planning a trip to New York City. Those in the material condition were told, "As you may know, New York City is one of the biggest commercial centers in the world, and is a great place to buy lots of new possessions to take home with you. For instance, shoppers in New York often buy high-end

clothing and jewelry, trendy home furnishings, and the latest gadgets. Just think of all of the things you could buy on your trip!"

Participants in the experiential condition were also asked to imagine a trip to New York City, but were instead told, "As you may know, New York City is one of the cities in the world with the most to do, and is a great place to have lots of fun experiences. For instance, travelers to New York often eat out at delicious restaurants, take in a show at a Broadway theater or one of the city's many live music venues, or go to some of the country's most famous museums. Just think of all the things you could do on your trip!"

As a manipulation check, we gave one of the two trip descriptions to a separate sample of 88 people. After they read the description, all participants were given definitions of both experiential and material purchases, per Van Boven and Gilovich (2003) and reproduced above. These participants were asked to rate the trip that was described to them on a 9-point scale, where 1 represented "*Much more like a material purchase*" and 9 represented "*Much more like an experiential purchase*." Testifying to the success of the manipulation, participants given the experiential frame rated the trip as more experiential ($M = 7.40$, $SD = 1.50$) than those given the material frame ($M = 4.79$, $SD = 2.55$), unequal variances $t(67.30) = 5.82$, $p < 0.001$, Cohen's $d = 1.25$. Note also that the mean in the experiential condition was significantly higher than the midpoint of the scale, $t(44) = 10.74$, $p < 0.0001$, while the mean in the material condition did not differ from the midpoint of the scale, $t(42) = -0.54$, $p = 0.59$.

To rule out the possibility that a difference in the subjective appeal of the experiential and material trips might have artifactually produced the predicted effect, we also provided one of the two descriptions of the trip to a separate sample of 82 Mechanical Turk workers. After reading either the material or experiential description of the trip, they were asked how appealing such a

trip to New York sounded to them on a scale from 1 (*not at all appealing*) to 9 (*extremely appealing*). The vacation was not seen as more or less appealing in the experiential ($M = 6.85$, $SD = 2.16$) and material ($M = 6.93$, $SD = 2.45$) conditions, $t(80) = 0.14$, $p = 0.89$.

After reading one of these two descriptions of a trip to New York City, the participants in Study 3c were given a scenario like the one we provided participants in Studies 3a and 3b. Specifically, they were told to imagine that 6 months from now, they could get an “upgraded” version of this purchase. That is, they were told to imagine that if they waited for six months, the same amount of money would get them a much better trip. They then indicated their (temporal) consumption preference using the same scale as that used in Studies 3a and 3b.

Results

Participants were more inclined to wait for a trip to New York City when it was construed in experiential ($M = 2.94$, $SD = 1.61$) rather than material ($M = 2.28$, $SD = 1.76$) terms, $t(98) = 1.96$, $p = 0.05$, Cohen’s $d = 0.39$. Thus, even when the same purchase (a vacation) is thought about as more experiential than material in nature, people are more interested in delaying its consumption.

Experiment 4

To further test the robustness of our central result, we examined whether consumers are more inclined to *have* now and *do* later in yet another paradigm. That is, we had participants generate actual purchases from their own lives that best fit either: (a) the type of purchase for which waiting was pleasurable and they therefore delayed its consumption, or (b) the type of purchase for which waiting was not pleasurable and they therefore chose to consume it immediately. We then had them rate the extent to which the purchase they made was either material or experiential in nature. We predicted that participants would tend to cite purchases

that were more experiential in nature when asked to recall a purchase they chose to delay than when asked to recall a purchase they chose to consume immediately.

Method

Participants. Ninety-four Cornell University students (56 female; $M_{age} = 20.68$, $SD = 3.11$) participated in Study 4.

Procedure. Participants were randomly assigned to one of two purchase conditions. Half the participants were told there are some purchases that people want immediately, are impatient for, can't wait to make, and would rather make sooner than later. They were asked to generate the best exemplar of that type purchase that they had made in the past five years. The other half of the participants were told that there are some purchases people would prefer to delay making, would choose have at some point in the future, and for which waiting can be exciting and part of the fun. They were then asked to list the best exemplar of *that* type of purchase that they had made in the past five years.

After retrieving a specific purchase from the stated category, participants in both conditions were provided with definitions of experiential and material purchases (the same ones used in the previous studies). They were then asked to rate the extent to which their purchase was material or experiential on a 9-point scale, where 1 represented “*Much more like a material purchase*” and 9 represented “*Much more like an experiential purchase*.”

Results

Participants tended to report purchases like iPhones and footwear in the immediate condition, while they were more likely to indicate purchases like vacations and tickets to shows in the delayed condition. More specifically, when asked to recall a purchase they wanted to make immediately, participants listed purchases they rated as more material ($M = 3.70$, $SD = 2.85$)

than when asked to recall a purchase they preferred to delay ($M = 5.21$, $SD = 3.17$), $t(92) = 2.43$, $p < 0.02$, Cohen's $d = 0.50$. Thus, the purchases consumers actually choose to wait for in their everyday lives are more experiential than those they choose to consume more immediately.

It is worth noting that we conducted a conceptual replication of Study 4 ($N = 72$) in which we did not have the participants themselves rate how material or experiential the purchase they listed was, but instead had five coders who were unaware of experimental condition rate the material or experiential nature of the purchase in question. In this replication, we also had participants provide the price of the purchase they had listed. This allowed us to rule out the possibility that our effects were driven by the cost of purchases or by the fact that participants were providing their own subjective ratings of how material or experiential the purchase was (though we believe that a rating from the participant himself or herself is more telling than coders' ratings).

Coders were given the definitions of experiential and material purchases described above and asked to rate the purchases on the same 5-point scale used in Study 3 of Kumar, et al. (2014), where 1 represented "*definitely material*" and 5 represented "*definitely experiential*." There was good agreement among the coders ($\alpha > 0.9$), and so their ratings were averaged. The purchases retrieved by participants asked to recall a purchase they wanted to make as soon as possible were rated as more material ($M = 1.67$, $SD = 1.06$) than those retrieved by participants asked to recall a purchase they wanted to delay ($M = 3.31$, $SD = 1.61$), unequal variances $t(69.88) = 5.21$, $p < 0.0001$, Cohen's $d = 1.20$. When log-transformed cost was analyzed, the purchases participants listed in the delayed condition (untransformed *Median* = \$800, $SD = 2650.46$) did tend to be more expensive than those listed by participants in the immediate condition (untransformed *Median* = \$50, $SD = 415.09$), $t(68) = 4.00$, $p < 0.001$. But these differences in price did not

explain the difference in the material or experiential nature of the purchase recalled. When log-transformed purchase price was included as a covariate, purchase condition still significantly predicted material/experiential ratings, $\beta = 0.72$ ($SE = 0.20$), $p < 0.001$, but price did not, $\beta = 0.08$ ($SE = 0.10$), $p = 0.42$.

General Discussion

In a series of nine studies, we found that there is more utility to be gained from delaying the consumption of experiential purchases than delaying the consumption of material goods and that people act accordingly. In Studies 1a through 1c, participants who had to select which purchase, experiential or material, to consume now and which to consume later exhibited a marked preference for *having now* and *doing later*. In Study 2a, we examined a larger sample of purchases, and participants indicated their optimal consumption time in a paradigm that didn't require a forced choice. Here too, participants expressed a desire to consume experiential purchases later on in the future than material purchases. In Study 2b, furthermore, we found that this was true even for experiential purchases that could be consumed repeatedly. In Studies 3a through 3c, participants exhibited more patience in intertemporal choice tasks when deciding between an experience now and a superior experience later than when deciding between a possession now and a better possession later. We found in Study 3b that this effect is driven by the tendency for the pre-consumption period to provide more enjoyment for experiential purchases than it does for material purchases. Finally, in Study 4, we showed that our findings affect people's real-life purchasing decisions. When participants were asked about which purchases from their own lives they either couldn't wait for or had delayed in order to savor, their delayed purchases were significantly more experiential.

Our findings generalized across different sets of participants (college undergraduates and a broader online sample from across the U.S.) and a variety of different purchases (experiential and material purchases provided by the experimenter in Studies 1a-2b, self-generated purchases that participants were intending to make or had actually made in Studies 3a, 3b, and 4, and the same purchase construed in material or experiential terms in Study 3c). Moreover, experiential and material purchases were matched on subjective appeal in Studies 1a, 2a, and 3c, and the reported findings could not be attributed to differences in price in all of the remaining studies.

An inherent difference between experiences and possessions is that possessions are, well, kept in one's possession. This has obvious relevance to the decision to consume now or later because material purchases can be consumed now *and* later, whereas most experiences must be consumed now *or* later. This certainly contributes to the phenomenon we have explored in this paper, influencing people's real-world decisions to opt for immediate versus delayed consumption. Indeed, part of the reason people may enjoy experiences so much, both in prospect and real-time, is that they recognize that experiences, like apple blossoms, are time-limited and therefore must be enjoyed before they are gone. With material goods, in contrast, it can be easy to take their physical longevity for granted, leading to a desire to consume immediately under the assumption that the material good will always be there to be used and enjoyed later on. That assumption is often warranted, of course. But often the hoped-for downstream consumption is diminished by deterioration, obsolescence, or habituation (Frederick & Loewenstein, 1999).

As important as the greater longevity of material possessions may be, it is not the sole reason why people are inclined to consume their material goods immediately but delay the consumption of their experiences. The results of Studies 1b, 1c, 2b and 3c make that clear. In Studies 1b and 2b, we found that participants would still rather have a material good now and an

experiential purchase later even when the experience was one that could be enjoyed both now and later. In Study 1c, we found evidence that this relative preference holds not only when the experience is more enduring than is typical, but also when the material good is less enduring. In Study 3c, we found that the same purchase elicited different temporal consumption preferences when it was thought of in material versus experiential terms.

Another purely pragmatic (and hence uninteresting) reason that people may be more inclined to delay experiential than material purchases is that it can be harder to fit many experiences into one's schedule. A concert at the local auditorium takes place at a particular time, but one can fiddle with his or her Smartphone in any nook and cranny in the day. A vacation requires time off from work; enjoying a new computer or new car does not. Although such considerations can certainly impact the timing of many purchases, they cannot account for many of our results, such as those obtained in Studies 1b, 3a, 3b, 4, and especially 3c, where participants preferred to speed up to consumption of the very same purchase (a trip to New York City) when it was thought of in terms of its material rather than its experiential nature. A trip to New York would require the same amount of advance planning in either condition, but when participants thought of it in more material terms, they expressed less of an interest in delaying when to take it.

