The Bidirectionality of Experiences and Happiness: Happiness Leads to the Perceptions of More Experiential Consumption

Hyewon Oh[1], Joseph K. Goodman[2], Incheol Choi[3] and Kathleen D. Vohs[4]
[1]School of Business, Stevens Institute of Technology
[2]Department of Marketing and Logistics, The Ohio State University
[3]Department of Psychology, Seoul National University
[4]Marketing Department, University of Minnesota

Working Paper

June 2023

Author Note
Hyewon Oh (hoh@stevens.edu) is assistant professor of marketing at the School of Business, Stevens Institute of Technology, 1 Castle Point Terrace, Hoboken, NJ 07030. Joseph K. Goodman (goodman.425@osu.edu) is associate professor of marketing, Fisher College of Business, The Ohio State University, Fisher Hall 500, 2100 Neil Avenue, Columbus, OH 43210. Kathleen Vohs (kvohs@umn.edu) is Distinguished McKnight University Professor and Land O'Lakes Chair in Marketing, Carlson School of Management, University of Minnesota, 3-150 321 19th Ave S., Minneapolis, MN 55455. Incheol Choi (ichoi@snu.ac.kr) is professor of psychology, Seoul National University, 1 Gwanak-ro, Gwanak-gu, Seoul 08826, Korea. We thank Avni Shah for her assistance with research materials. Correspondence concerning this article should be addressed to Hyewon Oh.

Abstract

Previous research has consistently shown an experiential advantage: Consumers derive more happiness from spending money on purchases that are perceived as more experiential than material. The present research examines a reversal of this causality and asks whether happiness itself leads to experiential consumption, particularly by enhancing experiential perceptions. Given the malleability of the material-experiential distinction, the authors propose and provide evidence that happy people perceive the same purchases as more experiential than their less happy counterparts. Findings from the field and lab (in both Asia and North America) demonstrate that both chronic (Studies 1 and 2) and elicited (Studies 3 and 4) happiness lead to greater experiential perceptions, which increases their likelihood of engaging in word-of-mouth (Study 4). A one-week intervention field study (Study 5) demonstrates a virtuous cycle in which encouraging experiential framing of consumers' own purchases increased their overall well-being over time and compared to control conditions. The findings reveal important implications for practitioners and consumers and suggest that the experiential advantage on happiness is bidirectional and may be, in part, reversed.

Keywords: happiness, experiential purchases, material purchases, well-being

How to improve one's happiness is a perennial topic, with marketers, scientists, and the popular press weighing in with recommendations. One such recommendation exhorts: buy experiences rather than material goods. This recommendation is based on a rich program of consumer research on an experiential advantage, demonstrating that people derive greater happiness from experiences compared to material goods (Van Boven & Gilovich, 2003; see Weingarten & Goodman, 2021 for a meta-analysis). This advantage holds even when consumers are primed to perceive the same purchase as experiential or material (Carter & Gilovich, 2012). The fact that the same purchase can be perceived as more or less experiential and subsequently affect happiness suggests that happiness may not only be an outcome of consumers' purchases, but also an antecedent.

Although research has explored when and why people might decide to make material or experiential purchases, few studies have examined what determines how purchases are viewed along this dimension—even though the very notion of experiential-material categorization relies on consumers' perceptions of the purchase. For companies that manufacture material goods, moving from emphasizing functional features to providing holistic experiences can be challenging. For them, it is critical to understand what elements are essential in delivering experiences to customers. Thus, we posed the question, could happiness itself influence whether a purchase is perceived as experiential or material?

We propose a bi-directional relationship between experiences and happiness. Given the wealth of research showing that experiential purchases improve happiness, we tested this hypothesis by examining the reverse causal pathway—feelings of happiness lead people to

perceive purchases as more experiential[1]. We defined happiness as the frequency and intensity of positive moods, infrequency of negative moods, and overall subjective evaluation of the quality of one's life (Diener, 2000).

