STEPHANIE M. TULLY

Marketing Department
Stern School of Business
New York University
40 W 4th St. Ste 822
New York, New York 10012

Mobile: (415) 846-8515
Office: (212) 998-0069
Fax: (212) 995-4006
stully@stern.nyu.edu
http://pages.stern.nyu.edu/~sm3717

EDUCATION

Ph.D., Marketing, New York University, May 2015, expected
M. Phil, Marketing, New York University, January 2014
B.A., Marketing, minor Economics, summa cum laude, University of San Francisco, May 2005

AWARDS AND HONORS

2014-2015	Milton Reynolds Fellowship
2014	AMA Sheth Consortium Fellow
2013	Winner: Society for Consumer Psychology Dissertation Proposal Competition
2013	NYU-Stern Letter of Commendation for Teaching Excellence
2010-2014	Doctoral Fellowship in Marketing
2005	Nominee for valedictorian, McLaren School of Business, University of San Francisco
2005	Beta Gamma Sigma
2001-2005	University Scholar, University of San Francisco

RESEARCH INTERESTS

Consumer behavior, judgment and decision making, consumer experiences, consumer financial decision making, and consumer well-being.

PUBLICATIONS & MANUSCRIPTS UNDER REVIEW

Tully, Stephanie M., and Tom Meyvis, "Questioning the End Effect: Endings Do Not Inherently Have a Disproportionate Impact on Evaluations of Experiences," Revise and resubmit at *Journal of Experimental Psychology: General*.

Tully, Stephanie M., Hal E. Hershfield, and Tom Meyvis, "Making Your Discretionary Money Last: Financial Constraints Increase Preference for Material Purchases by Focusing Consumers on Longevity," Conditionally accepted at *Journal of Consumer Research*.

Tully, Stephanie M., and Russ Winer (2014), "The Role of the Beneficiary in Willingness to Pay for Socially Responsible Products: A Meta-Analysis," *Journal of Retailing*, Volume 90, Issue 2, June, 255–274.

WORKING PAPERS

Tully, Stephanie M., Amar Cheema, and On Amir, "Evaluating Experiences: The Effect of Evoking Goals versus Expectations."

Tully, Stephanie M., and Eesha Sharma, "I Want It Now! The Perceived Time Sensitivity of Experiences and Material Goods."

SELECTED RESEARCH IN PROGRESS

Tully, Stephanie M., and Tom Meyvis, "We'll Always Have Paris (Though We May Not Think of It): Consumers Overestimate How Often They Will Retrospect about Hedonic Experiences."

Tully, Stephanie M., Hal E. Hershfield, and Tom Meyvis, "Purchase Decisions and Well-Being for the Financially Constrained."

CONFERENCE PRESENTATIONS (presenter highlighted in bold)

Tully, Stephanie M., and Eesha Sharma (2014). *Experiential vs. Material Expenses Heighten the Relative Benefits of Borrowing and Increase Willingness to Incur Debt*. Poster at the Financial Decision Making Conference, Boulder, Colorado.

Tully, Stephanie M., Hal E. Hershfield, and Tom Meyvis (2014). *Making Discretionary Money Last: Financial Constraints Increase Preference for Material Purchases by Focusing Consumers on Longevity*. Society for Consumer Psychology, Miami, Florida.

Tully, Stephanie M., **Hal E. Hershfield**, and Tom Meyvis (2013). Chaired symposium on Antecedents of, Predictions About, and Responses to Financial Constraints and presented *Financial Constraint Induces a Shift Toward Material Versus Experiential Purchases Through Long Term Focus*. Association for Consumer Research, Chicago, Illinois.

Tully, Stephanie M., **Russ Winer** (2013). *Are People Willing to Pay More for Social Goods? A Meta-Analysis*. Marketing Science, Istanbul, Turkey.

Tully, Stephanie M., Hal E. Hershfield, and Tom Meyvis (2013). *Financial Constraint Induces a Preference for Material Versus Experiential Purchases through Long Term Focus*. Poster at the Society for Consumer Psychology, San Antonio, Texas.

Tully, Stephanie M. and Hal E. Hershfield (2012). *When a Planner Won't be a Doer: Budgeting Induces a Preference for Material Versus Experiential Goods*. Poster at the Society for Judgment and Decision Making, Minneapolis, Minnesota.