Beyond these pragmatic considerations, why are people more inclined to delay the consumption of experiences? We contend that it's because waiting is simply a more pleasurable state when it comes to anticipated experiential consumption than anticipated material consumption, and we obtained support for this account in Study 3b. People are often excited while waiting to consume their experiential purchases, full of pleasant revelries about what the experience will be like. The waiting itself is pleasurable, and so people get a greater hedonic

benefit from their experiences when they delay consumption. Indeed, it has been shown elsewhere that waiting for an experiential purchase involves pleasant feelings of excitement, whereas waiting for a material purchase involves somewhat less pleasant feelings tinged with impatience (Kumar et al., 2014; Kumar & Gilovich, *in press-a*). When it comes to material goods, waiting is more often an aversive, frustrating, anxiety-inducing experience. As a result, people are more likely to want their possessions *now*. The results of Study 3b make it clear that people often opt to delay experiential consumption because they anticipate that doing so will give them a pleasant period of anticipation. Their decision to put off experiential consumption, then, appears to be entirely rational.

This of course pushes the question a step back: Why is it that waiting to enjoy an experience tends to be more pleasurable than waiting to enjoy a material possession? We suspect that several processes contribute to this effect and although empirically evaluating the contribution of each of them is beyond the scope of this paper, delineating them can help guide future research. Kumar and Gilovich (*in press-a*) have recently shown that experiential purchases are talked about more than material purchases—even before the purchase has been made—and the story utility people derive from doing so is likely to contribute to the greater pleasure they get from waiting for an experiential purchase than waiting for a material purchase. Also, to the extent that people talk more about their upcoming experiential purchases, even before they have been made, they may also be more integrated—and integrated sooner—into the individual's sense of identity (Carter & Gilovich, 2012). The feeling that a given purchase is contributing to one's identity—that the self is being enhanced—is likely to be inherently pleasurable. There also tends to be more uncertainty surrounding impending experiential purchases (Jampol & Gilovich, 2015; Mann & Gilovich, 2015), and a degree of uncertainty can

leave more room for imagination to work its magic (Wilson, Centerbar, Kermel, & Gilbert, 2005). Finally, the mental simulation of future experiences may be more fluent (Alter & Oppenheimer, 2009) or more abstract (Trope & Liberman, 2003), either of which would be likely to make the simulation more pleasurable.

As important as it is to further elucidate the processes responsible for the findings we have discussed here, so too is studying these phenomena with a focus on actual choice rather than expressed preference. Like much research in the judgment and decision making and consumer behavior literatures, the participants in our studies were not confronted with actual choices but reported what decisions they would make under the conditions stipulated. A reliance on hypothetical decisions can be risky when the actual choice brings to bear elements that are weak or absent when making a hypothetical decision. It can be easy to *say*, for example, that one would rather eat a carrot than a cookie; harder to actually choose the carrot when confronted with the aroma of butter and warm chocolate. We don't believe these differences were pronounced in the studies we report here, and what we observed in participants' hypothetical choices was validated by reports of their actual behavior. In Study 4, participants reported actual occasions in which they yearned to make and consume a purchase right away or preferred to put off consumption until later and we found that the former tended to involve material goods and the latter to involve experiences.

Future research might take this a step further and have participants make actual consumption decisions, both in controlled laboratory settings and in real-world consumer environments. Budget constraints make it a challenge to find suitable, non-trivial experiences and possessions for consumption in the lab, but previous research shows that it can be done (Carter & Gilovich, 2010; Nicolao, et al., 2009; Thompson, Hamilton, & Rust, 2005). One

possibility would be to select two items that can be construed in either material or experiential terms—a boxed set of music and a special edition DVD, for example, or a package of Silly String and a Buddha Board—and, in a counterbalanced design, have participants focus on one's material nature and on the other's experiential nature. When given a choice to receive one immediately and the other after a delay, would participants elect to receive the material item right away but defer the experience? Another more ecologically valid approach would be to give participants gift cards to commercial establishments where they could make either experiential or material purchases (e.g., a store at the mall and the movie theater). Researchers could then track the order in which these gift cards were used.

It is worth noting that Study 3c is first experiment in the literature on the hedonics of material and experiential consumption to frame a typically experiential purchase (a trip to New York City) in material and experiential terms and examine its effect on participants' preferences. Previous studies (Carter & Gilovich, 2010, 2012; Rosenzweig, 2012) have similarly taken advantage of the fuzzy boundary between experiential and material purchases by leading participants to construe prototypically material purchases (a CD box set, a 3D television) in material or experiential terms. Further work on the framing of purchases in material or experiential terms is likely to yield additional insights. With this in mind, it is of particular interest that although the overall pattern of results was the same in Studies 3a and 3b as it was in Study 3c, the descriptive statistics in these studies differed in a potentially meaningful way. Participants in Studies 3a and 3b were given explicit definitions of either material or experiential purchases and asked to think of an example of that type of purchase. In that case, participants in the material condition were not inclined to delay consumption, but those in the experiential condition were. In contrast, in Study 3c, in which a prototypically experiential purchase (a

vacation) was framed in material or experiential terms, participants again demonstrated a preference to delay the purchase more if it was construed experientially. But they also indicated that they'd want to delay consumption of the purchase if it was construed materially as well—just not as much. This may be because of the inherently experiential nature of the purchase in question. Would the opposite pattern of results be obtained if participants were led to think of a prototypical material good (e.g., a television, a bicycle) in material or experiential terms?

Finally, it is worth considering whether the strength of these effects varies with whether the purchase had been paid for in advance or if the day of financial reckoning had yet to come. We suspect that the benefits derived from the anticipation of experiential purchases are even greater if they are paid for beforehand, but consumed later. Dunn and Norton (2013) have argued that people tend to get more enjoyment from pre-paid consumption because it makes the consumption feel free. This could apply to anticipation as well: perhaps *waiting* to consume might also feel better if one has already paid for an experience. This allows one to experience the joys of looking forward to an experiential purchase without the pain associated with still having to pay for it. When consumption finally occurs, it is possible to feel the satisfaction associated with the experience at what feels like zero cost (Shafir & Thaler, 2006). Paying in advance is likely to have benefits for both material and experiential purchases, but it may be that these benefits are even greater when it comes to experiential consumption. When people have paid in advance, they can fully enjoy waiting for their favorite teams' games or their highly-anticipated fun in the sun, and they're likely to want to extend that wait for a considerable period of time. Indeed, the findings we have demonstrated here provide some understanding of why we're often so ready and willing to select the “expedited shipping” button when ordering clothes and

electronic gadgets, but take some delight in making our restaurant reservations and buying concert or theatre tickets well in advance.

CHAPTER FOUR

SOME “THING” TO TALK ABOUT?

DIFFERENTIAL STORY UTILITY FROM EXPERIENTIAL AND MATERIAL PURCHASES⁴

Imagine that you just returned from a week of hiking in the Sierras, a week relaxing on a beach in the Caribbean, or a week of sampling the restaurants, art galleries, and theater offerings in New York City. How likely would you be to tell others about your trip? Would the telling enhance your experience? Now imagine that you spent a similar sum of money on a home theater system, new furniture, or some high-end clothing you've been eyeing. How likely would you be to tell others about *these* purchases, and would the telling increase how much enjoyment you get from them? These are the questions that motivated the research reported here.

These questions were inspired by research showing that experiential purchases (a trip to Sardinia, dining at a favorite restaurant, attending a concert) tend to bring us more happiness than material purchases (new shoes, a flat-screen television, a new-and-improved mp3 player to replace the one bought last year) (Gilovich & Kumar, 2015; Gilovich, Kumar, & Jampol, 2015a, 2015b; Howell & Hill, 2009; Kumar, Killingsworth, & Gilovich, 2014; Nicolao, Irwin, & Goodman, 2009; Pchelin & Howell, 2014; Van Boven & Gilovich, 2003). In one study, a nationwide sample of 1,279 Americans was asked to think of a material and an experiential purchase made with the intention of increasing their happiness (Van Boven & Gilovich, 2003). The majority of respondents reported that they derived greater happiness from their experiential purchase. One could argue that self-presentation and social desirability concerns muddle these data—when asked about both types of purchases, perhaps people think they are *supposed* to say

⁴ Chapter 4 has been accepted for publication in *Personality and Social Psychology Bulletin*. It is referred to as Kumar & Gilovich (in press-a) in Chapters 2 and 3. See References section for full citation details.

that experiences bring them more happiness (Van Boven, Campbell, & Gilovich, 2010). This concern is less applicable to laboratory experiments using between-subjects designs in which participants are randomly assigned to reflect on *either* a material or experiential purchase. Participants in one study, for example, reported elevated mood after thinking about a past experiential purchase, compared to participants thinking about a past material purchase (Van Boven & Gilovich, 2003).

In most research on this subject, *experiential purchases* are defined for participants as those “made with the primary intention of acquiring a life experience: an event or series of events that one lives through” and *material purchases* as those “made with the primary intention of acquiring a material good: a tangible object that is kept in one’s possession” (Van Boven & Gilovich, 2003, p. 1194). Although they are fuzzy categories and the boundary between experiential and material purchases is not always precise (is a bicycle a material good or a vehicle for experiences?), people (both coders and the consumers themselves) have no difficulty understanding the distinction and retrieving past purchases that unambiguously fit one category or the other. In addition, when participants are led to think of the very same item (a television; a CD box set) in experiential terms, they tend to derive more satisfaction from it than if they are led to think of it in material terms (Carter & Gilovich, 2010; Rosenzweig & Gilovich, 2012).

Both types of purchases, of course, typically yield a great deal of pleasure: A new article of clothing and a night out are both exciting. But the work on the hedonic benefits of experiential and material purchases shows that the pleasure derived from experiential purchases tends to be more enduring. One quickly habituates to (and tunes out) the new item of clothing (Brickman, Coates, & Janoff-Bulman, 1978; Frederick & Loewenstein, 1999), but the benefits of the night out are more enduring—a seemingly paradoxical stance given that the night out literally

comes to an end with the end of the evening, while the clothing remains in the wardrobe. But research backs up this assertion. In one study, participants were randomly assigned to spend money on either a material or an experiential purchase (Nicolao, et al., 2009). When participants' happiness with their purchase was tracked over a two-week period, they exhibited slower adaptation to experiential purchases than to material purchases. In another study (Carter & Gilovich, 2010, Study 1), participants who were asked about their initial and current satisfaction with an experiential or material purchase reported no difference in their initial satisfaction, but those asked about experiential purchases reported more current satisfaction than those asked about material purchases.