There are qualities of happiness that support a link to perceiving purchases as experiential. Positive affect broadens people's thought-action repertoires, thus allowing them to break free of habitual modes of thinking or behaving (Fredrickson, 2001). Positive affect increases consumers' openness to new experiences and categorizations (Kahn & Isen, 1993; Menon & Kahn, 1995), and prompts consumers to find more ways to consume a purchase (Isen, Daubman, & Nowicki, 1987). In these ways, consumers experiencing a dose of positive affect may be more inclined than otherwise to view purchases in new and creative ways, which fits findings that the nature of experiential purchases is often open to interpretation (Van Boven & Gilovich, 2003). Last, evidence suggests positive affect increases people's tendencies toward action (Fredrickson & Branigan, 2005). Such action orientation elicited by positive affect may enhance experiential perceptions—given that experiences, by definition, are about doing (Van Boven & Gilovich, 2003)—which may also increase consumers' willingness to discuss the purchase (i.e., word-of-mouth, WOM). Hence, we conjectured that these various thought-action repertoires would encourage consumers to add subjective interpretations to prototypically material purchases (e.g., laptops or shoes) such that they could be perceived as more experiential beyond their material nature and would increase WOM.

Based on this evidence, we proposed that happy people perceive their purchases as more experiential than less happy people. Four studies tested this proposition using chronic (Studies 1-

[1] For ease of exposition, we use the term experiential when discussing research hypotheses and findings regarding the focal outcome of our work. The way it was operationalized (in all but one study), however, was using bipolar scales such that ratings of a purchase as being more experiential necessarily meant rating it as being less material. Hence readers should understand the outcome as being more experiential as well as less material, which we phrased as more experiential for readability.

2) and experimentally-elicited happiness (Studies 3-4) and using hypothetical and actual purchases. Study 4 tested a key consequence of experiential perceptions driven by happiness: willingness to engage in WOM. Study 5 investigated the full cycle by testing whether encouraging consumers to frame purchases as experiential could enhance their happiness, thus completing a virtuous cycle.

We report five studies. All measures, conditions, and any exclusions are reported. Sample size was set by maximizing the number of participants given constraints of the participant pool unless otherwise noted. Additional methodological details are available in the Methodological Details Appendix (MDA).

Study 1: Experience Sampling Method: Happiness and Experiential Perceptions

To provide initial evidence that happy people view their purchases as more experiential than less happy people, we used an experience sampling method (ESM), in which people recall their own recent purchases. We measured happiness using two measures often used in the literature: subjective well-being (SWB) and day-to-day positive affect.

Method

We recruited 263 adults (189 female; M_{age} = 31.80) in Korea. Sample size was set by the size of the panel available. Participants whose response rate was higher than 70% received 30,000 KRW (~$30) and those between 50% and 70% received 20,000 KRW. Data from 52 participants were excluded because response rates were too few to analyze or they did not answer key questions, including on happiness, leaving 211 participants (159 female; M_{age} = 31.47).

Intake Measures. Consistent with commonly used procedures (Diener & Lucas, 1999; Sheldon & Elliot, 1999), we assessed happiness with a SWB index. This index is a standardized

score comprised of Satisfaction With Life Scale (SWLS, α = .86; Diener et al., 1985) and Positive and Negative Affect Schedule (PANAS positive, α = .86, negative, α = .88; Watson, Clark, & Tellegen, 1988). We also measured age, gender, and monthly household income.

Experience Sampling and Measuring Affect. We messaged participants by smartphone notifications five times a day for seven consecutive days with links to online questionnaires to access upon receipt (MDA-A). Participants indicated their feelings at that moment on eight positive (i.e., serene, fun, pleased, amused, cheerful, relaxed, excited, and proud) and eight negative affect states (i.e., bored, worried, depressed, irritable, sad, angry, afraid, and lonely; 1 = Not at all, 5 = Very much). We created a day-to-day positive affect index by subtracting the negative from positive affect items. Next, participants reported their purchases since the last signal, and then chose one "important purchase" and provided its cost and purchase category using 13 pre-defined categories or "other" (MDA-A). Participants then rated this purchase as more experiential or material (0 = Definitely material; 100 = Definitely experiential), after reading the definitions of experiential and material purchases ("spending money with the primary intention of acquiring a life experience" vs. "…a material possession"; Van Boven & Gilovich, 2003, p. 1194).

Tangibility Post-Test. We coded the tangibility of purchases for two reasons: to control for the possibility that happy people buy different products and test whether the findings hold beyond differences in physical tangibility (rather than the effect being perceptual in nature, as we propose). We recruited 128 undergraduates (51 female; M_{age} = 20.47) and 101 Mechanical Turk workers (35 female; M_{age} = 31.81) to rate the tangibility of the 13 purchase categories and the 23 "Other" purchases.