TEACHING EXPERIENCE

NYU Stern School of Business
Instructor: Undergraduate Marketing Core Summer 2013, 6.8/7.0 evaluation [department average: 6.0]
Teaching Fellow: Marketing Core EMBA Spring 2013, Professor Priya Raghubir
Teaching Fellow: Marketing Core EMBA Spring 2012, Professor Priya Raghubir
Teaching Fellow: Marketing Core MBA Summer 2011, Professor Geeta Menon

SERVICE

Panel Speaker	NYU Teaching Workshop, 2014
Conference Volunteer	Society for Consumer Psychology, 2013
Conference Reviewer	Society for Consumer Psychology, 2012, 2013, 2014
Co-President	American Marketing Association USF Chapter, 2005

PROFESSIONAL AFFILIATIONS

American Marketing Association
Association for Consumer Research
Society for Consumer Psychology
Society for Judgment and Decision Making

DOCTORAL COURSEWORK

Marketing

Behavioral Applications in Marketing I	Vicki Morwitz
Behavioral Applications in Marketing II	Priya Raghubir
Quantitative Applications in Marketing I	Eitan Muller
Quantitative Applications in Marketing II	Sam Hui
Special Topics in Marketing	Tulin Erdem

Psychology

Theories of Social Psychology	Yaacov Trope & John Jost
Social Psychology of Self-Control	Yaacov Trope
Self-Regulation	Peter Gollwitzer & Gabrielle Oettingen
Self & Social Judgment	Emily Balcetis
Biases in Social Cognition & Judgment	Emily Balcetis

Methodology

Research Methods in Social Psychology	Madeline Heilman
Regression	Pat Shrout
ANOVA	Barry Cohen
Experimental Design & Analysis	Tom Meyvis

Economics

Microeconomics	Roy Radner

PROFESSIONAL EXPERIENCE

BNY ConvergEx — Boston, MA
Project Manager of Product Management — January 2008 – August 2011

Hillstone Restaurant Group — San Francisco, CA and Boston, MA
Service Manager — August 2005 – December 2007

DISSERTATION

Committee: Tom Meyvis (Chair), Adam Alter, Hal. E. Hershfield, Vicki Morwitz, and Yaacov Trope

A substantial part of the happiness that consumers derive from experiences results from the memories that these experiences create (i.e., retrospective utility). Little is currently known about anticipation of future retrospection. In my dissertation, I examine (1) whether consumers readily anticipate the value from retrospection, and (2) whether, when they do anticipate it, they are accurate in estimating its frequency. In the first essay, I observe that consumers who seek lasting utility (as a result of feeling financially constrained) tend to prefer material goods over experiences, indicating that they do not spontaneously consider or appreciate experiences' long-term value through retrospection. Yet, in the second essay, I find that when consumers are asked to explicitly consider the retrospective utility of experiences, they actually tend to overestimate the extent to which they will think of and talk about an experience.

Essay 1: Making Your Discretionary Money Last: Financial Constraints Increase Preference for Material Purchases by Focusing Consumers on Longevity

In Essay 1 of my dissertation, I examine how consumers' allocation of their discretionary income to experiences versus material goods is influenced by their feelings of financial constraint. Across five studies, I find that the consideration of financial constraints shifts consumers' preferences towards material goods (rather than experiences), and that this systematic shift is due to an increased concern about the longevity of the purchase. Moreover, this preference shift persists even when the material options are more frivolous than the experiences, indicating that the effect is not driven by an increased desire for sensible and justifiable purchases. However, the preference shift does not extend to material options that are unusually short-lived, confirming that the shift is indeed driven by an increased concern about longevity.

The observation that increased concern about the lasting impact of a purchase tends to shift preference away from experiences towards material goods suggests that consumers fail to spontaneously anticipate or appreciate the long-term impact of experiences through their memories and storytelling capacity. In the second essay, I examine consumers' perceptions of this retrospective utility of experiences when they are made to explicitly consider it.

Essay 2: We'll Always Have Paris (Though We May Not Think of It): Consumers' Overestimate How Often They Will Retrospect about Hedonic Experiences

In Essay 2 of my dissertation, consumers are asked to estimate how frequently they will retrospect about hedonic experiences. Across a number of studies using both idiosyncratic experiences that participants generate as well as experiences that all respondents participate in (e.g., an outing at the U.S. Open, an African Safari), I find that, when prompted, consumers often overestimate how often they will retrospect about (talk, think, look at pictures) their experiences. This overestimation is not the result of misconstrual of the event (it occurs before and after the outcome of an experience is known), is specific to experiences (it does not extend to material purchases) and is moderated by the positivity of the experience. I propose that consumers are motivated to believe they will frequently talk about experiences because sharing experiences is intrinsically rewarding, but underestimate the difficulty of spontaneously bringing an experience to mind. Thus, although consumers may often fail to spontaneously consider retrospection when valuing experiences (as suggested by essay 1), they do generally find retrospection desirable and, in fact, tend to overestimate its frequency when explicitly considering it.