These results, though, push the question one step back: Why is it that people habituate less to their experiential purchases than their material purchases? Experiences may suffer less from adaptation in part because they are more likely to prompt, and in turn be enriched by, conversation and storytelling. Conversation is necessarily social. Social interaction, in turn, is an important facet of well-being, with a large literature indicating that positive social relationships promote happiness (Diener & Seligman, 2002, 2004; Myers, 2000). Evidence also indicates that experiences, more than material possessions, tend to encourage social connections (Kumar, Mann, & Gilovich, 2015). This is in part due to the fact that experiences are more likely to be shared with other people—when we do things, we tend to do them with others (Caprariello & Reis, 2013; Kumar, et al., 2015). But experiences might also build social connections because they are more rewarding to talk about than material possessions. Indeed, Van Boven, Campbell, and Gilovich (2010) found that parties to a conversation enjoy their conversation and each other more when discussing experiential rather than material purchases.

Talking to others also allows us to re-live experiences long after they have happened. In this sense, experiential purchases are gifts that keep on giving. In talking about and re-living certain experiences, furthermore, we shape parts of our identity. The more we talk about the time we climbed Mt. Rainier, the more fully we become “a mountain climber.” Indeed, because our experiences become our memories, they are more likely than possessions to become truly a part of the self. As a result, people are more likely to draw upon their experiences than their possessions when constructing narratives of who they are (Carter & Gilovich, 2012). This difference is important, as research has found that people give their lives unity and purpose by understanding them as narratives (McAdams, 2001).

Finally, people literally re-create their experiences by talking about them. A pleasant experience often becomes even more pleasant as it is embellished vis-à-vis the stories it inspires. Even lackluster and downright unpleasant experiences can make for enjoyable stories to tell and retell, and become transformed into something much more pleasant in the process (Mitchell, Thompson, Peterson & Cronk, 1997; Sutton, 1992). Unlike material possessions, which, befitting their name, continue to exist in time and space, previous experiences exist largely in the mind. This allows experiences, in Bartlett’s (1932, p. 309) memorable phrase, to be “continually...re-made, reconstructed in the interests of the present.” Indeed, in their work on the “rosy view” phenomenon, Mitchell, et al. (1997) found that people who had undergone a decidedly disappointing experience tended to change their earlier assessments (e.g., “I’m sick of the rain”) when later asked to recall and discuss it (e.g. “Maybe it was good that we had a lot of rain;” p. 438).

It is notable that all of the studies conducted by Mitchell and colleagues on the “rosy view” phenomenon involve experiences: a trip to Europe, a Thanksgiving vacation, and a three-

week bicycle trip in California. Further evidence for the “rosy view” hypothesis similarly focuses on experiential (but not material) purchases. In one paper (Sutton, 1992), in-the-moment assessments of family visits to Disneyland were found to be greatly diminished by screaming children, unbearably warm weather, and massive crowds. But respondents’ post-trip recollections were much more positive than their actual experience had been at the time. Many of us can relate to an awful family vacation that has since become our go-to story about family bonding. These transformations are aided by how we talk about the event to other people. People are inclined to choose the juiciest and most interesting parts of their experiences when telling others about them. We don’t often completely make up experiences that we’ve never had, of course, but we sometimes fudge the details to make for a better story. In fact, one study found that when people construct narratives of their lives, the details are distorted about 60% of the time, a much higher rate of distortion than for descriptions of more general abstract truths (Tversky, 2004). In a sense, talking about our experiences makes them not only gifts that keep on giving, but sometimes gifts that get better and better.

Although previous research has not investigated whether experiences tend to be talked about more than possessions, there is evidence that talking about experiences makes people happy. Langston (1994) found that when people shared the news of a positive event with others, they experienced a level of positive affect that exceeded the level associated with the positive event itself, a process he termed capitalization. Other work has shown that discussing positive events with others is associated with increased daily positive affect and enhanced long-term well-being, above and beyond the impact of the positive event itself (Gable, Reis, Impett, & Asher, 2004). Sharing the joy people get from their experiences seems to increase the joy those experiences bring, and the benefits of sharing stories about positive experiences goes beyond the

pleasure that comes from simply talking to a friend about anything or from simply recalling the positive experience in question (Lambert, et al., 2012).

The existing literature thus provides some evidence that sharing past experiences can boost happiness. The existing studies, however, have not examined whether there are hedonic benefits to talking about experiential *purchases*, nor has any existing research examined whether the benefits of talking about a purchase are greater for experiential than material purchases. The studies presented below were conducted to provide just such a comparison. More specifically, the present research was designed to examine whether people talk more about their experiential purchases than their material purchases and, if so, whether that contributes to the tendency for people to derive more satisfaction from the former than the latter. Note that a tendency to talk about experiences more than possessions is tightly connected to two of the mechanisms that have been offered to explain the enhanced utility that experiences provide. If people construct their identities more around their experiences than their possessions (Carter & Gilovich, 2012), they are likely to talk about them more—something that not only serves to connect them more to others, but feeds back and makes their experiences even more important elements of their identity. Because experiences are more tied to people's identities, people are also more inclined to distort their experiences in the service of self-esteem maintenance and self-enhancement (Dunning, 2005; Taylor & Brown, 1988)—something that telling stories helps advance (Bruner, 2003). By their very nature, then, these processes are woven together and it is typically in combination that they cause people to derive more long-term satisfaction from their experiential purchases.

Overview of the Present Research

In eight studies, we examined whether people are more interested in talking about their experiential purchases than their material purchases and what some of the downstream consequences of such a difference might be. In Study 1a, we tested whether *not* being able to talk about an experiential purchase would bother people more than being unable to discuss a material purchase. In Studies 1b and 1c, we examined whether, as a result, people would be willing to accept a lesser experience rather than have a more enjoyable experience they couldn't talk about—a tradeoff they would be disinclined to accept when it comes to material goods. Studies 2a and 2b examined whether people believe that talking about experiential purchases boosts their happiness more than talking about material purchases. In Study 3, participants listed several experiential and material purchases they had made and were given an opportunity to talk about them, and we examined whether they talked more about their experiences than their possessions. Study 4 then directly tested the mechanistic account we have posited; specifically, it explored whether people tend to talk more about experiential than material purchases, and whether this difference is linked to differences in post-purchase satisfaction. Finally, in Study 5 we tested whether the hypothesized tendency to talk more about experiences than possessions extends to future purchases as well, and whether this is one reason why experiential purchases tend to provide more anticipatory utility than material purchases.

Study 1a

One way to gauge the importance people attach to talking about their experiential and material purchases is to examine what happens when they can't do so. That is, how much would *not* being able to talk about a purchase diminish the enjoyment of it, and is the amount of diminished enjoyment different for experiential and material purchases? To find out, we asked

participants how upset they would be if they couldn't talk about a significant material or experiential purchase. We predicted that it would be more upsetting to participants if they weren't allowed to talk about their experiential purchases.

Method

Participants. One hundred U.S. Mechanical Turk users (48 female; $M_{age} = 30.03$, $SD = 9.54$) participated in exchange for a small fee.

Procedure. Participants were provided with a definition of either experiential or material purchases from Van Boven and Gilovich (2003) and asked to indicate (between-subjects) the most significant experiential or material purchase they had made in the past five years. Participants then read that, "We get enjoyment from our purchases for a variety of reasons – we anticipate the happiness we are going to get from our purchases, we enjoy them in the here-and-now, and we derive happiness from our memories of them and from talking about them with other people. In this questionnaire, we'd like you to focus on the portion of happiness that comes from talking about purchases." They were then asked to imagine that, for some reason, a friend or relative requested that they not talk to anyone about the significant purchase they had listed. They were told that they would still get to have the experience or item, but they wouldn't be allowed to share stories about it or tell anyone about it. After considering this scenario, they were asked how much they would be bothered by this request on a 9-point Likert scale ranging from 1 (*Not at All Bothered*) to 9 (*Extremely Bothered*), with the midpoint labeled "*Moderately Bothered*." Participants then indicated approximately how much money was spent on their purchase and provided their age and gender.⁵

⁵ We included age and gender as factors in all analyses, but very few significant differences were uncovered and they never interacted with experimental condition. For simplicity, then, we report the results for gender only when a significant difference emerged and the reported results are

Results

Experiential and material purchases did not differ in price ($p > 0.3$), but did differ in how much not being able to talk about them would be bothersome. Participants reported that being unable to talk about their experiential purchases ($M = 5.87$, $SD = 2.58$) would bother them more than being unable to talk about their material purchases ($M = 4.64$, $SD = 2.45$), $t(98) = 2.45$, $p < 0.02$, Cohen's $d = 0.49$. This difference remained statistically significant when analyzed in a regression that controlled for purchase price, $\beta = 0.61$ ($SE = 0.23$), $p < 0.02$. By this metric, then, storytelling seems to be a more important part of the hedonic benefits that come with experiential purchases than material purchases.

Study 1b

Might the tendency to be more bothered by not being able to talk about experiential purchases impact people's choices? To find out, we asked participants if they would be willing to pay a price (i.e., to settle for a lesser purchase) for the privilege of being able to talk about a significant experiential or material purchase.

Method

Participants. Ninety-eight Cornell undergraduates (37 female; $M_{age} = 19.11$, $SD = 1.36$) served as participants.

Procedure. We described to participants a category of purchases—either beach vacations (experiential) or electronic goods and gadgets (material) that an independent group of raters deemed comparable in appeal ($t = 1.4$). Participants were then asked to list two purchases they would most want to make within that category (e.g. “if you were going to go on a beach

otherwise collapsed across male and female participants. For this and all studies reported below, we have reported all conditions and analyzed all dependent measures, and no data were excluded from any of our analyses except where noted.

vacation, what are the top two destinations you would like to go to?”). We then presented them with a hypothetical choice dilemma: they could either have their first choice, but without being allowed to talk about it, or they could have their second choice and be free to tell other people about it. After indicating their preference between these two options, participants provided their age and gender.

Results

In the experiential (beach vacation) condition, 67% of participants said they’d rather have their second-favorite vacation that they could talk about rather than their top-rated vacation they couldn’t discuss with others. The corresponding percentage in the material condition (electronic goods and gadgets) was only 22%, a statistically significant difference, $\chi^2 (1, N=98), = 19.96, p < 0.001, \phi = 0.45$. There was also a significant effect of gender, with women more inclined to sacrifice their top choice in favor of a second choice that they were free to discuss (59%) than men were (36%), $\chi^2 (1, N=98), = 5.10, p < 0.05$, but gender did not interact with type of purchase, $p > 0.5$. It thus appears that people are willing to take a hedonic hit on an experiential purchase itself in order to be able to talk about it, something they are less willing to do for material purchases.

Study 1c

Study 1c was a conceptual replication of Study 1b, but instead of being restricted to the categories of beach vacations and electronic goods, participants made judgments about material and experiential purchases from their own lives. Participants first indicated their two most significant experiential or material purchases in the past five years and then were asked to imagine that they could only have one of them: either their most significant purchase, but without being able to talk about it; or their second most significant purchase, with the freedom to

discuss it. We predicted that participants would be more inclined for experiential purchases to switch their preference to their second-best option.