Results

A series of linear mixed-effects analyses using the lme4 (Bates, Mächler, Bolker, & Walker, 2015) package in R tested whether participants' SWB and day-to-day positive affect predicted experiential perceptions. Given the two main independent measures, we created two models with experiential perceptions as the dependent variable, controlling for demographics (gender, age, and income as fixed effects), purchase cost, and tangibility. (Cost and tangibility were random intercepts by participants.) All predictors were grand-mean centered except for gender, which was dummy coded with male as the reference category.

Both models showed that the happier respondents were, the more experiential they perceived their purchases. We found a positive relationship between SWB score and experiential perceptions ($\gamma_{04} = 0.19$, $SE = 0.10$, $t(206) = 1.96$, $p = .05$). Day-to-day positive affect as the independent measure also revealed a positive relationship with experiential-material perceptions ($\gamma_{30} = 0.21$, $SE = 0.08$, $t(128) = 2.81$, $p = .005$). The only covariates that significantly predicted experiential perceptions were cost and tangibility, as would be expected: More costly and more tangible purchases were viewed as less experiential (Table 1).

Table 1

Study 1: Experiential Perceptions

Fixed Effects (Mixed Model I: SWB)

	Estimate	Std. Error	df	*t*-value	Sig.
(Intercept)	45.94	2.81	199.25	16.35***	< .001
Cost	-1.27	0.52	162.19	2.45*	.014
Tangibility	-11.92	1.25	193.35	9.54***	< .001
Age	-0.30	0.16	195.80	1.92	.055
Gender	-2.34	3.24	197.86	0.72	.470
Income	-0.50	0.95	204.42	0.53	.600

SWB	0.19	0.10	206.04	1.96*	.050

Note. *$p < .05$, **$p < .01$, ***$p < .001$

Fixed Effects (Mixed Model II: Day-to-day positive affect)

	Estimate	Std. Error	df	*t*-value	Sig.
(Intercept)	45.95	2.81	201.13	16.34***	< .001
Cost	-1.37	0.52	154.73	2.65**	.01
Tangibility	-11.94	1.26	192.59	9.44***	< .001
Age	-0.23	0.15	194.78	1.48	.138
Gender	-2.49	3.23	199.29	0.77	.441
Income	-0.27	0.93	203.74	0.29	.771
Day-to-day Positive Affect	0.21	0.08	127.56	2.81**	.005

Note. **$p < .01$, ***$p < .001$

Discussion

These results provide initial evidence for the relationship between happiness and experiential perceptions. ESM allowed us to capture perceptions throughout the day, lessening possible memory or selection effects. The within-subject nature of the data also enabled us to control for tangibility, allowing for tests of experiential perceptions apart from the materialness of purchases. The results suggest that happiness predicted perceiving purchases as more experiential, holding tangibility constant.

Study 2: Subjective Well-Being and Experiential Perceptions

Although Study 1 measured consumers' perceptions of their own everyday purchases, one concern is that participants all rated different purchases. Study 2 addressed this issue by having participants rate the same purchases.

Method

We recruited 175 Korean undergraduates (80 female; M_{age} = 19.32). Participants received extra course credit. Sample size was set externally by number of participants available.

In the beginning of the semester, participants completed the SWB index from Study 1. Later in the semester, participants read definitions of experiential and material purchases (Van Boven & Gilovich, 2003), and how ambiguity may be present in perceptions of purchases (MDA-B). Participants then rated the extent to which 37 purchases were more experiential or material (1 = Definitely material, 5 = Equally material and experiential, 9 = Definitely experiential; counterbalanced). We selected 37 purchases that varied widely in terms of tangibility, a mix of those that were familiar to the sample population and those used in prior work (Table 2).

Results

Consistent with Study 1, there was a positive correlation between SWB and material-experiential rating (r = .24, p = .001, 95% CI = [0.10, 0.38]). Examining each purchase's correlation with SWB revealed that laptop had the largest correlation (r = .30, p < .001, 95% CI = [0.16, 0.43])—and no significant negative correlations (Table 2; see MDA-B for the full list).

To test whether the effect was driven more by happy people perceiving purchases as more experiential or by unhappy people perceiving purchases as less experiential, we conducted a two-line analysis using Robin Hood algorithm (inverted U or nonlinear test; Simonsohn, 2018). Results showed an effect for more happy people (b =.12, t = 2.20, p = .028) and no effect for unhappy people (b = -.12, t = -.79, p = .429).

