## UC San Diego **RADY SCHOOL OF MANAGEMENT**

**Intro** Research on consumption tends to focus on buying new things. However, we often buy items that we already own. This project examines the trade-off between new items we consider buying and those we already own, with a specific focus on clothing.

**Summary** We conducted two exploratory studies with students to examine clothing habits. Then, in three pre-registered studies, we found that: (1) increasing the saliency of a garment you already own decreases the likelihood of purchasing a new one; (2) framing a potential purchase as a replacement or partial replacement of a garment you already own (vs. an addition to the wardrobe) decreases purchase likelihood; (3) this effect is more pronounced in social contexts, where variety may be more valued.

### **Exploratory Studies**

- <u>One session study</u> (N = 68): The average age of clothes among MBA students was **18 months**, a result we found to be consistent on MTurk. There is no significant difference across different garments (e.g., T-shirts, jeans, etc.). Factors that people believe contribute to a garment's usage duration (e.g., highend quality, fashion) do not significantly predict actual usage duration (i.e., how many years they use it), the only exception is **timelessness**. In both studies, **price is not predictive of usage duration**.
- 2. <u>Prediction study across one week</u> (N = 77): We asked MBA students to predict the average age of the clothes they wear (i.e., how many years ago they bought them) on a normal week and then measured across another week the actual age of what they were wearing. People underpredicted the age of what they wear, pointing toward the possibility that people overweigh new clothes over old ones in their calculation. At the end of the week, the post-treatment estimate aligned with the actual age.

## Study 1: Increasing the Saliency of What You Already Own

**Methods** Participants (N = 351, MTurk) selected the type of top they were wearing (e.g., t-shirt, sweater). A random garment was chosen, and in the salient condition, participants noted how long ago they purchased it before seeing a shopping scenario with a similar garment. In the non-salient condition, participants saw the shopping scenario first and then indicated the age of the garment they owned.



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# Consumption Share Neglect: Adding vs. Replacing

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**Results** Participants in the salient condition expressed a lower likelihood of buying a new item (B) = -0.41, SE = 0.21, t = -1.94, p = .053). The age of participants' clothes negatively predicted buying new items (B = -0.01, SE = 0.005, t = -2.39, p = .018), there was no significant interaction between salience and age of clothes (B = 0.004, SE = 0.006, t = 0.68, p = .495). Increasing the saliency of the garments you already own may deter new purchases of similar items.

## Study 2-3: Adding vs. Replacing

**Methods** Participants (N = 578, MTurk) viewed a shopping scenario involving a sweatshirt. The design was a 2 usage context (home vs. public) x 2 purchase framing (adding vs. replacing).

"You mainly wear this type of sweatshirt when being inside the house/with your friends outside of the house. If you buy this new sweatshirt, it will replace/add a variety to the one you already have."

In Study 3 (N = 554, MTurk), the term "*replace*" was changed to "*partially replace* ... (*i.e.*, you will wear your current sweatshirt less)."

**Results** The replacing condition decreased the likelihood of buying a new sweatshirt compared to the adding condition (B = -0.74, SE = 0.21, t = -3.58, p < .001). The usage context had no significant effect on purchase likelihood (B = 0.22, SE = 0.21, t = 1.07, p = .287), and there was no significant interaction (B = 0.05, SE = 0.30, t = 0.18, p = .858). In study 3, we found the same effect but only in the public context condition. These studies suggest that people may not fully realize that buying a new garment will likely lead to partially replacing what they already own: consumption **share neglect**. When this is made clear, they may be less likely to buy new items.