Method

Participants. Ninety-eight U.S. participants were recruited from Amazon's Mechanical Turk (57 female; $M_{age} = 31.14$, $SD = 11.32$) and paid a small fee.

Procedure. Participants were first given the definition of either experiential or material purchases from Van Boven and Gilovich (2003). They were then asked to list their most significant and second-most significant experiential or material purchases in the past 5 years.

Participants were then told, "Imagine that, for some reason, you were never allowed to talk to anyone about your most significant experiential [material] purchase. You got to have the experience [item you bought], but you were not allowed to share stories about it or tell anyone about your experience [item]. If other people happened to talk about a similar experience [item], you would not be permitted to tell them about yours. Imagine further that this was indeed the case (you couldn't talk about #1 listed above), but that you *could* talk about experience [purchase] #2. Finally, imagine that you could only have one of these experiences [items]. Which would it be?"

After indicating their preference between purchase #1 (their most significant purchase that they could not talk about) and purchase #2 (their second-most significant purchase that they *could* talk about), participants provided their age and gender.

Results

Participants' responses indicated that, as predicted, being able to talk about a purchase is more important for experiences than possessions. Forty-two percent of participants in the experiential condition indicated that they would settle for their second most significant purchase

if they couldn't talk about their *most* significant purchase, whereas only 23% of participants in the material condition expressed a similar preference, $\chi^2 (1, N=98), = 3.86, p < 0.05, \phi = 0.20$.

A possible objection to the findings of Studies 1b and 1c is that participants may have been more inclined to accept a second-best experience they could talk about than a second-best material good simply because the two experiences tended to be more similar in overall quality than the two material goods. To examine whether this concern has merit, we had two raters who were unaware of the purpose of the experiment rate how appealing each purchase was on a 1 (*not very appealing*) to 5 (*very appealing*) scale. They did so twice, once in terms of how appealing the purchase was to them and once in terms of how appealing they thought it would be to the average person. After averaging the two judges' ratings (α 's = 0.52 and 0.61 for personal appeal; α 's = 0.63 and 0.72 for assumed appeal to the average person), we found that there was no difference in the gap between the two experiential purchases and the two material purchases in either study, whether using the ratings of assumed appeal to the average person or personal appeal to the judges (t 's of 0.75, 1.49, 0.01, and 1.05).⁶ Our results are therefore not an artifact of participant's top two experiences being more similar in value or appeal than their top two material goods.

⁶ We repeated the analyses reported above with these ratings of subjective appeal as covariates. In Study 1b, the difference in subjective appeal between purchase 1 and purchase 2 to the rater was not a significant predictor of choice, $\beta = 0.05, p = 0.87$, but experimental condition was (after controlling for appeal), $\beta = -0.98, p < 0.0001$. When appeal to the average person was used as the covariate, appeal was not a significant predictor of choice, $\beta = -0.13, p = 0.68$, but condition remained statistically significant, $\beta = -0.99, p < 0.0001$. The same pattern held in Study 1c: when appeal to the rater was used as the covariate, it was not a significant predictor of choice, $\beta = -0.05, p = 0.80$, but condition was still a marginally significant predictor, $\beta = -0.43, p = 0.06$. When appeal to the average person was used as the covariate, appeal was not a significant predictor, $\beta = -0.27, p = 0.26$, but condition remained a statistically significant predictor of choice, $\beta = -0.44, p = 0.05$.

Study 2a

As we told participants in Study 1a, people derive enjoyment from their purchases in many ways. Sometimes they enjoy the anticipation of the purchase (Kumar, et al., 2014); they enjoy the item or experience in the here-and-now; and they enjoy reminiscing and talking about what they've bought. Do people believe that they are likely to get more enjoyment from talking about their experiential purchases? To test this idea, participants in this study were given a list of material and experiential purchases and asked what portion of the happiness they could expect to derive from each purchase would likely come from being able to talk about it after the fact. We predicted that participants would report that talking about a purchase would be a more important element of the enjoyment of experiences than material goods.

Method

Participants. One hundred four U.S. participants (55 female; $M_{age} = 34.98$, $SD = 11.85$) were recruited via Amazon's Mechanical Turk and paid a small fee.

Procedure. Participants were first told that people get enjoyment from their purchases for a variety of reasons (anticipation, here-and-now consumption, and retrospection). They were then told that, "For each of the following purchases you could make, please indicate approximately what percentage of the happiness you derive from that purchase comes from talking about it with other people. Some of the purchases [...] are ones you may never have made in your life (or, perhaps, may never make). For these, estimate what percentage of your overall enjoyment you think you *would* derive from being able to talk about them with others."

Participants were then presented with 20 purchases, ten experiential and ten material, presented in a different randomized order for each participant. The ten experiential purchases were tickets to a sporting event, a beach vacation, ski passes, a meal at a nice restaurant, concert

tickets, a trip to the zoo, movie tickets, fees for an outdoor activity (e.g. hiking, rafting, skydiving), a cruise package, and a trip to New York City. The ten material purchases were a jacket, a pair of jeans, a shirt, a television set, stereo speakers, an iPod, a wristwatch, a diamond necklace, a designer handbag, and a laptop computer. As we did for Studies 1b and 1c, we had two independent coders rate these twenty purchases both in terms of appeal to them personally and likely appeal to the average person, on the same 5-point scales as before. The material and experiential purchases did not differ significantly on either rating (t 's = 0.12 and 1.24).

Participants indicated what percentage of their enjoyment they believed was (or would be) the result of talking about each purchase after it had been made. They were then asked whether or not they had actually made that particular purchase, and indicated their age and gender.

Results

Participants reported that they thought significantly more of their enjoyment came from, or would come from, talking about the experiential purchases ($M = 37.40$, $SD = 21.53$) than the material purchases ($M = 30.18$, $SD = 22.77$), matched pairs $t(103) = 4.80$, $p < 0.001$, Cohen's $d = 0.33$. This difference was more pronounced when examining only the purchases respondents had actually made ($M_{\text{experiential}} = 42.31$, $SD_{\text{experiential}} = 24.83$; $M_{\text{material}} = 32.88$, $SD_{\text{material}} = 26.35$), matched pairs $t(102) = 6.38$, $p < 0.001$, Cohen's $d = 0.37$, but was also marginally significant for those items participants only imagined buying ($M_{\text{experiential}} = 27.92$, $SD_{\text{experiential}} = 23.91$; $M_{\text{material}} = 23.83$, $SD_{\text{material}} = 24.91$), matched pairs $t(94) = 1.79$, $p < 0.08$, Cohen's $d = 0.17$. Thus, it appears that the act of talking about their experiences is seen by consumers as a bigger part of the enjoyment that experiential purchases bring.

Study 2b

If a participant in Experiment 2a decided that a third rather than a quarter of the enjoyment of a given purchase came from talking about it with others, that implies that they think less enjoyment must have come from some other component of the purchase. Would the same difference in perceived enjoyment derived from talking about experiential and material purchases emerge on a measure that did not have this interdependence built in? We predicted that it would, a prediction we put to the test in Experiment 2b. Experiment 2b was a replication of 2a, but instead of indicating the percentage of happiness that came from talking about each purchase, participants *rated* how much they believed talking about the purchase added (or would add) to their overall enjoyment.

Method

Participants. One hundred nine Cornell undergraduates (54 female; $M_{\text{age}} = 19.56$, $SD = 3.01$) were recruited in exchange for course credit.

Procedure. Study 2b used the same procedure as Study 2a, except that, for each of the twenty purchases, participants rated how much they thought talking about it with others afterwards added to their overall enjoyment of the purchase. If they had never made the purchase in question, they were asked to estimate the amount that talking about it afterwards would add to their enjoyment. These ratings were made on a 1 (*Not at all*) to 9 (*A whole lot*) scale.

Results

Participants reported that talking about the purchases with others after the fact added more to their enjoyment of experiential purchases ($M = 6.11$, $SD = 1.28$) than material purchases ($M = 5.05$, $SD = 1.51$), matched pairs $t(108) = 7.59$, $p < 0.0001$, Cohen's $d = 0.62$. This difference held when analyzing only those purchases respondents had actually made ($M_{\text{experiential}}$

$= 6.18$, $SD_{\text{experiential}} = 1.28$; $M_{\text{material}} = 5.20$, $SD_{\text{material}} = 1.67$), matched pairs $t(108) = 6.30$, $p < 0.0001$, Cohen's $d = 0.64$, but was also significant for those items participants only imagined buying ($M_{\text{experiential}} = 5.86$, $SD_{\text{experiential}} = 1.91$; $M_{\text{material}} = 4.79$, $SD_{\text{material}} = 1.80$), matched pairs $t(101) = 5.66$, $p < 0.001$, Cohen's $d = 0.59$. These results indicate that the greater enjoyment people say they get from talking about their experiential purchases need not come at the expense of any other component of the enjoyment they derive from their purchases (e.g., their anticipation of the purchase or their here-and-now enjoyment).

Study 3

The previous experiments indicate that participants *believe* that talking is a more important element of experiential than material consumption, but in none of these studies did participants actually open their mouths and talk about a purchase. Do people actually choose to talk about experiential purchases more than material ones? Study 3 examined just this question. Participants listed several purchases of each type and were then given an opportunity to talk about whichever ones they wished. We predicted that they would be more inclined to talk about their experiences than their possessions.

Method

Participants. Seventy-four Cornell undergraduates (52 female; $M_{\text{age}} = 20.05$, $SD = 2.41$) participated in exchange for course credit.

Procedure. Participants came into the lab individually and were asked to recall ten significant purchases they had made over the course of their lives. They were given definitions of both purchase types as per Van Boven and Gilovich (2003) as well as examples of broad categories that fit each purchase type (clothing, electronic goods, jewelry, and furniture for material purchases; tickets to events, trips, meals out, and fees paid for an outdoor activity for

experiential purchases). Although they were given these general categories, they were told to list *specific* material and experiential purchases they had actually made, rather than simply mentioning these broad examples. Participants were asked to list five important experiential purchases and five important material purchases, with order (material or experiential first) counterbalanced.

After indicating their ten significant purchases, they were asked to record a video in which they talked about the purchases they had listed. The video, they were told, would later be shown to another participant. They were told to incorporate some of the purchases they had listed in their video, but not necessarily all of them. Participants were instructed to include whatever purchases they'd like to talk about, but that they had to be sure to include at least one.

After completing their video, they were asked to suppose that they were limited to talking about just one of the purchases they had just talked about. In doing so, they would be able to provide more detail about the particulars of their purchase and what they enjoyed most about it. That is, if they could only discuss one of their ten purchases in a face-to-face conversation with another participant, which one would choose to talk about? They then provided their age and gender.