SELECTED EXTENDED RESEARCH ABSTRACTS

"Making Discretionary Money Last: Financial Constraints Increase Preference for Material Purchases by Focusing Consumers on Longevity," with Hal Hershfield and Tom Meyvis, conditionally accepted at *Journal of Consumer Research*. (job market paper, based on Essay 1 of my dissertation)

Financially constrained consumers have to make frequent trade-offs when allocating their limited financial resources. One of the most basic trade-offs is the choice between spending on material goods versus experiences—a trade-off with substantial consequences for well-being (e.g., Van Boven and Gilovich 2003). In this research, we examine how feeling financially constrained influences how consumers resolve this trade-off (i.e., their relative preference for material goods versus experiences).

Although at times financial constraints may encourage people to act more myopically (e.g., Shah, Mullainathan & Shafir 2012), we suggest that when making a choice between purchase options, consumers may be more attuned to how long lasting the purchase will be. That is, we propose that financially constrained consumers want to spend their limited resources in a way that provides lasting utility. This idea is supported by research demonstrating that financial constraints highlight opportunity costs (Spiller 2011) and encourage consumers to "stretch" their resources (Fernbach, Kan, and Lynch 2014).

A heighted concern for purchases that provide lasting utility could increase preference for experiences since those have been shown to provide greater long-term happiness, in part through the memories and storytelling that experiences provide. Instead, we propose that financially constrained consumers' interest in long-lasting purchases will lead them to focus on a more obvious discrepancy between material goods and experiences: material goods tend to physically persist over time, whereas experiences are fleeting by nature.

In study 1, participants describe one material purchase and one experience that they would like to make in the coming months. Next, they indicate which of these purchases they would be more likely to make if they could only make one purchase. The extent to which participants were considering their real financial constraints was measured at the end of the survey. As predicted, participants who think more about their financial constraints have a greater preference for their self-generated material goods over their self-generated experiences ($\beta = 0.18$, $t(218) = 2.69$, $p = .008$). This effect is mediated by an increased focus on longevity.

In study 2, we extend these findings to an incentive-compatible design using gift cards for companies that sell more material goods or more experiences. The extent to which participants were considering their real financial constraints was again measured at the end of the survey. As predicted, participants who think more about their financial constraints choose a greater number of material gift cards ($\beta = 0.12$, $t(429) = 2.58$, $p = .010$).

In study 3, we demonstrate that the effect of financial constraints on preference for material purchases persists even when those material options are more *frivolous* and *wasteful* than the experiences (indicating that the effect is not driven by an increased concern for practicality).

As predicted, participants who think more about their financial constraints are more likely to prefer material options ($\beta = 0.21$, $t(182) = 2.95$, $p < .004$), which is significantly mediated by an increased focus on longevity.

In study 4, we manipulate the salience of participants' real financial constraints by asking some participants to first consider their current financial situation. Next, all participants indicate their preference between pairs of material goods and experiences. As predicted, participants who are asked to consider their financial constraints are more likely to prefer the material options than participants in the control condition ($F(1,160) = 3.89$, $p = .050$). This effect is mediated by an increased focus on longevity.

In study 5, we manipulate the salience of participants' real financial constraints by asking some participants to first consider the factors that contribute to their financial constraints. Next, all participants indicate their preference between pairs of material goods and experiences. However, in this study each pair of options is presented as a means of accomplishing the same goal (e.g., learning to play a musical instrument, getting in shape). As predicted, participants who are asked to consider their financial constraints are more likely to prefer the material options than participants in the control condition ($F(1, 375) = 10.02$, $p = .002$). This effect is mediated by an increased focus on longevity.

In study 6, we examine the moderating role of longevity. If the shift towards material purchases is indeed driven by concerns about longevity, then this suggests a clear boundary condition for the effect: consideration of financial constraints should not increase preference for material goods if these goods are particularly ephemeral. Study 6 again manipulated the consideration of financial constraints, and then provided a series of four scenarios, each of which involved a choice between an experience and a material good. Critically, some participants were asked to choose between experiences and long-lasting material options (as before), whereas others were asked to make choices between experiences and short-lived material options. As predicted, there was a significant interaction ($F(1,366) = 12.58$, $p < .001$). Replicating earlier studies, in the long-lasting material condition, participants who considered their financial constraints showed an increased preference for the material options ($F(1, 366) = 9.16$, $p = .003$). However, in the short-lived material condition, thinking about financial constraints actually reduced participants' preference for the material options ($F(1, 366) = 3.95$, $p = .048$).