Table 2

Study 2: Correlation between Subjective Well-being and Each Individual Purchase

	r	*p*-value
Laptop	.299	< .001
Lotion	.270	< .001
Cellphone	.265	< .001
Guitar	.259	.001
DSLR camera	.253	.001
T-shirt	.244	.001
Perfume	.241	.001
Ring	.227	.003
Doll	.212	.005
Shoes	.211	.005
Book	.188	.013
Television	.187	.013
Watch	.184	.015
iPhone	.183	.016
Sofa	.178	.018
Car	.170	.025
Soap	.153	.043
MP3 player	.151	.046
Digital piano	.139	.067
Earphones	.126	.096
Montblanc fountain pen	.114	.133
Balloon	.081	.287
Herb plant	.076	.315
Wallet	.075	.327
Pencil	.074	.331
Concert ticket	.058	.445

Movie ticket	.056	.463
Ferragamo wallet	.053	.482
Gift certificate	.052	.494
Department store gift card	.030	.698
Canned coffee	.014	.858
Ice cream	-.008	.915
Starbucks coffee	-.011	.886
Travel package	-.043	.569
Sports massage coupon	-.059	.438
Ski season pass	-.067	.380
Gym membership	-.105	.166

Discussion

Study 2 further supported the relationship between happiness and experiential perceptions: happy people perceived purchases as more experiential than less happy people. Whereas Study 1 showed this relationship with consumers' actual purchases, Study 2 showed this effect when holding constant the purchase itself. The results suggest that prototypically material purchases are interpreted as more experiential than prototypically experiential purchases, which is consistent theoretically and due to a ceiling effect (i.e., experiential purchases have little room to increase). This aligns with our Robin Hood analysis, showing our effect is driven by an increase in experiential perceptions for happy participants, not a decrease for less happy participants. Overall, the results suggest that happy people perceive purchases in a more experiential way.

Study 3: Elicited Happiness and Experiential Perceptions

The previous studies used two measures of happiness (SWB and momentary affect) and were correlational. If happiness does increase experiential perceptions, as we proposed, we should expect that elicited (experimentally-induced) happiness would increase experiential perceptions.

Method

We recruited 359 U.S. undergraduates (166 female; M_{age} = 20.75). Participants received extra course credit. Sample size was set externally by the lab manager based on participant availability.

We randomly assigned participants to a happy, sad, or neutral condition where they completed two ostensibly unrelated studies (MDA-C). The first study was described as an autobiographical memory study, wherein participants wrote about three recent life events (happy, sad, or neutral, depending on condition; Dunn & Schweitzer, 2005). Then they indicated how much they felt six emotions at that moment (happy, exhilarated, sad, satisfied, content, disappointed; α = .90; 1 = Not at all, 7 = Extremely; Park & Banaji, 2000).

In the purportedly second study, participants read definitions of experiential and material purchases as in Studies 1 and 2, and rated 14 purchases, presented in random order, as to whether they were more experiential or material (1 = Definitely material, 5 = Equally material and experiential, 9 = Definitely experiential).

Results

Manipulation check analyses showed that the manipulation elicited changes in emotions as intended (see MDA-C). Averaging the purchase ratings showed a significant difference in experiential perceptions across conditions ($F(2,356) = 3.35$, $p = .036$, $\eta^2 = .02$). Participants induced to feel happier perceived purchases as more experiential ($M = 4.87$, $SD = 0.97$)

compared to sad (M = 4.56, SD = 0.99; $t(356) = 2.31$, $p = .022$, $d = 0.30$), and neutral emotion conditions (M = 4.58, SD = 1.10; $t(356) = 2.15$, $p = .032$, $d = 0.28$). No difference was found between the neutral and sad conditions ($p = .87$).

Correlational analyses between affect manipulation check items and experiential ratings found that the average of the positive affect ratings was positively correlated with experiential ratings ($r = .12$, $p = .030$, 95% CI = [0.11, 0.22]), whereas the average of the negative affect ratings showed no significant correlation ($r = -.01$, $p = .907$).

Discussion

Study 3 provides further—causal—evidence of the impact of happiness on experiential perceptions. Participants who were induced to feel happiness perceived purchases as more experiential than did participants in the sad or neutral conditions. Study 3 also bolstered the conclusion that the effect is driven by happy participants (not unhappy participants), showing that only positive affect ratings predicted experiential perceptions (not negative affect ratings).

Study 4: Elicited Happiness, Experiential Perceptions, and Word-of-Mouth

Study 4 aimed to replicate the effect of experimentally-induced happiness on experiential perceptions and test an important consequence—consumers' willingness to talk about purchases (i.e., WOM).