Results

The videos made by participants were coded for which of the ten purchases they talked about. In line with our prediction, participants discussed marginally more of their experiential purchases ($M = 2.03$, $SD = 1.18$) than their material purchases ($M = 1.76$, $SD = 1.23$), matched pairs $t(73) = 1.73$, $p < 0.09$, Cohen's $d = 0.20$. Moreover, when asked to choose only one of their ten purchases to talk about, 80% of the participants picked one of their experiences, a percentage significantly different from the null value of 50%, $\chi^2 (1, N=74) = 26.16$, $p < 0.0001$, $\phi = 0.59$.

People are thus more likely to choose an experiential purchase to talk about, even when several different material and experiential purchases of each type are readily accessible as potential topics of conversation.

Study 4

Using a number of paradigms involving a number of different measures, the experiments described thus far indicate that people want to talk more about their experiential purchases than their material purchases—and they get more enjoyment from talking about their experiential purchases as well. Are these differences part of the reason that people tend to get more enduring satisfaction from purchasing experiences instead of possessions (Gilovich & Kumar, 2015; Gilovich, Kumar, & Jampol, 2015a; Van Boven & Gilovich, 2003)? We designed Experiment 4 to shed light on this question. We asked participants to list their most significant material or experiential purchase over the past five years and asked them how much they had talked about it since. We also asked participants to rate how much happiness their purchase has given them and then examined whether the amount participants said they talked about their experiential and material purchases played a mediating role in how much enjoyment they got from them.

Method

Participants. One hundred two U.S. participants were recruited from Amazon's Mechanical Turk (25 female; $M_{age} = 26.93$, $SD = 9.56$) for a small fee.

Procedure. Participants were first randomly assigned to read a definition of either material or experiential purchases, as per Van Boven and Gilovich (2003). After indicating their most significant experiential or material purchase during the past five years, they were asked to rate how often they had talked about it on a 9-point scale ranging from *Not At All* (1) to *Quite a Bit* (9). They were then asked, "Suppose you were in a situation in which you had to make small

talk and it wasn't going well, with each of you having a difficult time finding suitable things to discuss. In a situation like this, how comfortable or inclined would you feel to talk about this particular purchase?" Participants responded on a similar nine-point scale, ranging from *Not Inclined* (1) to *Extremely Inclined* (9). All participants then answered three questions taken from Van Boven and Gilovich (2003) about how satisfied they were with their purchase. Specifically, participants responded on 9-point scales to the following questions: "When you think about this purchase, how happy does it make you?"; "How much does this purchase contribute to your happiness in life?"; and "To what extent would you say this purchase is money well-spent?" (1 = *Not Happy/Not at All/Not Well-Spent*; 9 = *Extremely Happy/Very Much/Very Well-Spent*). Participants then provided their age and gender, and indicated approximately how much they spent on their purchase.

Results

Experiential and material purchases did not differ in reported price ($t = 1.4$). They did, however, differ in the predicted direction on both talking measures. As hypothesized, participants indicated that they had talked significantly more often about their experiential purchases ($M = 6.91$, $SD = 1.79$) than their material purchases ($M = 6.00$, $SD = 2.18$), $t(100) = 2.25$, $p < 0.03$, Cohen's $d = 0.46$. They also indicated that they would be more inclined to make small talk by talking about their experiential purchases ($M = 5.34$, $SD = 2.45$) than their material purchases ($M = 4.19$, $SD = 2.11$), $t(100) = 2.55$, $p = 0.01$, Cohen's $d = 0.50$. Once again, it appears that people are more inclined to talk about their experiential purchases than their material purchases.

To conduct the crucial mediational analysis, we collapsed across our two talking measures, which were highly correlated ($\alpha = 0.7$). Using this index, participants were

significantly more inclined to talk about their experiential purchases ($M = 6.13$, $SD = 1.84$) than their material purchases ($M = 5.09$, $SD = 1.87$), $t(100) = 2.78$, $p < 0.01$, Cohen's $d = 0.56$. Furthermore, we replicated the satisfaction findings from Van Boven and Gilovich (2003). After collapsing across our three happiness questions ($\alpha = 0.8$), we found that experiential purchases led to greater satisfaction than material purchases ($M_{\text{experiential}} = 7.36$, $SD_{\text{experiential}} = 1.38$, $M_{\text{material}} = 6.77$, $SD_{\text{material}} = 1.53$), $t(100) = 1.99$, $p = 0.05$, Cohen's $d = 0.40$. These results remain significant when monetary value was included as a covariate: When price was put into a model with experimental condition, condition remained a statistically significant predictor of both the talking composite ($\beta = 0.55$, $p < 0.01$) and the satisfaction composite ($\beta = 0.29$, $p = 0.05$). Price did not significantly predict either composite, p 's = 0.18 and 0.95.

To examine whether participants' inclination to talk more about their experiential purchases mediates the greater satisfaction participants derived from them, we regressed purchase satisfaction onto purchase condition and the talking composite and found that condition was no longer a significant predictor of purchase satisfaction, $\beta = 0.12$, $p = 0.40$, while talking about the purchase did predict purchase satisfaction, $\beta = 0.34$, $p < 0.0001$. This meditational relationship was confirmed by a significant Sobel test, $Z = 2.42$, $p < 0.02$. In other words, participants reported that experiential purchases made them happier than material purchases, and this difference is due in part to the fact that experiential purchases are more likely to be talked about (see Figure 3).

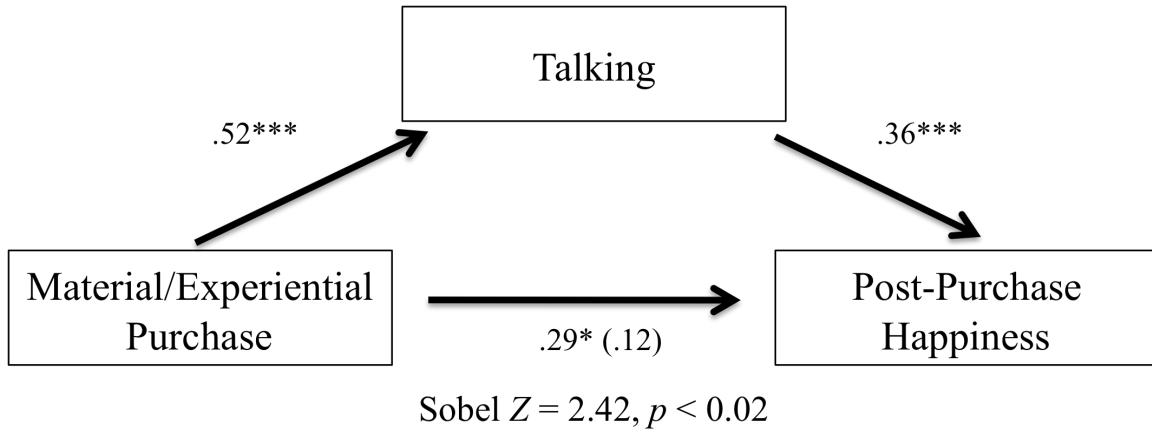


Figure 3. The mediating role of talking about a purchase on the relationship between type of purchase and post-purchase satisfaction. The beta weight in parentheses reflects the effect of type of purchase when the mediator is included in the regression. *** $p \leq .001$ * $p \leq .05$

Study 5

To further test the greater hedonic value that people get from talking about experiential rather than material purchases, we examined the impact of talking about purchases in prospect, not after they've been made. Elsewhere we have shown that people enjoy the anticipation of experiential purchases more than material purchases (Kumar, et al., 2014; Kumar & Gilovich, in press-b). That is, thinking about future experiential consumption tends to be more pleasant and more exciting than thinking about future material consumption, and those looking forward to experiential purchases report being happier than those anticipating a material purchase. Might the tendency to talk more about experiences play a role here, too? To find out, we asked participants how much they had talked about an upcoming material or experiential purchase, and examined whether the amount they had done so might mediate the predicted tendency for them to say that they were enjoying the prospect of an upcoming experiential purchase more than the prospect of a material purchase.

Method

Participants. Ninety-nine Cornell students and affiliates (67 female; $M_{\text{age}} = 21.33$, $SD = 4.68$) served as participants.

Procedure. Participants were first given a definition of either experiential or material purchases (between-subjects), as per Van Boven and Gilovich (2003). Then, rather than recalling a significant past purchase they had made in the given category, they were asked to describe an experiential or material purchase they intended to make “in the very near future.” They were then asked how often they had already talked about this purchase on a nine-point scale ranging from -4 (“*I haven’t talked about it at all*”) to 4 (“*I’ve talked about it a whole lot*”). Next, they completed two measures taken from Kumar, Killingsworth, and Gilovich (2014): first they rated the extent to which their anticipation felt more like impatience or excitement on a 9-point scale from -4 (“*Much more like impatience*”) to 4 (“*Much more like excitement*”); and then rated how pleasant their anticipatory state was on a similar 9-point scale from -4 (“*Extremely unpleasant*”) to 4 (“*Extremely pleasant.*”) They then reported how much the purchase cost and provided their age and gender.

Results

The experiential purchases participants were planning to make ($M = \$560.00$, $SD = 1451.21$) were significantly more expensive than the material purchases ($M = \$151.35$, $SD = 219.65$), unequal variances $t(53.81) = 2.00$, $p = 0.05$, Cohen’s $d = 0.39$. We therefore included purchase price as a covariate in the analyses below to rule out any concern that our results are driven by differences in the cost of participants’ anticipated purchases.

As expected, participants who were anticipating a future experiential purchase had already talked about it ($M = 1.78$, $SD = 1.63$) more than those who were anticipating a future

material purchase ($M = 0.69$, $SD = 2.43$), unequal variances $t(74.60) = 2.56$, $p = 0.01$, Cohen's $d = 0.53$. The effect remained significant when price was included as a covariate ($p = 0.04$), and purchase price was not a significant predictor of how much participants reported having talked about their upcoming purchase ($p > 0.5$).

Replicating previous research (Kumar, et al., 2014; Kumar & Gilovich, in press-b), participants anticipating an experiential purchase appeared to be in a better hedonic state than those anticipating a material purchase. They rated their anticipation as more exciting/less impatient ($M = 2.46$, $SD = 1.45$) than those anticipating a future material purchase ($M = 0.91$, $SD = 1.82$), unequal variances $t(83.49) = 4.63$, $p < 0.0001$, Cohen's $d = 0.94$. They also indicated that waiting for their experiential purchase was more pleasurable ($M = 2.48$, $SD = 1.49$) than did those in the material condition ($M = 1.47$, $SD = 1.46$), $t(97) = 3.41$, $p < 0.001$, Cohen's $d = 0.68$.