We then examine whether this theory may predict expenditure changes on a macro-economic level. First, using aggregate expenditure data from the Bureau of Economic Analysis, we show that in quarters of higher unemployment, when financial constraints are likely greater, consumers spend disproportionately more on discretionary material items (goods) than discretionary experiences (services) ($\beta = .06$, $t(210) = 5.25$, $p < .001$). We replicate this finding with another proxy of financial constraints, the Michigan Consumer Sentiment Index. When consumer sentiment is lower, and feelings about the economic climate are lower, consumers spend disproportionately more on discretionary material items ($\beta = -0.08$, $t(210) = 7.67$, $p < .001$)**.** Finally, using individual level expenditure data from the Bureau of labor statistics, we demonstrate that consumers with lower incomes spend proportionately more entertainment money on material goods versus experiences ($\beta = -.10$, $t(210) = -3.35$, $p = .001$)

This research is among the first to explore how consideration of financial constraints influences discretionary purchases, and demonstrates that financial constraints can increase consumers concern for the future. Additionally, as most of the research on material goods and experiences has focused on the downstream consequences for happiness, this research is one of the first papers to examine the antecedents of making such purchases.

"We'll Always Have Paris (Though We May Not Think of It): Consumers Overestimate How Often They Will Retrospect About Hedonic Experiences" with Tom Meyvis (based on Essay 2 of my dissertation)

People enjoy retrospecting about past experiences and appear to do it quite often. Past research suggests that we spend upwards of 50% of relaxed, social conversation talking about our experiences (Dunbar, Marriott, and Duncan 1997) and that sharing information about ourselves and our experiences is intrinsically rewarding (Tamir and Mitchell 2011). It also appears to be one of the reasons why consumers are happier with their experiences than their material goods (Van Boven and Gilovich 2002). Furthermore, consumers seem to anticipate the future retrospection that experiences provide as they sometimes choose experiences as a function of their retrospective value (Keinan and Kivetz 2011; Ratner, Kahn, and Kahneman 1999). But how accurate are consumers at anticipating the frequency of their own retrospection?

Because sharing one's experiences is intrinsically rewarding, people should want to talk about their experiences. However, given the abundance of experiences people live through, people cannot and do not continue to talk about all of their experiences indefinitely. Memories of experiences are less likely to come to mind over time. Indeed, the majority of memories that people remember and think about have recently occurred (Crovitz and Schiffman 1974). Yet, since consumers have a strong desire to retrospect about their recent experiences, they may underestimate the difficulty of bringing past experiences to mind. Thus, we suggest that consumers systematically overestimate how much they will retrospect about an experience and inadequately recognize the need for reminders and queues to aid in reminiscing. We provide evidence of overestimation and demonstrate that this is motivated by a desire to talk about the experience.

In a first study, 220 participants were asked to consider an experience that had occurred 3-6 months in the past or that will occur 3-6 months in the future. After describing the experience, participants indicated how often they did (past condition) or will (future condition) think about and talk about the experience during the two months following the experience. Next, they rated the experience on a number of dimensions. As expected, participants who had written about an upcoming experience predicted they would retrospect about the experience more often than did participants who had written about a past experience ($F(1, 157) = 15.08$, $p < .001$). This result held when adjusting for differences in participants' perception of their experience ($F(1, 154) = 8.18$, $p = .005$) and when adjusting for the type of experiences people wrote about ($F(1,117) = 8.79$, $p = .004$). Thus, people considering a future experience predict more frequent retrospection than participants report having done after a past experience.

Study two conceptually replicated study 1 while holding the type of experience constant. Ninety-six participants wrote about a trip they took either the previous summer or one they expected to take the following summer. The dependent measures and trip ratings were the same as used in study 1. As expected, participants who had written about an upcoming trip predicted more frequent retrospection than participants in the past condition ($F(1, 77) = 19.53$, $p < .001$). This result held when adjusting for differences in ratings of the trips ($F(1, 75) = 13.11$, $p = .001$).

Study 3 was designed to rule out misconstrual of the future experience as an explanation for the overestimation of future retrospection. Therefore, in Study 3, participants attending the U.S. Open provided estimates of future retrospection a day *after* they attended the tournament and provided estimates of actual retrospection two months later. As predicted, participants predicted they would talk about the U.S. Open experience more often than they reported having done at time 2 ($F(1, 139) = 259.62$, $p < .001$). This overestimation was moderated by participants' ratings at time 1 of their willingness to recommend the experience ($F(1, 138) = 10.46$, $p = .002$). These findings indicate that the overestimation is not simply misconstrual of a future, unknown experience, and that it is more pronounced for people who feel more positively about the experience—suggesting a motivational process.

