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Research Dialogue

The beach, the bikini, and the best buy: Replies to Dunn and Weidman, and to Schmitt, Brakus, and Zarantonello

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Abstract

We reply to commentaries on Gilovich, Kumar & Jampol (2015–in this issue) by Dunn & Weidman (2015-in this issue) and Schmitt, Brakus and Zarantonello (2015-in this issue). We argue that the distinction between material and experiential purchases is meaningful and important, that experiences can be bought, and that our comparisons of the two have not been confounded by factors such as significance, importance, purchase price, or subjective appeal. We further discuss the potential limitations of populations from which we have sampled, and differences in consumer satisfaction across different time frames. We conclude by embracing the fact that our program of research has generated many open questions and by welcoming further empirical attempts to understand the psychological processes and hedonic consequences that attend these two types of purchases.

Keywords: Experiential consumption; Well-being; Materialism; Happiness

Introduction

In a telling *New Yorker* cartoon, a man is on his deathbed with a loved one hovering nearby. The caption reads, "I should have bought more crap." The cartoon summarizes the thrust of the argument we presented in our target article: that there are limits to the hedonic value people derive from material pursuits; hence people's long-term well-being might be advanced by shifting their consumption elsewhere. The cartoon also implicitly raises questions that can be directed at the program of research we reviewed, some of which are raised in the commentaries of Dunn and Weidman and of Schmitt, Brakus, and Zarantonello. For example, if material consumption is not the way to go, how should a person's precious disposable income be, well, disposed? What sorts of materialist impulses should be reined in, nearly everything or just that which falls into the highly subjective category of "crap"? Do people's assessments of the relative value of material and experiential consumption differ only in retrospect (such as on one's deathbed), or do they differ in the here-and-now as well?

We take up these and other questions in our comments on the critiques offered by Dunn and Weidman (hereafter DW) and by Schmitt, Brakus, and Zarantonello (SBZ). Although these sorts of exchanges are often said to generate more heat than light, we don't believe that is the case here. The commentators raise a number of important issues, some of which can be addressed, we believe, with existing data and some of which point the way to potentially informative future research. Our reply focuses on three issues: (1) What is the nature of the distinction between material and experiential consumption and is it a false dichotomy? (2) Are there as-yet-unspecified boundary conditions to our central findings involving different subject populations or different methods of investigation? (3) Do people derive the same sort of hedonic value from material and experiential consumption or does each type of purchase maximize a different type of utility?

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The material–experiential distinction

Regrettably, the distinction between material and experiential purchases is not as precise as that between, say, organic and inorganic compounds. That lack of precision almost stopped us from undertaking this program of research over a decade ago. We were concerned that our participants might not understand the distinction and hence not know how to proceed in our studies, that our colleagues might not have any idea of what to make of whatever results we obtained, or that the public might not be able to glean the implicit message of how to spend their money to maximize well-being. Thankfully, our hesitation did not prevent us from moving forward, as these concerns turned out to be largely unwarranted.

DW take a particularly sanguine approach to this question, arguing that we should "embrace the fuzziness" of the material–experiential dichotomy. We are not willing to go quite that far, simply because the job of investigating the hedonic return on material and experiential purchases would be easier if the distinction were more cut and dried. We would back off a step and say that although we can't recommend that researchers *embrace* the fuzziness, we would urge them not to *fear* the fuzziness or not let it be a barrier to the conduct of research. "Representativeness," "fluency," and the "strength" and "weight" of evidence are all notoriously difficult to define with precision, but illuminating and important research has been conducted on all of them.

SBZ are much more troubled by the categorical fuzziness, going so far as to claim that experiences cannot be purchased. But we would respectfully ask them to tell that to someone whose dream is to see Springsteen live, go to mass at St. Peter's Cathedral, or see what Seattle looks like at dawn from the top of Mt. Rainier. It might be possible to get complimentary tickets to a Springsteen concert, somehow get to the Vatican without shelling out any money, or summit Rainier without a guide, but most people don't. Most people pay. And when you ask them what they paid for, they say "to see the Pope" rather than "a seat in coach on Alitalia" in the same way they say—they *meaningfully* say—"I'm locking up" or "I'm paying attention" rather than "I'm turning the key" or "I'm staring at you."

We believe DW get it right here by urging researchers concerned about this issue to "talk to humans." Our participants certainly have no problem reporting on experiences they have bought: the food they ate at Momofuku, their seats behind home plate, an hour-long massage, and so on. Note also the recent work by Jiang and Sood (in preparation) and Mverka, Walker, and Van Boven (in preparation) that compares the magnitude of the endowment effect for material and experiential purchases. Their participants are not stopped in their tracks when they are asked to sell experiential purchases, and are (interestingly) less willing to part with an experiential purchase they'd made than a material purchase they'd made. This contradicts SBZ's contention that "If so-called material and experiential purchases were conceptually on equal footing, one should be able to change the direction of the exchange and be able to ask consumers to imagine selling their experiences (and their goods) at a flea market or online. Obviously, they can sell their goods at a flea market or online, but not experiences." In fact, people can and do sell experiences. A host of websites are devoted to selling tickets to concerts and other events, and reservations to some of the world's best restaurants are bought and sold online everyday. Experiential purchases, furthermore, are often exchanged between consumers in the context of gift giving. Chan and Mogilner (submitted for publication) have explored the exchange of experiential and material gifts and found that experiential gifts—in line with a theme we have consistently observed in our own research (Kumar & Gilovich, under review-a, under review-b; Kumar, Mann, & Gilovich, in preparation)—tend to connect consumers to each other more than material gifts do.

SBZ further argue that much of the enjoyment people derive from their experiential purchases doesn't come from the purchase *per se*, but from things associated with the purchase, such as a friend's company on a trip or a conversation over dinner. Point granted. But if those ancillary elements (personal interaction and social connection in particular) are bigger and more likely components of experiential purchases than material purchases, that only reinforces our central thesis—that people derive more overall satisfaction from spending their money on doing things rather than acquiring things. Greater social connection is simply one reason they do so (Caprariello & Reis, 2013; Kumar, Mann, & Gilovich, in preparation). Dining out or going to a ballgame are occasions for people to connect. They not only make it easier to have conversations with dining companions and fellow sports fans (conversations that otherwise might not happen), but also they provide the raw material that enables *better* conversations (Kumar & Gilovich, under review-b; Van Boven, Campbell, & Gilovich, 2010).

SBZ also correctly note that what people get out of their experiences can have less to do with the purchase itself and more to do with what they put into it than is the case for their material purchases. But note that this difference in what people put into their experiential and material purchases is one reason that people's experiences tend to become bigger parts of their identities than their material purchases—and hence a further reason why experiential purchases tend to contribute more to people's well-being than material purchases (Carter & Gilovich, 2012).

Populations and methods

Every phenomenon has boundary conditions. Although we have examined some of them (Van Boven et al., 2010), most of our work has been devoted to whether and why experiential consumption tends to produce more enduring satisfaction than material consumption. But as both commentaries implicitly or explicitly suggest, the time has come for a more vigorous look at possible boundaries of the effects reported to date.

Generality across populations

We especially embrace DW's call to include more diverse samples in studies of the hedonic benefits of experiential and material consumption. As they point out, the original work by