Method

We recruited 276 U.S. undergraduates (107 female; M_{age} = 20.66). Participants received extra course credit. Sample size was set by a lab manager based on participant availability (pre-registered at https://aspredicted.org/BL7_JX5).

We randomly assigned participants to a happy or control condition. Those in the happy condition wrote about their best possible self, which tends to increase positive affect (King,

2001) and overall well-being (Lyubomirsky et al., 2011). Those in the control condition wrote about a typical day.

Next, participants continued to a purportedly different study and read what it is like to think about purchase in a material or experiential way. Next, we asked participants to rate a bicycle in terms of how experiential it is (1 = Not at all, 9 = Very much). We selected bicycles because they are relevant to the sample and thus close to participants' real consumption situations. Participants indicated their willingness to talk with others about their bike purchase by responding to six questions (e.g., If your friends were looking for a bicycle, how likely would you be to tell them about this bicycle?" 1=Not very likely, 7 = Very likely; see MDA-D).

Manipulation Check Pre-test

To determine the effectiveness of happiness manipulation, we conducted a pretest (pre-registered at https://aspredicted.org/XL3_D38). The results showed the expected differences in emotions (see MDA-D).

Results

Participants in the happy condition (M = 6.85, SD = 1.92) indeed perceived the purchase as more experiential than control condition participants (M = 6.28, SD = 2.32; $t(274) = 2.21$, p = .028, d = 0.27). To test participants' willingness to engage in WOM, we created an index by standardizing and summing the six items and tested its mediating role. The analysis demonstrated a significant indirect effect of happiness on WOM through experiential perceptions (b = 0.07, SE = .03, 95% CI [.01, .13]).

Discussion

Pre-registered Study 4 bolstered our hypothesis regarding the effect of happiness on experiential perceptions, with a different happiness manipulation. Further, it demonstrated a

crucial consequence of the happiness-experiential perceptions effect: increased willingness to talk with others about their purchases (WOM).

Study 5: Intervention Study: Virtuous Cycle between Happiness and Experiential Perceptions

Studies 1-4 established that happy people perceive purchases as more experiential, whereas existing literature shows the reverse causal direction (i.e., experiential purchases lead to happiness; Weingarten & Goodman, 2021). Altogether these findings suggest a virtuous cycle between happiness and experiential perceptions.

Combining the results of Studies 1-4 with this past research, it might be possible for consumers to increase their global happiness (i.e., SWB) by learning to focus on the experiential aspects of purchases. Hence, we asked: could changing how consumers think about their purchases increase their overall happiness in life (without changing what they buy)?

We conducted an experiential framing intervention study in the field. We tested whether we could improve consumers' happiness and well-being with a framing manipulation that encouraged them to focus on the experiential aspects of their purchases over a one-week period. There was one experiential framing condition and two control conditions (*purchase-planning* and *purchase-reporting*) to control for purchase reporting and elaboration, with the outcome being changes in happiness over time.

Method

We paid 134 Korean undergraduates 10,000-20,000 KRW, depending on their randomly assigned condition and response rates. Sample size was set externally by the lab manager based on participant availability. Three individuals failed to complete at least one of the intervention assignments and were removed, leaving a final sample of 131 students (73 female; M_{age} = 22.12).

Average response rate was 96.56%. The study had three parts: baseline assessments, experimental manipulation, and post assessments.

Baseline Assessments. Participants provided demographic information (age, gender, average monthly income, monthly spending) and chronic SWB. They then responded to our focal measures: past-week SWB, which consisted of life satisfaction (six items, e.g., "My past week was enjoyable and pleasant"; 1 = Strongly disagree, 7 = Strongly agree) and affect (Fredrickson et al., 2003; Watson et al. 1988), and past-week happiness (How happy have you been over the past week? 1 = Not happy at all, 7 = Very happy). Participants also responded to financial well-being measures (see MDA-E for details).

Experimental Manipulation. All participants received detailed instructions along with examples. Reminder text messages about the experiential framing and purchase planning task were sent three times a day for 7 consecutive days following the baseline assessments.

The *experiential framing* condition instructed participants to view their purchases as experiential when both anticipating and making purchases. In the *purchase-planning* condition, participants were instructed to foster a habit of planning their purchases. In the *purchase-reporting* condition, we told participants that the purpose of the study was to investigate students' purchasing patterns. (MDA-E provides exact instructions.) At the end of each day during the week, we prompted participants to report all of their purchases they made that day and daily feelings (MDA-E).

