

Spending Money to Satisfy Intrinsic Goals Makes It More Worthy: The Role of Individual Goals in Hedonic Value Judgements of Consumer Products

Extended Abstract

Consumption has been conceptualized as a goal-oriented behaviour (Baumgartner & Pieters, 2008; Kopetz, Kruglanski, Arens, Etkin, & Johnson, 2012) in which individuals spend money to autonomously achieve, or move closer to, the achievement of their goals (Bagozzi & Dholakia, 1999; Vohs & Baumeister, 2011). Cognitive-behavioural psychologists (e.g., Bandura, 1977; Locke & Latham, 1990) suggest that seeking goals and moving closer to their achievement, regardless of its nature, would bring higher well-being (Brunstein, 1993; Emmons, 1986; Klug & Maier, 2015). Supporting this claim, recent research suggest that individuals are happier when they are seeking activities that are aligned with their goals (Wang, & Milyavskaya, 2020). Self-determination theory (SDT) however, suggests that pursuing some goals will lead to higher well-being than seeking others and propose that extrinsic goals, such as financial success, attractive appearance or social popularity, that require an external element to be achieved (e.g., economic rewards or social appraisals), would lead to lower well-being because it takes away resources to seek intrinsic goals, such as self-acceptance, affiliation or community feeling, that better satisfy the basic psychological needs of competence, autonomy, and relatedness (Deci & Ryan, 2002). Nevertheless, no prior research has systematically examined whether consumers associate higher happiness with purchases that help them move towards their goals—goal-satisfaction mechanism—or whether spending behaviours that help them to attain intrinsic goals will be linked to higher well-being gains. Therefore, building on the conceptualizations of consumption as a goal-directed behaviour (e.g., Bagozzi & Dholakia, 1999; Kopetz, Kruglanski, Arens, Etkin, & Johnson, 2012) we aim to examine the effect of goal pursuit on well-being gains that consumers associate with their purchases. Do consumers associate higher happiness with spending choices that help them to move towards their goals or do they link higher well-being to purchases that enable the satisfaction of intrinsic goals?

Study 1 involved a repeated measure design that aimed to separate the effects of individual differences in intrinsic and extrinsic goal focus on the attribution of hedonic value to purchases (between participant effects) from the effects of different purchase types (between purchases). The first part of the study ($N = 227$) collected psychological measures—dispositional goals: Aspiration Index (Kasser & Ryan, 1993), subjective well-being (Diener, Emmons, Larsen, & Griffin, 1985), and material vs. experiential spending preference. In the second part ($n = 76$) participants were asked to describe four past purchases (2 material and 2 experiential, $n = 304$) and provide an estimation of the hedonic value of each purchase (adapted from Van Boven & Gilovich, 2003). A logistic regression predicting the participants' spending preference (coded as material = 0; experiential = 1) with intrinsic and extrinsic goals as predictors revealed that participants higher on extrinsic goals were more likely to prefer material purchases, $\beta = -.59, p < .001$. Nested multilevel regressions predicting hedonic value suggested that 20% of the variance was explained by the individual differences and indicated that extrinsic motivation was positively associated with hedonic value ($B = .45, p = .003$).

Study 2 manipulated the activation of *extrinsic* versus *intrinsic* goals to examine the effect of situational goals on consumer spending choices and well-being evaluations.

Participants were randomly allocated to an intrinsic ($n = 107$) or extrinsic ($n = 94$) manipulation, completed the same psychological measures than in Study 1, were presented with a windfall scenario, and responded to the purchase-related questions. An independent t-test assessed differences between conditions on the material-experiential rating of their selected purchase revealing non-significant differences, $t(198) = -.467, p = .641$. However, a chi-square test comparing the extrinsic vs. intrinsic manipulation with their prosocial vs. proself spending choice indicated that participants in the extrinsic manipulation were less likely to choose prosocial spending, $\chi^2(1) = 6.10, p = .014$. A hierarchical regression assessed the influence of dispositional and situational goals on the hedonic value attributed to the participants' spending choices, finding that higher extrinsically oriented individuals provided higher estimations of hedonic value, $\beta = .24, p < .001$. No situational effects were observed ($p = .649$).

Study 3 ($n = 308$) replicated Study 2's design and procedures, but with a more naturalistic manipulation, introducing a control condition, and measuring the purchase's intrinsic and extrinsic goal satisfaction (e.g., This purchase helped me to "gain compliments from others"). Consistent with Study 2, a chi-square test showed that participants who completed the extrinsic manipulation were less likely to make a prosocial spending choice ($n = 25$) than participants in the intrinsic ($n = 44$) and control ($n = 44$) groups, $\chi^2(2) = 7.44, p = .024$. A SEM path analysis suggested that the satisfaction of intrinsic goals provided by the purchase partially mediated the relationship between the experiential nature of the purchase and the hedonic value attributed, and fully mediated the relationship between the prosocial nature and hedonic value. The mediation model significantly improved the variability predicted in hedonic value ($\Delta 15\%$) from the direct model. A second SEM model tested whether the type of goals satisfied by the purchase mediated the relationship between the consumer's dispositional goals and hedonic value. Hedonic value was positively predicted by the purchase's satisfaction of intrinsic goals, and the opposite effect was found for extrinsic goals, suggesting that it is not the mechanism of goal-satisfaction that predicts hedonic value, but the type of goals pursued.

The results from the three studies show that the consumer's motivation influences their spending choices and the hedonic value attributed to purchases. These results highlight the influence of motivational processes on consumer's spending choices and on attributing hedonic value to purchases. Consistent with SDT, purchases that satisfy higher intrinsic goals are also perceived to provide higher well-being. These findings have direct implications for the design of interventions aiming to reduce or adjust consumption habits, or to improve the consumer's sense of well-being as they suggest a need to focus on the goals pursued to change consumer spending attitudes and behaviours.

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Figure 1: Conceptual model.