To perform the mediation analysis, we collapsed the two hedonic state measures ($\alpha = 0.8$) into a composite index of anticipatory utility.⁷ When the composite index of anticipatory utility was regressed onto both the talking measure and experimental condition, the beta-weight for condition fell from 0.64 to 0.52 ($SE = 0.14$), and the extent to which the purchase had already been talked about remained a significant predictor of anticipatory utility ($\beta = 0.21$, $SE = 0.07$, $p < 0.01$). Talking thus appears to partially mediate the effect of type material/experiential purchase on anticipatory utility, which was confirmed by a significant Sobel test, $Z = 2.16$, $p = 0.03$ (see Figure 4). Experiential purchases are more likely to be talked about than material purchases even before the purchases have been made. Moreover, this difference in the amount people talk about these two types of purchases partly explains the already documented

⁷ The effect of experimental condition on this composite measure was also significant, $t(97) = 4.59$, $p < 0.0001$, and remained so with purchase price included as a covariate ($p < 0.0001$), but purchase price was not a significant predictor of anticipatory utility ($p > 0.9$).

differences in the anticipatory utility they provide. It appears, then, that talking about experiences rather than possessions contributes to the greater hedonic benefits we get from them, both in prospect and in retrospect.

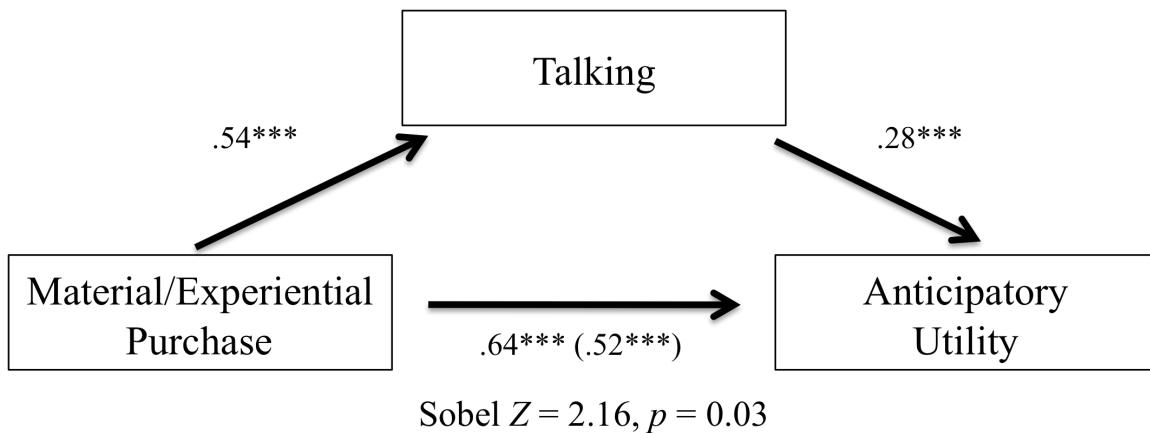


Figure 4. The mediating role of talking about a purchase on the relationship between type of purchase and anticipatory utility. The beta weight in parentheses reflects the value of type of purchase when the mediator is included in the regression. *** $p \leq .001$

General Discussion

Previous research has found that experiential purchases bring more happiness than material purchases. Early work on the topic suggested three possible explanations for this difference: experiences are more open to positive reinterpretation, they become more a part of one's identity, and they contribute more to successful social relationships (Van Boven & Gilovich, 2003). The work reported here was based on the contention that these elements are connected to and often work alongside another difference between experiences and possessions: people tend to talk more about their experiences and derive more satisfaction from doing so.

The eight studies reported here found that people are more invested in talking about their experiences than their possessions—both before and after they've purchased them—and that their greater investment in talking about their experiences increases the satisfaction they derive

from them. Our results were obtained with college and national online samples, dispelling any concern that they are the result of unusual buying habits on the part of college students.

Moreover, our results were not an artifact of differences in purchase price or the subjective appeal of experiential and material purchases. Together, these studies indicate that experiences lead to more enduring happiness than possessions in part because people talk about them more.

Beyond furthering our understanding of the differential hedonic benefits of experiential and material purchases, this research also adds to the (underdeveloped) literature on storytelling and conversation. For a field dedicated to understanding social life, it is remarkable how little time social psychologists have spent talking about, well, talking. Conversation is an inherently social activity, the very core of social interaction. It is notable, then, that people tend to enjoy this quintessentially social activity more when it involves a discussion of experiences than when it involves a discussion of possessions (Van Boven, et al., 2010). While Van Boven and colleagues found that people liked their (assigned) conversations and their (assigned) conversation partners more when were talking about experiential pursuits, the present research shows that people are also, to their benefit, more likely to converse about experiential consumption than material consumption.

Indeed, as soon as travelers return from a vacation, they often whip out their photos and start talking about the trip; a stellar party isn't fully enjoyed until the attendees have shared their escapades with friends. It seems wise, then, to distinguish not only between "experienced utility," "decision utility," and "remembered utility," (Kahneman, 2000), but to add something like "story utility" to the mix. Story utility captures the increased happiness people achieve when given an opportunity to talk to others about their experiences.

Although these studies were designed to examine the contribution of storytelling to the existing finding that experiences provide more enduring satisfaction than possessions, the results raise a number of additional questions about conversation and storytelling. For example, is the effect we have documented likely to be the same for positive and negative experiences (Nicolao, et al., 2009)? The experiences that participants reflected on in these studies were all positive. Do people receive the same benefits from talking about negative experiences? Sometimes they do, as the work on “rosy views” makes clear (Mitchell, et al., 1997). Even the negative components of an experience (like rainy days on a cycling trip) were viewed more positively in hindsight, after they had been woven into a narrative. More generally, Pennebaker (1990) has shown that one way people come to feel better about negative experiences is by putting them in the broader context of one’s life, which conversation facilitates. It seems, then, that talking may improve the hedonic experience of both positive and negative events, although the mechanisms responsible for the improvement are likely to be different.

It would also be worthwhile to explore some of the substantive dimensions of the stories people tell, with an eye toward examining whether some dimensions might prompt more remembered enjoyment than others (see Moore, 2012). For example, Wilson and Gilbert (2008) maintain that the more easily people can understand and explain an event, the more quickly they adapt to it. Thus, talking about a positive experience may be most beneficial when people talk mainly about the experience itself, or how they felt during parts of the experience, rather than *why* they liked the experience. This might play some role in the differential hedonic impact of talking about experiences versus possessions. When people buy a new television, it may be that they spend much of their time talking about why it’s so great: its size, its resolution, how much better it is than the old set (Carter & Gilovich, 2010). Upon returning from a night out or trip to

Rome, on the other hand, perhaps they spend less time talking about why they liked it and more time simply relating what they did, the places they saw, and the food they ate. Of course, it's a fine line between a description of the positive features of an experience or possession that serves to explain one's enjoyment and one that simply describes that enjoyment. But perhaps even that slight difference in emphasis might contribute to the pronounced difference in the benefits of talking about a purchase that we observed here.

Another obvious question is whether the particular person to whom we talk about our experiences is likely to influence the benefits we get from doing so. Does it matter if we talk to a close friend or a perfect stranger? And what if the person to whom we talk about our purchase has had a similar experience or owns the same material good? We have shown elsewhere that people feel more connected to someone who has had the same experience than to someone who owns the same material possession (Kumar, et al., 2015). This sense of connection is reinforcing and it may contribute to the greater hedonic benefit people derive from talking about their experiences, at least to some audiences.

What about the passage of time and the repeated experience of talking about a treasured material or experiential purchase? There are likely to be diminishing returns from repeating the same story, as there are from repetitions of all sorts. But is that equally true of all purchases? Or might it be more socially acceptable—and more personally rewarding—to repeatedly discuss an exceptional experience than an exceptional possession?

Finally, does talking about experiences boost the hedonic value people derive from them more than simply reflecting on the purchases, or is talking just one type of reminiscing? We have obtained preliminary evidence that this is not the case and that talking about experiences boosts their hedonic value over and above that derived from private reflection (Kumar & Gilovich,

2015b). More specifically, we found that a brief conversation about an experiential purchase led participants to report greater enjoyment of the experience itself compared to those who simply thought about the experience. Moreover, no such beneficial effect of storytelling was found for participants' material purchases.

This result raises the obvious question of *why* talking about experiences tends to be more gratifying than talking about possessions. The existing research on experiential and material consumption points to some likely answers. For one thing, it's easier for people to find a receptive audience for talking about their experiences, and such conversations tend to be more socially rewarding (Van Boven et al., 2010). Also, because people tend to think of their experiences as more important parts of their identities (Carter & Gilovich, 2012), sharing them with others tends to be a richer, more meaningful experience.

Although this research was designed to achieve a deeper understanding of existing findings on the differential hedonic benefits of experiential and material purchases, it suggests some practical applications as well. First, this research reinforces the idea that well-being is likely to be enhanced by shifting the balance of spending in our consumer society away from material goods and toward experiences (Belk, 1985; Kashdan & Breen, 2007; Gilovich & Kumar, 2015; Gilovich, et al., 2015a; Kasser & Ryan, 1993; Richins & Dawson, 1992). Understanding the hedonic benefits of experiential consumption can be a first step toward a happier society. And a happier society is a healthier society, as research has shown that positive affect is correlated with better physical health (Petit, Kline, Gencoz, & Joiner, 2001) and that happy people tend to be less vulnerable to disease (Myers & Diener, 1995). There is also evidence that considerable health benefits come from narrating one's personal experience, although much of that work has focused on narrative writing rather than talking (Pennebaker,

1990). The present research thus suggests that there are benefits to be had not only by nudging people to choose experiences over possessions (through, for example, the provision and maintenance of public parks, bike paths, and hiking trails, and funding for the arts), but also by encouraging people to share stories about their experiences.

This research also has implications for marketing. Research on autobiographical marketing has shown that campaigns designed to highlight a customer's personal connections to a product can increase the customer's recall of the product and produce strong feelings of nostalgia for it (Braun, Ellis, & Loftus, 2002). By highlighting the experiential elements of their products, and by giving people the opportunity to create their own product narratives (through product review sites, on-line forums, and "make a video" campaigns), marketers may increase how much enjoyment their customers derive from their products. In a similar vein, charitable organizations might effectively recruit and retain volunteers by highlighting the experiential elements of their activities and by giving them an opportunity to talk about their experiences. Such efforts would support recent calls to encourage people to invest in others rather than themselves and, in so doing, to increase overall well-being (Diener & Seligman, 2004; Dunn, Aknin, & Norton, 2008).

Conclusion

It may not be obvious that experiences bring people more utility than material goods (Pchelin & Howell, 2014). After all, vacations last only a week or two, but iPads, sweaters, and vases endure. Materially, that is. Psychologically, it's the reverse. While our material goods "disappear" through habituation, our experiential purchases live on in the memories we cherish and, as we have shown here, in the stories we tell.