Post-Test Measures. At the end of the one-week intervention, participants responded to the same focal measures: past-week SWB and past-week happiness along with financial well-being. Finally, we measured overall effort in completing the assigned tasks (see MDA-E for methods and results).

Results

Descriptively**,** participants averaged 3.17 purchases a day (*SD* = 1.58) for 23,694.15 KRW (*SD* = 61657.42). To test the intervention hypothesis, we conducted separate repeated measures ANOVAs with each outcome measure (past-week SWB, happiness, and financial well-being), time (pre vs. post) as a within-subject factor, and intervention condition as a between subjects factor. We report results for SWB only due to limited space. Please see MDA-E for reports of happiness and financial well-being.

Analyses showed a time by condition interaction ($F(2,128) = 5.72$, $p = .004$, $\eta^2 = .08$), whereby the experiential framing condition significantly increased SWB (figure 1). Contrast-code analyses, contrasting the experiential framing to the two control conditions (purchase-planning and purchase-reporting), indicated that experiential framing increased participants' SWB compared to the other conditions ($F(1,128) = 11.11$, $p = .001$, $\eta^2 = .08$). No difference was found between the two control conditions ($F(1,128) = 0.34$, $p = .564$).

Looking within conditions we saw that participants in the experiential framing condition reported more SWB after, relative to before, the intervention ($M_{before} = 0.13$, $SD = 2.49$ vs. $M_{after} = 1.15$, $SD = 2.11$; $F(1,128) = 7.64$, $p = .007$, $\eta^2 = .06$). No difference was found in the purchase-planning ($M_{before} = -0.49$, $SD = 2.82$ vs. $M_{after} = -0.81$, $SD = 2.41$; $F(1,128) = 0.83$, $p = .365$) or purchase-reporting condition ($M_{before} = 0.37$, $SD = 2.51$ vs. $M_{after} = -0.24$, $SD = 2.68$; $F(1,128) = 2.99$, $p = .086$, $\eta^2 = .02$).

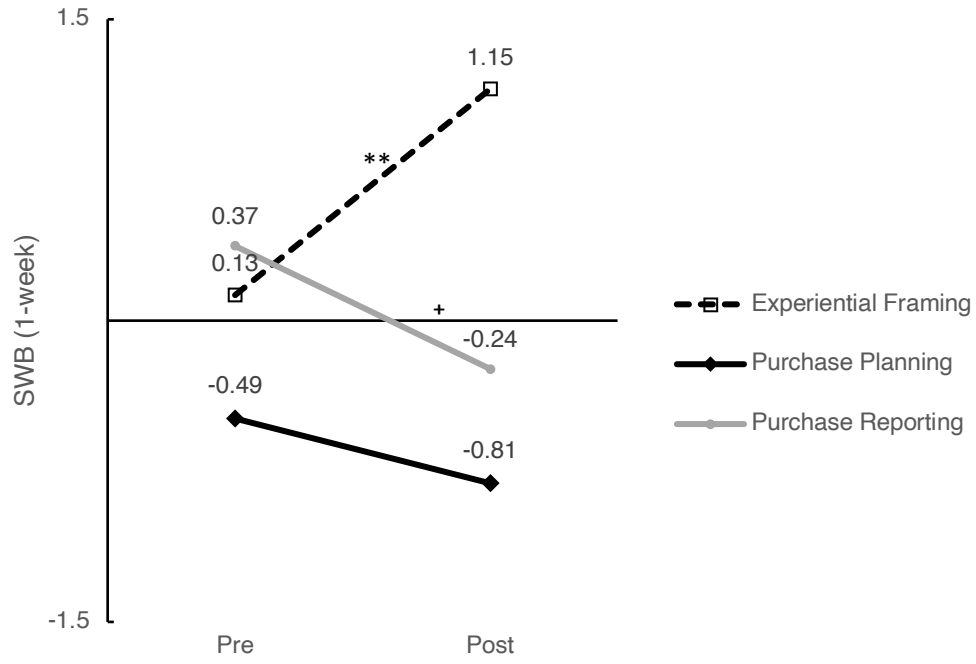

Figure 1. Study 5: Changes in SWB by Framing Conditions ($^{+}p < .10$, $^{**}p < .01$)

Discussion

While Studies 1-4 provided evidence that happiness leads to experiential perceptions, Study 5 showed that the reverse also is true, providing evidence for a virtuous cycle between happiness and experiential perceptions. After one week, participants in the experiential framing condition expressed greater SWB and happiness, whereas participants in the two control conditions had no change. The results indicate that consumers can learn to frame their purchases as experiential, and in doing so increase their happiness in life. The results also nicely correspond to the relationship found in our previous studies that happy people tend to view their purchases as more experiential than their less happy counterparts. This bidirectional relationship between happiness and experiential perceptions implies that people can strategically use the malleability of purchase perceptions to lead a happier and more fulfilling life by changing their thinking towards everyday purchases.

