

Review





# The unmatchable brightness of doing: Experiential consumption facilitates greater satisfaction than spending on material possessions Amit Kumar

## Abstract

Living in a consumerist society can afford material abundance, but these gains can bring psychological costs. A developed literature suggests *experiential purchases* (such as trips or outdoor recreation) represent a more promising route to enduring consumer happiness than the consumption of material goods. The satisfaction from experiences extends across a rather broad time course, including the anticipation of experiential consumption, in-the-moment consumption, and retrospection. This review discusses the underlying reasons for why these effects occur, additional downstream consequences of consuming experiences, and potential directions for future work. This extensive program of research provides a simple lesson people can apply to improve wellbeing in daily life: shifting spending in the direction of doing rather than having would likely be psychologically wise.

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#### Current Opinion in Psychology 2022, 46:101343

This review comes from a themed issue on Consumer Psychology

Edited by Bob M. Fennis and Derek Rucker

For a complete overview see the Issue and the Editorial

Available online 26 March 2022

https://doi.org/10.1016/j.copsyc.2022.101343

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#### Keywords

Experiential consumption, Materialism, Consumer satisfaction, Happiness, Well-being.

When former U.S. President and Nobel Laureate Barack Obama was interviewed at the World Travel & Tourism Council's global summit, he said "I'm somebody who believes in bringing people together rather than separating them out into 'us' and 'them' [...] travel also reminds us of what we share and what we have become—the ability for us to recognize ourselves in each other" [1]. Some forms of consumption can have negative psychological and societal consequences. In particular, empirical evidence suggests that focusing on the acquisition of material goods may harm people's wellbeing [2–8]. As Obama implies, however, other types of purchases may cultivate one's own or others' happiness. Specifically, experiential consumption (spending on *doing* rather than *having*) promotes positive consequences for individuals and society. This review highlights the scientific literature documenting the benefits of shifting in the direction of buying experiences instead of material items.

## Experiential purchases as a brighter path

If materialism represents a possible dark side of consumption, might there by other types of consumption that represent a more rewarding way to spend one's money? Many studies find that people derive more satisfaction from experiential purchases (travel, meals out, tickets to events) than from material purchases (clothing, jewelry, furniture) [9-22]. Most of the evidence on the topic examines retrospective satisfaction, asking participants to recall either experiences or material goods they have bought and observing that they are happier after reflecting on the trips they've taken, meals they've eaten, and events they've attended. Such results were first reported by Van Boven and Gilovich in a seminal article that defined these constructs and have been reliably found many times over the past two decades [9–22]. A recent meta-analysis confirmed consistent support for this "experiential advantage" across multiple studies [23].

## Anticipatory utility

Research also finds that the difference in hedonic value people get from consuming experiences rather than possessions extends across a broad time course. Experiences can make consumers feel happy even before they've felt the sand between their toes, taken their first sip, or heard the opening tune in a setlist. That is, experiences are rewarding in anticipation as well, as they allow one to savor their future consumption [24]: The anticipatory period before consumption tends to be more pleasurable, more exciting, and less tinged with

This research did not receive any specific grant from funding agencies in the public, commercial, or not-for-profit sectors. The author has no competing interests to declare.

impatience for experiential purchases one is looking forward to relative to material purchases one is planning on making [18,25,26]. Buying experiences can therefore promote anticipatory utility [27]. Waiting can often feel aversive [28]—but is likely to be a much more positive state as one looks forward to seeing the sights and sampling the menu. When it comes to experiential consumption, people tend to anticipate what's to come with great delight.

# Happiness in the here-and-now

Recent scholarship suggests that spending on experiences also advances happiness more in the moment than spending on material items [29,30]. In a large-scale experience sampling study, thousands of participants were asked how they felt while in the midst of consuming an experiential or material purchase [29]. Their momentary happiness was compared to participants who were not consuming a purchase when happiness was assessed. Although material consumption was not associated with higher assessments of momentbased happiness than baseline, experiential consumption was associated with significantly higher happiness ratings. This result held when controlling for the cost of purchases participants were consuming.

