Do Personality Traits Change the Perception of Experiential and Material Purchases?

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Introduction

- Research shows that people are happier, have greater subjective well-being, and greater psychological need satisfaction from spending money on experiences than on material goods (e.g., Carter & Gilovich, 2010; Dunn, Gilbert, & Wilson, 2011; Gilovich, Kumar, & Jampol, 2015; Van Boven & Gilovich, 2003)

- Experiences (vs. material goods) increase happiness because they allow people to express identity better, to decrease social comparison their purchases with others, to socially form better social connection with others (Caprariello & Reis, 2013; Carter & Gilovich, 2012; Howell & Hill, 2009; Kumar & Gilovich, 2015; Van Boven, 2005; Zhang, Howell, Caprariello, & Guevarra, 2014)

- Past research examined extraversion as a moderator of the hedonic benefit of experiential purchases, but extraversion was not a significant moderator (Caprariello & Reis, 2013)

- *Material purchases:* items you purchase with the primary intention of acquiring a tangible object that you wish to keep

- *Experiential purchases:* items you purchase with the primary intention of engaging in an event or activity that does not have a tangible benefit or outcome

- **Purposes:**
  - Find products that are experiential and material
  - Find the effects of personality traits on perception of products

- *H1:* more extraverted people would tend to perceive products as experiential

- *H2:* less neurotic people would tend to perceive products as experiential

- *H3:* People who are more open to experiences would tend to perceive products as experiential

Method

- Participants (*N* = 203) completed the TIPI and rated the extent to which 33 products were experiential and material based on given definitions of purchase types
  - *TIPI:* extraversion, openness to experience, conscientiousness, emotional stability, agreeableness

- Rating of 33 products:
  - *Examples:* Domestic travel, attending plays, online subscriptions (e.g., Netflix), clothing, computer games, stereo speakers
  - Experiential ratings (1 = *not experiential*, 5 = *experiential*)
  - Material ratings (1 = *not material*, 5 = *material*)

Results

Figure 1. Fit Indices for Measurement and Path Models

Model	χ^2	*df*	CFI	TLI	RMSEA	SRMR	AIC
Experiential-factor	17.79*	9	.97	.95	.069 (.016, .117)	.039	3714
Material-factor	4.53	8	1.00	1.03	.000 (.000, .052)	.020	3440
Path model 1	31.64	24	.98	.97	.040 (.000, .074)	.039	5786
Path model 2	109.43*	78	.95	.93	.045 (.022, .063)	.051	9214

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

Table 2. Prediction of Experiential Factor in Path Model 1

Predictor	Standardized coefficient
Extraversion	-.06
Emotional stability	.04
Openness	.10

Table 3. Factor Correlations in Path Model 2

	1	2	3
1. Experiential factor	—		
2. Clothing factor	.47***	—	
3. Electronics factor	.15	.71***	—

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

Table 4. Prediction of Experiential and Material Factors in Path Model 2

Criterion	Predictor	Standardized coefficient
Experiential factor		
	Extraversion	-.06
	Emotional stability	.04
	Openness	.10
Clothing (material)		
	Extraversion	.05
	Emotional stability	-.01
	Openness	-.11
Electronics (material)		
	Extraversion	.00
	Emotional stability	.04
	Openness	-.00

- *Experiential-factor model*: 1 factor (6 items)
  - Domestic travel, international travel, activities (hiking, rafting, etc.), attending plays, IMAX and regular theaters, online subscriptions (Netflix, Hulu, etc.)

- *Material-factor model*: 2 factors (6 items)
  - *Factor 1 (2 items)*: clothing, accessories (jewelry, necklaces)
  - *Factor 2 (4 items)*: TV, stereo speakers, iPod, computer equipment

- *Path model 1*: extraversion, agreeableness, and openness predicted experiential factor

- *Path model 2*: extraversion, agreeableness, and openness predicted experiential factor and material factors

- The measurement models of experiential construct and material construct showed good fits

- The path models that tested the effects of extraversion, emotional stability, and openness also showed good fits

- Spending money on traveling and admissions to shows were perceived as experiential purchases

- Spending money on clothes and electronic devices were perceived as material purchases

- H1 – H3 were not supported

Discussion

- No support for the effects of personality traits on the perception of experiential and material purchases

- We should not completely dismiss the idea that individual differences could not influence the way people perceive aspects of the purchases

- It is possible that people who are extraverted would tend to perceive purchases as more experiential (vs. material) because experiential purchases tend to involve other people and enhance social connection

- People who are more extraverted, more emotional stable, and more open to new experiences may look for experiential aspects of product as ways to strengthen social connection, which has been shown to increase happiness and well-being

- **Implications:**
  - Advertising targeted consumers using either experiential or material aspects of purchases