CHAPTER FIVE

LOOKING FORWARD

Waiting is interesting. The very same act can manifest itself in markedly different ways. Sometimes it feels good, like when we are pleasantly excited about what is to come. And sometimes it feels bad—more like impatience, anxiety, or frustration. The experiments reported in this dissertation suggest that when it comes to experiential consumption, waiting is part of the fun. As I show in Chapter 4, part of the reason waiting for experiences tends to be more pleasurable than waiting for possessions is because future experiential purchases are more likely to be talked about with other people than imminent material purchases. Moreover, because of these differences in anticipatory states, people tend to delay their consumption of experiential purchases relative to that of material goods.

The 21 studies detailed in the preceding pages established these conclusions using multiple methods, including questionnaires, traditional laboratory experiments, experience sampling, and an archival analysis. These findings provide unique insights into understanding the determinants of well-being, namely the powerful ones that come with the anticipation of upcoming hedonically-relevant events. Most empirical research on happiness deals with the satisfaction people derive from events after-the-fact; here, I have addressed a notable gap in the scientific literature by examining the hedonic experience of *anticipating* events. The rest of this chapter looks ahead to what's next in terms of broadening and deepening the field's understanding of material and experiential consumption.

Other Potential Predictors of Anticipatory Utility

Chapter 4 demonstrated that one causal mechanism that explains the effects documented in Chapters 2 and 3 is that experiential pursuits bring with them more conversational value.

When one buys an experience, they buy themselves a story as well—one that can begin to be told even before the experience has been had. A simple lesson that everyday consumers can take away from this work, then, is that if they want to maximize and extend the satisfaction they derive from their purchases, the purchases they make should be ones that promote conversation and social interaction.

But utility gained from storytelling only partially mediated the signature finding presented in this research, that people derive greater value from the anticipation of experiential investments. This suggests that other processes contribute to this effect, working alongside the one documented here, and that it is the nexus of these underlying explanations that makes waiting a more pleasurable state when one is waiting to consume an experience. The strategy employed in Chapter 4 points to a promising path forward in terms of systematically identifying these mechanisms. That is, one might look to the reasons that experiential consumption tends to be more gratifying in retrospect and see if these same reasons help to understand why it is also more gratifying in prospect.

Fortunately for the sake of those who are interested in pursuing such endeavors, were one to follow the model employed in Chapter 4, the first steps of the process have in some cases already been done. A number of factors have previously been shown to have a mediating influence on the retrospective differences between material and experiential consumption already established in the literature. Might these explanations that predict enjoyment after the fact also predict enjoyment beforehand, too? For instance, Carter and Gilovich (2012) and Kumar, Mann, and Gilovich (2015) have found that experiential purchases are a more integral part of one's identity than are material purchases. This difference may begin to emerge even before a purchase has been consumed. Given that people talk about experiential purchases more than material

purchases pre-consumption, it stands to reason that they may then also start incorporating the former into their sense of self at an early stage in the consumption timeline. If an impending experience has already started to enhance the self, this may be one reason for why the anticipation of experiential purchases is more pleasurable.

Carter and Gilovich (2010) have additionally shown that people often use different decision strategies when choosing between potential experiences and potential possessions. More specifically, consumers tend to use a “maximizing” strategy when selecting between material goods but a “satisficing” strategy when choosing between prospective experiential purchases. The former form of decision-making involves extensive comparisons between all available options while the latter relies on setting a minimal standard of quality and stopping search as soon as this threshold is passed (Schwartz, 2004; Simon, 1955). Schwartz (2004) argues that satisficing strategies are less likely to have negative psychological consequences, and—in line with this notion—Carter and Gilovich (2010) demonstrate that the less comparative nature of experiential purchases is part of what causes them to be associated with more enduring satisfaction. These differences in the selection processes involved when choosing among various purchase options, then, may also contribute to the differential hedonic states observed during the pre-consumption period reported here.

There are other potential explanations that haven’t yet been thoroughly tested worthy of further exploration as well. One such explanatory factor is that it is probable that there is greater uncertainty surrounding experiences one is going to buy than material goods one is going to buy. Some scholars have maintained that uncertainty about positive events can increase the amount of pleasure those events bring (Wilson, Centerbar, Kermel, & Gilbert, 2005). With a great many possessions, prospective buyers for the most part know what they are going to get; one has often

already ascertained the relevant dimensions, number of karats, screen resolution, or preferred color scheme. What is known may then promptly fade into the background, stifling its ability to engage the mind with pleasant revelries.

With experiential purchases, on the other hand, there are myriad possibilities for how things will play out. I have shown in Chapter 3 that people are likely to make restaurant reservations well in advance, buy tickets to the show beforehand, and start planning their vacations ahead of time. Doing so increases the amount of time one can spend savoring his or her future consumption. In other words, consumers have extra opportunities to imagine all of the different foods they might eat and what they might taste like, the songs the band might include in the set list that night and what they might sound like, and the texture of the sand between their toes and what it might feel like. As Wilson and colleagues (2005) beautifully write, “the benefit of knowledge is that it makes the world more predictable, but the cost is that a predictable world sometimes seems less delicious, less exciting, less poignant” (p. 5).

The fact that there are seemingly countless feasible outcomes for how an experiential purchase might turn out could make imagination more fruitful and thus facilitate an enjoyable form of prolonged daydreaming. These mental simulations may then be processed more fluently, thereby enhancing the amount of pleasure they bring (Alter & Oppenheimer, 2009). This possibility is not difficult to empirically test. For example, one could conduct an experiment where participants were randomly assigned to think about either an upcoming material or experiential purchase and the length of time they were able to do this without stopping and/or the difficulty they had completing the task could be measured. Or the amount of time required to think could be held constant and participants could be asked to assess the percentage of time they were able to stay focused on the task at hand rather than letting their mind wander elsewhere. I

would expect that such a task would be easier when one was thinking about future experiential consumption, and that people would be better able to do what was asked of them for a longer period of time.

Wilson and his collaborators (2014) have more recently argued that humans don't much like simply sitting and thinking, at least in comparison to doing just about anything else. But even in their data, the more thoughts people had that included social situations, the more enjoyment they reported. Enjoyment was also greater the more people thought about the future relative to the present. As Wilson et al. (2014) summarize in their supplementary analyses, “people enjoyed thinking about future activities with close others [...] Our results suggest that when people are by themselves with no external distractions, they enjoy creating virtual social contact in their heads” (p. S13). Because experiential purchases are more likely than material purchases to be social in nature (Caprariello & Reis, 2013; Kumar, et al., 2015), thoughts about future experiences are also more likely to be enjoyable than thoughts about future possessions one is planning on owning.

And finally, musings about a future purchase may be more abstract in nature when said purchase is experiential rather than material. That is, when one is mentally simulating a future experiential purchase, they may focus on that purchase's higher-level features. For instance, thoughts about future experiences may be focused on *why* the purchase is being made rather than *how* it will be used, the latter of which may be more prominent in thoughts about future material consumption. In addition, given that experiential purchases are more closely associated with one's sense of identity (Carter & Gilovich, 2012; Kumar, et al., 2015), people may think of their future experiences more in terms of what type of person they will become as a result of that experience, what the purchase will do to benefit their close relationships, or other higher-order

needs, goals, and desires the purchase serves. This difference in the level of abstraction of one's thoughts may too be an additional reason that people derive more anticipatory utility from experiential consumption.

The ideas set forth above suggest the intriguing possibility that looking backward and looking forward might be fundamentally similar processes. It has been shown elsewhere that there can sometimes be stark differences between prospection and retrospection (Caruso, Gilbert, & Wilson, 2008; Helzer & Gilovich, 2012). But the hedonic experiences associated with both processes may often align. To be sure, prospection and retrospection are both forms of mental time travel, reflecting the human capacity to transcend the present moment. They may then be, in many respects, two sides of the same coin. Indeed, Construal Level Theory (Trope & Liberman, 2003) suggests that both reflect a form of psychological distance (namely, temporal distance). Looking backward and looking forward both involve placing oneself at a time other than the immediate present, and Trope and Liberman posit that greater temporal distance is often associated with thoughts that are at a higher level of construal. If experiential purchases are in fact more likely to place one in an abstract mindset than are material purchases, thinking about them in the past or future may further accentuate this effect, and this may in turn lead to downstream differences in happiness.

Such a possibility makes it particularly notable that recent research has found a tendency for mental simulation to be associated with higher meaning in one's life (Waytz, Hershfield, & Tamir, 2015). This work finds that connectivity in part of the brain's default network, the temporal lobe network (involved in prospection and retrospection), correlates with self-reported meaning in life. Moreover, experimentally inducing participants to think about the past or future

versus the present also increases self reports of meaning in life. Both forms of mental time travel, then—prospection and retrospection—appear to similarly enhance meaning.

From Looking Backward and Looking Forward to Assessing the Here-and-Now

As interesting as it is to consider looking ahead and looking back, so too is understanding the here-and-now. Happiness is a notoriously murky term, one that has prompted many an argument about what happiness “really” even means. In addition to the concept of *anticipatory utility* studied here, scholars have differentiated between *remembered utility* and *experienced utility* (Kahneman, 1999, 2000; Kahneman & Krueger, 2006; Kahneman & Riis, 2005). In particular, Kahneman has argued that it is experienced utility—the amount of happiness one feels on a moment-to-moment basis—rather than any sort of reflective utility that is of paramount importance. “Objective” happiness, according to Kahneman, is an accumulation of pleasurable moments and the minimization of pain over time, an idea with philosophical roots stemming from hedonists, utilitarians, and Epicureans. Given that all of the discussion thus far has focused on anticipatory and recalled happiness, one might understandably wonder how experiential and material purchases score on *this* metric of satisfaction. More stake could be placed on the claim that experiential purchases are a more assured route to enduring satisfaction if they lead to higher reports on all sorts of measures of happiness, irrespective of how happiness is conceptualized or defined.

New research I have conducted in collaboration with Matt Killingsworth and Tom Gilovich explores the question of how people feel while they are in the midst of consuming or have just recently consumed an experiential or material purchase. Do the notable hedonic benefits that stem from experiential consumption arise when measuring momentary happiness as well? In this recent experience sampling study, participants were asked if they were consuming a

possession or experience at the moment they were contacted or had done so within the past hour.

Consuming a material purchase was not associated with a higher level of happiness than consuming no purchase at all, but consuming an experiential purchase was associated with significantly higher responses on our measure of how happy participants felt right now.

Furthermore, when purchases were broken down into more specific categories, every more finely-grained category of experiential purchases was associated with higher levels of happiness than any category of material purchases. It seems, then, that whether one considers remembered utility, anticipatory utility, or experienced utility, when it comes to happiness, experiential consumption consistently wins out.