This research additionally investigated the robustness of these results by examining the particular purchases being consumed. After categorizing purchases into different types of experiences or possessions, moment-to-moment happiness was higher for all subcategories of experiential purchases than any subcategory of material purchase. Further, happiness was significantly higher than no consumption for outdoor activities and recreation, travel, entertainment, and food and drink purchases. The experiential advantage is indeed quite broad.

# Why?

Much effort has gone into understanding the underlying psychological mechanisms that explain why people glean more satisfaction from their experiential than their material purchases. Like most things in life, these effects appear to be multiply determined. Empirical evidence suggests that experiential purchases are less susceptible to invidious comparisons [11]. It can peeve consumers to find out someone else has fancier jewelry and a nicer wardrobe than they do, and it can be deflating to discover that another person paid less for the latest electronic good to hit the shelves. Learning about others' positive experiences, however, is less problematic. Destructive comparisons are less common for experiential consumption, as one's experiences are uniquely theirs. A hike up a mountain or through a jungle tends to be evaluated on its own terms rather than relative to purchases other people have made. Furthermore, consumers are less sensitive to price when it comes to experiential consumption [31, 32].

One's experiences are uniquely theirs in a very deep sense. Other research finds that besides being less subject to depressing social comparisons, experiential purchases are also more reflective of one's identity [12]. One's material goods do not make up who they are as much as their experiences do; to be sure, one's sense of self is comprised of one's life experiences. This is clear from studies suggesting that people are more likely to include meaningful experiential purchases than meaningful material purchases in narratives that comprise their life story. In other words, investing in experiences tends to be the kind of investment that contributes to who one is. Such investments can subsequently contribute to happiness.

Moreover, people derive greater satisfaction from experiential consumption than from "things" partly because experiences are broadly more social in nature. When people spend on doing, they often consume with others [10]. Going on vacations, eating out, and checking out concerts or theater performances are all activities likely to be done with other people, thereby promoting our social relationships. This social value is likely to be an especially important mechanism, as positive social relationships are essential to wellbeing [33–44]. Humans, after all, are a social species with a fundamental need to belong [45]. Purchases that promote social relationships are therefore more likely to foster enduring wellbeing.

Beyond the sociality of the experience itself, experiential purchases also tend to be talked about more than possessions [9,18]. Because experiential consumption provides more fodder for social interaction, consumers of experiences also get more lasting satisfaction from them than consumers of material items. Note that framing products as experiences can even make them more likely to be discussed [46]. Note further that although experiences can, in a sense, be fleeting, they can also live on in the stories people tell. In fact, not only do experiences make better story material for those speaking about them, listeners also enjoy hearing about someone's experiences more than someone's material possessions in conversation [8,47].

# Further benefits of buying experiences

There may be additional consequences of buying experiences beyond an individual's satisfaction. For example, experiential purchases foster greater feelings of gratitude [22]. Consumers report feeling more grateful after reflecting on their experiential than material consumption. In addition to such scale ratings in experiments, these effects manifest in other settings as well. An analysis of online reviews, for instance, found that customer comments on websites targeted towards experiential pursuits featured more spontaneous mentions of gratitude than reviews on sites geared towards material consumption. This matters because feeling grateful is associated with myriad benefits [48–51], including a positive relationship between gratitude and prosocial behavior [52-54]. When people think about experiences they've bought. compared to the "stuff" they've purchased, they are more inspired to give to others [22]. Participants in two experiments were more generous to anonymous partners in economic games when randomly assigned to earlier consider a significant experiential purchase they had made than when assigned to consider a significant material purchase. These results are intriguing because they suggest that benefits of experiential consumption apply not only to the consumers of those purchases themselves, but potentially pass on to other people around them, too, thereby suggesting that societal good might also be advanced by experiential consumption. Spending on experiences rather than possessions can lead to better treatment of even unknown others.