General Discussion

Across five studies we found consistent support that happy consumers perceive purchases as more experiential than their less happy counterparts, providing evidence for the bidirectionality of happiness and experiential consumption. Study 1 demonstrated the relationship by measuring happiness (i.e., SWB and day-to-day positive affect). Study 2 measured happiness and controlled for type of purchase. Studies 3 and 4 manipulated happiness and found that it also led to greater experiential perceptions, and it increased participants' likelihood of engaging in WOM (Study 4). Testing the virtuous cycle, Study 5 found that encouraging experiential framing of consumers' own purchases during a one-week intervention study increased overall well-being compared to control conditions.

The results also suggest that the effect is driven by happy individuals perceiving purchases as more experiential rather than less happy individuals perceiving purchases as less experiential. Study 2's Robin Hood analysis (Simonsohn, 2018) showed an effect among happy people but not unhappy people. Study 3 also bolstered this point, such that those induced to feel happier perceived purchases as more experiential compared to those in the neutral condition, but sad participants did not perceive purchases as less experiential compared to neutral. This pattern may also explain why there is a stronger effect for purchases typically considered material (e.g., laptops or shoes) as compared to those typically considered experiential (e.g., concerts). Given that the effect is not driven by less happy people perceiving purchases as less experiential, prototypically experiential purchases are not influenced by happiness compared to those that are more ambiguous or material.

Contributions and Future Research

By investigating what determines consumers' perceptions of material-experiential purchases, this research adds a caveat to the traditional wisdom that consumers should simply purchase experiences (instead of material goods) to increase their happiness. Instead, the current findings emphasize the importance of how consumers frame a purchase in determining whether it is beneficial for deriving happiness. That is, happiness driven by making experiential purchases may be not coming from intangible experiential purchases per se (e.g., concerts, travel), but rather from the extent to which consumers frame their purchases as experiential, which itself is affected by happiness (a bi-directional effect).

Happiness is a common feature of a firm's consumer-focused endeavors. Attempts to evoke happiness can be seen in advertising campaigns, in-store environments, and post-consumption strategies (e.g., returns, service). By examining the implications of consumer happiness, this research may aid practitioners in understanding how to design transformative interventions through marketplace practice.

Our findings also demonstrated a new factor to consider when thinking about conversational utility and word-of-mouth (Bastos & Brucks, 2017). By demonstrating the downstream consequence of experiential perceptions driven by happiness on word-of-mouth, we showed that making consumers happy can encourage them to talk about their purchase with others when it enhances experiential perceptions.

Conclusion

Living in the experience economy (Pine & Gilmore, 1999), marketers acknowledge the importance of experiential marketing but often struggle to identify what elements are essential in delivering great experiences. Our findings suggests that future research should continue to examine when consumers perceive a purchase as experiential, particularly for brands that market

tangible material goods (where we saw the biggest movement in our data). While the brand experience (Schmitt, 1999) plays a critical role, our research provides an alternative approach in showing how happiness itself shapes how people view what they buy, perhaps overcoming material disadvantages. Our findings encourage more attention to understanding happiness, not only as the downstream consequence of experiential consumption but as a key antecedent that influences experiential perceptions and why people buy.

References

Bastos, W., & Brucks, M. (2017). How and why conversational value leads to happiness for experiential and material purchases. *Journal of Consumer Research, 44*(3), 598–612. doi:10.1093/jcr/ucx054

Bates, D., Mächler, M., Bolker, B., & Walker, S. (2015). Fitting linear mixed-effects models Using lme4. *Journal of Statistical Software, 67*(1), 1–48. doi:10.18637/jss.v067.i01

Carter, T. J., & Gilovich, T. (2012). I am what I do, not what I have: The differential centrality of experiential and material purchases to the self. *Journal of Personality and Social Psychology, 102*(6), 1304–1317. doi:10.1037/a0027407

Diener, E. (2000). Subjective well-being: The science of happiness and a proposal for a national index. *American Psychologist, 55*(1), 34–43. doi:10.1037/0003-066x.55.1.34

Diener, E., Emmons, R. A., Larsen, R. J., & Griffin, S. (1985). The satisfaction with life scale. *Journal of Personality Assessment, 49*(1), 71–75. doi:10.1207/s15327752jpa4901_13

Diener, E., & Lucas, R. E. (1999). Personality and subjective well-being. In D. Kahneman, E. Diener, & N. Schwarz (Eds.), *Well-being: The foundations of a hedonic psychology* (pp. 213–229). New York: Russell Sage Foundation.