Future studies could assess the happiness derived from experiential and material purchases using a longitudinal approach. For instance, happiness could be tracked at various time points before, during, and after consumption. There are several possibilities for how such a study could be conducted. Participants could be approached in naturalistic settings like the mall or a performance hall, they could be given gift cards for comparable experiential or material purchases, or purchases could be given to them in a laboratory experiment. When assessing in-the-moment satisfaction, one would, of course, need to take great care in ensuring that the recording of dependent measures didn't completely interrupt the consumption experience. But, fortunately, the existence of halftimes and intermissions could allow for the collection of data without the experience itself being ruined by pesky experimenters. The empirical evidence gathered thus far suggests that people would be happier with their experiential purchases than their material purchases across the course of consumption, but it would be fruitful to make direct comparisons between each of the intervals as well. This would allow for insights into what stage(s) of the consumption process provide the greatest satisfaction.

Moving Beyond Satisfaction: Additional Benefits of Experiential Consumption

Most of the extant research on experiential and material purchases, including the studies reported in this dissertation, has focused on the differential happiness these purchases are likely to bring about. Though this makes sense given the influential Van Boven and Gilovich (2003) finding, it might also be wise to address other downstream consequences that follow from buying experiences instead of things. For example, in joint work with Tom Mann and Tom Gilovich, I have shown that thinking about experiential purchases also fosters feelings of social connectedness. In this work, people report feeling more connection, similarity, and kinship with those who have bought the same or similar experiences as they have than with those who have bought the same or similar material goods. We feel closer to those who have seen the same films or hiked the same trails as we have than those who wear the same brands or own the same sorts of stuff. Reflecting on one's experiences (compared to one's possessions) also increases how connected one feels to people in general, to humankind. Further, these feelings of connection appear to be reinforcing, as thoughts about experiential purchases bolster participants' preferences for social over solitary activities.

All of the studies conducted by Kumar, Mann, and Gilovich (2015) involved participants recalling past experiential or material purchases they had made. Given the spirit of this dissertation, it would be interesting to investigate whether similar outcomes materialize even before a purchase has been made. Just as people are more likely to talk about future experiential purchases, as shown in Chapter 4, they might also experience other social benefits even before consumption. It stands to reason that discovering that someone else is planning on buying the same experience as you are would make you feel more connected to said person. And thinking about upcoming experiential purchases could similarly increase feelings of connection to

humanity writ large. To be sure, many prospective experiential purchases feature opportunities to embrace different cultures, to see new places, and to engage with other people.

Along with my colleagues at Cornell, Jesse Walker and Tom Gilovich, I have also found that, in addition to deriving more satisfaction from them, people also express more gratitude for their experiential than their material purchases. These grateful feelings inspired by experiential buying also cause them to treat others better: Participants who have just reflected on a significant past experiential purchase act more generously in an economic game than those who have just reflected on a significant past material purchase (see Camerer, 2003 for a review of the standard dictator game paradigm, the procedure used in these studies). That is, they give more money to an anonymous person that they will never meet after recalling a gratifying experience. Are similar emotional and behavioral outcomes prompted in prospect as well? Indeed, people may be grateful for simply being afforded the opportunity to engage in certain experiential pursuits, and given how lucky or fortunate they feel, they may too be inclined to act prosocially even when thinking about potential future experiential purchases.

Why Do We Buy So Much Stuff, Anyway?

Given the robust differences in positive outcomes brought about by experiential and material purchases—across the entire time course—one might wonder why people are still so inclined to consume material goods. In fact, in the study my coauthors and I conducted which demonstrated that people derive more momentary happiness from experiential purchases than material purchases (mentioned above), respondents also reported consuming material purchases far more often. When contacted by our experience sampling software (www.trackyourhappiness.org; Killingsworth & Gilbert, 2010; Kumar, Killingsworth, & Gilovich, 2014), people reported consuming a material purchase about 48% of the time. In

contrast, they reported consuming an experiential purchase in approximately 18% of the instances in which they were probed. This suggests that people (mistakenly) spend more of their time consuming material goods rather than experiences.

Pchelin and Howell (2014) shed some light on why this might be the case. In one study, they find that though people are reasonably accurate in predicting that experiential purchases will make them happier than material purchases, they incorrectly believe that they'll come to think of their experiential purchases as less wise financial investments. When making judgments in advance, participants believe that material purchases will represent "money well spent" more than experiential purchases. But when reporting later, they say that their experiential purchases constituted money better spent, replicating the findings of Van Boven and Gilovich (2003). Put differently, consumers believe a vacation that lasts a few days or a concert that lasts a few hours is a less prudent spending decision than a possession that could last for years. Although material goods typically do last longer than most experiential purchases, people nonetheless end up thinking that their experiential pursuits were a better use of their resources. This is likely because they quickly habituate to their material possessions while their experiences are more resistant to these processes of adaptation.

Another potential reason for why people are so drawn to material things is because they may incorrectly believe that those things are likely to bring about happiness indirectly. Though people are not always well-calibrated in terms of what will make them happy, how happy it will make them, and how long that happiness will last (Gilbert, 2006), they are also by and large unsurprised when they learn that positive social relationships are among the best predictors of human happiness (Diener & Seligman, 2002, 2004; Myers, 2000). They might, however, reliably mispredict the social outcomes that result from their material consumption.

It is not uncommon for prospective television buyers to think about all of the communal viewing events they'll host once they acquire their new flat-screen. People buy patio furniture envisioning daily cookouts and long summer evenings outside. And indeed, the existence of the term "conversation piece" suggests that people consider potential social situations when selecting vases, glass bowls, and fine China. But the TVs are regularly watched alone, the porch typically remains underutilized, and the glassware often fails to strike up the discussions it was supposed to facilitate. These examples suggest that there may be instances in which people overestimate how social their material purchases are going to be. Consumers may have social motives for their material purchases and they may use these intentions as justifications at the point of purchase. But it is known that experiential purchases are far more likely to involve other people than are material purchases (Caprariello & Reis, 2013; Kumar, et al., 2015).

Preliminary research I have conducted also suggests that people sometimes *under-predict* how social their experiential purchases will be. That is, they are occasionally pleasantly surprised by who they unexpectedly meet or run into while consuming an experience and they may end up talking about their experiential purchases even more than they anticipated when buying them. This research is still ongoing, but the early stages hint that further investigation would result in promising insights. Erroneous forecasts might be the means by which people justify their material consumption at the time they are making a purchase, but most are likely to be better off directing their monetary capital towards experiences instead.

Expanding to Everyone

Though I am surely guilty of being less careful elsewhere, note the usage of the word "most" in the previous sentence. One important limitation of the literature on experiential and material purchases, including the research reported here, is that nearly all of the studies

conducted have sampled from restricted subsets of the population. In the first paper on these two types of consumption, Van Boven and Gilovich (2003) showed that the tendency to derive greater hedonic benefits from experiential purchases was present across a considerable array of demographic factors. But their studies only employed respondents from the U.S. Some of the experience sampling data we have collected has involved international participants, though these are likely to be people who are relatively financially well off. And the great majority of experiments that have been carried out have utilized highly-educated college students.

Henrich, Heine, and Norenzayan (2010) have recently argued that social scientists have tended to conveniently test their hypotheses on particularly “WEIRD” populations. By this they mean that participants in most studies are Western, Educated, Industrialized, Rich, and Democratic. They claim that such a constricted focus is problematic in terms of making determinations about widely generalizable phenomena. Psychologists interested in furthering the study of material and experiential consumption, then, would be wise to heed to the concerns of Henrich et al. and to conduct research involving diverse samples.

Though cultural considerations have yet to be systematically explored, the work of Aknin and colleagues (2013) provides a nice model for how one could go about undertaking such a task. In addition to the experiential recommendation, one of the other simple yet powerful lessons to come from the literature on consumer welfare is that people are happier when they spend money on others rather than themselves (Dunn, Aknin, & Norton, 2008). Using Gallup World Poll survey data from 136 countries, Aknin et al. (2013) find that prosocial spending is positively associated with happiness around the world. They further demonstrate that experimental manipulations of self- and other-directed spending differentially affect well-being in both wealthy and poor nations. One could similarly investigate whether consumer

expenditures on experiential categories tend to correlate with national accounts of well-being. To address causation, participants could be given money to spend on either an experience or a material good in countries that differed greatly along various dimensions. If people were significantly happier with their experiential purchases than their material ones across the globe, this would be supportive evidence for a psychological universal.

It is also worth noting that people from different backgrounds may value different kinds of happiness. For example, while people from America tend to value high-arousal positive affect (e.g. feeling excited), those from East Asia tend to value low-arousal positive affect (e.g. feeling calm; Tsai, Knutson, & Fung, 2006). What this might suggest is that even if people from different cultures show a robust preference for experiential over material purchases, the particular types of experiences they prefer may be markedly different. Bhattacharjee and Mogilner (2014) have recently found that younger people are particularly drawn to “extraordinary” experiences (e.g. skydiving) while older individuals tend to derive happiness from more “ordinary” sorts of experiences (e.g. dinners out). It would not be surprising if a similar pattern of results emerged when studying people from Western and Eastern cultures. Such hypotheses can and should be put to the empirical test. But, nonetheless, for now we can feel confident in the contention that many derive greater benefits from consuming experiential rather than material purchases, at least among those with disposable income to spend in the United States.

Encouraging Experiential Pursuits in Our Consumer Culture

The findings reported here add to the rapidly-accumulating support for the claim that people derive much more overall satisfaction and enjoyment from purchasing experiences than purchasing possessions. Consumers would likely be happier if they shifted some of their

discretionary funds away from material goods and toward experiences. Social policy can help facilitate this tilt in spending, thereby increasing societal well-being. Governments could, for instance, provide easier access to certain experiences through increased funding for the arts or through greater investment in parks and museums. People would almost certainly be more likely to pursue experiential consumption if there were better-maintained trails and performance halls. Moreover, even the infrastructure that has been built to promote material consumption could be altered to allow for greater experiential consumption as well. For example, zoning laws could support the development of retail settings that also include areas for live music, film screenings, outdoor dining, and other forms of community engagement. Perhaps people get more out of their commercial environments if they are in public spaces infused with experiential elements, where the buying of things occurs in the same context as, say, AppleFests, ChiliFests, and ChowderFests. Of course, it remains to be seen if this sort of “experiential shopping” does much in the way of advancing happiness, especially in the long term. But attempting to answer open questions like these is an experience that I look forward to with great excitement.

Coda

My recent discussion with Ann Finley (described at the beginning of Chapter 1) is in many respects a fitting culmination to my graduate career. The studies reported in this dissertation suggest that not only will she enjoy looking back on the memories she creates once she has returned from her Spanish adventure, but that there was utility to be gained simply from our conversation about her upcoming vacation. In line with Finley’s insights following her brush with death, I would argue that there is indeed much joy to be had from looking forward to the experiences one is going to have, and the experiments conducted here lend credence to that assertion.

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