Gifting experiences instead of possessions can also lead to better relationships with known others. Experiential gifts strengthen relationships more than material gifts, increasing social closeness between givers and recipients in gift-giving exchanges [55]. Interestingly, this result holds even when an experiential gift is not consumed together. Giving the gift of an experience creates levels of connection that an antique can't quite match.

## **Fruitful directions**

One promising avenue for research on experiential consumption focuses on how to maximize enjoyment during an experience. Recent work, for example, investigates how photo-taking affects evaluations of experiences [56,57]. When people's intention to show others pictures of their experiences takes away from the experience itself, this can reduce rather than boost enjoyment during the experience because it can lead to a focus on getting the "right" shot and other self-presentational concerns. Future research can similarly explore what detracts from or enhances the experiences that are likely to leave consumers feeling happy, thereby further facilitating greater satisfaction from them.

It would also be interesting to better understand how people respond to experiences that end up being somewhat negative, especially as time passes. Some existing experimental evidence suggests that consumers are slower to adapt to negative experiential purchases [19]. However, while material possessions can stay in one's possession—potentially continuing to disappoint over time—experiences that have been consumed continue to exist only in the mind as mental representations. This might allow for them to be reframed after the fact and reconstrued in a more positive light [58,59]. Telling others stories about experiential consumption could allow for this sort of reinterpretation [18], as a once seemingly disappointing event can be transformed into a bonding experience when it has been weaved into narrative. An uncomfortable couch remains uncomfortable, but a rainy day on the beach can be romanticized.

In addition, exploring how hedonically rewarding different types of experiences are for different consumers is a critical topic for future research. For example, although researchers do not find consistent age effects in the greater satisfaction derived from experiential than material purchases, it is possible that younger and older consumers exhibit different preferences in the types of experiences they choose to enjoy. Extant work indeed finds that younger consumers derive more happiness from extraordinary experiences like skydiving while older consumers derive happiness from more common experiences like dining out [60]. Although the particular experiences people partake in may vary, it is nevertheless generally true that most are likely to reap psychological benefits from experiential consumption.

Just as one can study age effects, it would be worthwhile to study other potential differences on this topic based on other individual demographics. Henrich et al. argue that behavioral research samples disproportionately from Western, educated, independent, rich, and democratic parts of the world [61,62]. This is largely true of the work conducted on the benefits accrued by experiential consumption [63], and so more studies are needed across the globe.

For instance, it could be important to further examine possible differences between wealthier consumers and those less well off. Although benefits from experiential consumption are likely for most consumers with disposable income, they may not be as rewarding for those on the lowest rungs of the socioeconomic ladder. In their initial article, Van Boven and Gilovich reported that experiential purchases were a greater source of happiness across many demographic categories, but this appeared to not be the case for the very poor [21]. This result was recently replicated by other scholars [64], though note that poorer individuals did not instead derive more happiness from material goods. That is, although poorer consumers do not report greater satisfaction from experiences, poverty seems to reduce the relative advantage of experiential consumption rather than reverse the effects reviewed here. One needs to have enough wealth to meet basic needs in order to have disposable income left over to spend on consumption that increases wellbeing.

Given the importance of social relationships to wellbeing, however, it may also be useful to consider how to promote consumption that fosters these social relationships. Societies can work to steer people towards experiential pursuits that cultivate wellbeing. If communities made it easier to hike and bike on trails, swim in public pools, or take in a show, this could make people more likely to partake in experiential consumption and benefits could follow.

# Conclusion

People can spend money in different ways. A shift in spending may be warranted if one wants to derive more satisfaction from their purchases. Much research finds that consumers derive more happiness from experiences than from possessions in retrospect, in prospect, and in the moment. This work provides a straightforward lesson to brighten people's everyday lives: Tilt consumption such that a bit less is spent on material goods and a bit more is spent on experiences. As President Obama wisely suggested in the quote opening this piece, when one uses their disposable income on trips taken and venues visited, they—and those around them—are likely to be better off as a result.

# Conflict of interest statement

Nothing declared.

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