Dunn, J. R., & Schweitzer, M. E. (2005). Feeling and believing: The influence of emotion on trust. *Journal of Personality and Social Psychology, 88*(5), 736–748. doi:10.1037/0022-3514.88.5.736

Fredrickson, B. L. (2001). The role of positive emotions in positive psychology: The broaden-and-build theory of positive emotions. *American Psychologist*, *56*(3), 218–226. doi: 10.1037/0003-066X.56.3.218

Fredrickson, B. L., Tugade, M. M., Waugh, C. E., & Larkin, G. R. (2003). What good are positive emotions in crisis? A prospective study of resilience and emotions following the terrorist attacks on the United States on September 11th, 2001. *Journal of Personality and Social Psychology*, *84*(2), 365–376. doi: 10.1037//0022-3514.84.2.365.

Fredrickson, B. L., & Branigan, C. (2005). Positive emotions broaden the scope of attention and thought-action repertoires. *Cognition & Emotion, 19*(3), 313–332. doi:10.1080/02699930441000238

Isen, A. M., Daubman, K. A., & Nowicki, G. P. (1987). Positive affect facilitates creative problem solving. *Journal of Personality and Social Psychology, 52*(6), 1122–1131. doi:10.1037/0022-3514.52.6.1122

Kahn, B. E., & Isen, A. M. (1993). The influence of positive affect on variety seeking among safe, enjoyable products. *Journal of Consumer Research, 20*(2), 257–270. doi: 10.1086/209347

King, L. A. (2001). The health benefits of writing about life goals. *Personality and Social Psychology Bulletin, 27*(7), 798–807. doi: 10.1177/0146167201277003

Lyubomirsky, S., Dickerhoof, R., Boehm, J. K., & Sheldon, K. M. (2011). Becoming happier takes both a will and a proper way: An experimental longitudinal intervention to boost well-being. *Emotion, 11*(2), 391–402. doi:10.1037/a0022575.

Menon, S., & Kahn, B. E. (1995). The impact of context on variety seeking in product choices. *Journal of Consumer Research, 22*(3), 285–295. doi: 10.1086/209450

Park, J., & Banaji, M. R. (2000). Mood and heuristics: The influence of happy and sad states on sensitivity and bias in stereotyping. *Journal of Personality and Social Psychology, 78*(6), 1005–1023. doi:10.1037/0022-3514.78.6.1005

Pine, B. J., & Gilmore, J. H. (1999). *The experience economy: Work is theater and every business a stage*. Boston: Harvard Business School Press.

Schmitt, B (1999). Experiential marketing. *Journal of Marketing Management, 15*(1-3), 53–67, doi: 10.1362/026725799784870496

Sheldon, K. M., & Elliot, A. J. (1999). Goal striving, need satisfaction, and longitudinal well-being: the self-concordance model. *Journal of Personality and Social Psychology, 76*(3), 482–497. doi: 10.1037/0022-3514.76.3.482

Simonsohn, U. (2018). Two lines: A valid alternative to the invalid testing of U-shaped relationships with quadratic regressions. *Advances in Methods and Practices in Psychological Science, 1*(4), 538–555. doi: 10.1177/2515245918805755

Van Boven, L., & Gilovich, T. (2003). To do or to have? That is the question. *Journal of Personality and Social Psychology, 85*(6), 1193–1202. doi:10.1037/0022-3514.85.6.1193

Watson, D., Clark, L. A., & Tellegen, A. (1988). Development and validation of brief measures of positive and negative affect: The PANAS scales. *Journal of Personality and Social Psychology, 54*(6), 1063–1070. doi:10.1037/0022-3514.54.6.1063

Weingarten, E., & Goodman, J. K. (2021). Re-examining the experiential advantage in consumption: A meta-analysis and review. *Journal of Consumer Research, 47*(6), 855–877. doi:10.1093/jcr/ucaa047