In study 4, we replicate the results of study 3 with an experience for which retrospection should be an important contributor to the value of the experience: an African safari. A group going on an African safari completed the survey days after returning to the U.S. and completed a follow-up survey two months later. In this study, we measured the estimated frequency of looking at pictures of the event rather than the estimated frequency of thinking about the event, since the former should be easier to objectively recall at time 2. Replicating earlier studies, participants overestimated how much they would retrospect about the safari ($F(1, 26) = 21.42$, $p < .001$). In line with a motivational explanation, this overestimation was moderated by how much participants reported wanting to talk about the trip at time 1 ($F(1, 25) = 6.078$, $p = .021$).

In a fifth study, we examine whether this overestimation is specific to hedonic experiences or whether participants overestimate how frequently they will retrospect about anything. Thus, participants were asked to forecast how much they would talk about and think about a purchase that was either an experience or a material good. At time 2, participants indicated how often they did in fact talk about and think about the purchase in the month following the purchase. Since material goods are physical reminders that persist, we expected that overestimation would be unique to experiences. As predicted, a repeated measures ANOVA indicated a significant interaction of time by purchase type ($F(1, 73) = 8.407$, $p = .005$). Participants (marginally) overestimated how often they would retrospect about their experiences ($F(1, 73) = 3.25$, $p = .076$), but *underestimated* how often they would retrospect about their material purchases ($F(1, 73) = 5.16$, $p = .026$). To further establish the robustness of these findings, we are currently also running two additional field studies, one with attendees at an electronic music festival, and one with participants in fun runs around the country.

“Questioning the End Effect: Endings Do Not Inherently Have a Disproportionate Impact on Evaluations of Experiences,” with Tom Meyvis, under review at *Journal of Experimental Psychology: General*.

This research adds to the existing understanding of how the structure of an experience affects its overall evaluation, by reexamining one of the most basic findings in this area: the end effect. The end effect suggests that people’s retrospective evaluations are disproportionately influenced by the end of the experience (e.g., Fredrickson and Kahneman 1993). Although there have been many demonstrations of the end effect, prior research also has identified several boundary conditions under which the effect fails to obtain (e.g., Miron-Shatz 2009). In the current work, rather than examining boundary conditions, we revisit the basic effect to test if the end of an experience is in fact inherently over-weighted. While we certainly acknowledge that endings can have a disproportionate impact on retrospective evaluations, our findings suggest that this is not due to an inherent over-emphasis of the end of an experience, but rather because of specific additional properties of the end in certain settings.

In study 1, 303 participants listened to one of two sound clips of a vacuum cleaner noise. The clips were identical, but reversed in sequence, such that the ending was either softer (better-end) or louder (worse-end) than average. Participants in the better-end condition ($M = 6.93$) rated the end of the clip as significantly better than participants in the worse-end condition ($M = 3.47$, $F(1, 294) = 273.67$, $p < .001$). In spite of this effective manipulation, participants in the two conditions did not differ in their overall irritation with the clip ($M_{\text{BetterEnd}} = 6.69$, $M_{\text{WorseEnd}} = 6.96$; $F < 1$). Thus, changing the ending of an aversive sound by re-arranging its parts did not change the retrospective evaluation of that sound, even in a sufficiently powered study with a highly effective manipulation. The remaining studies reconcile our inability to find an end effect in this study with previous demonstrations of the effect.

We first turned to previous demonstrations that retrospective evaluations of an aversive experience improve when a better (less aversive) end is added to it. We specifically tested whether this effect was due to an improvement in the average of the experience rather than an over-weighting of its final moments. Thus, in study 2, 260 participants were assigned to listen to one of three noise profiles: better-middle, better-end, and added-end. The better-middle and better-end sound clips were equally long but differed in whether a less aversive (i.e., better) segment was positioned in the middle versus at the end. The added-end sound clip was based on the better-middle clip, but extended it with an additional, less aversive segment at the end of the clip. Thus, the better-middle and the added-end clips differed in both average intensity and the intensity of the end (as in previous demonstrations), whereas the better-middle and better-end clips had the same average intensity and only differed in the intensity of the end. Replicating previous demonstrations, participants in the added-end condition ($M = -0.10$) reported less irritation with the noise than participants in the better-end ($M = 0.00$) and better-middle conditions ($M = 0.11$, $F(1, 220) = 4.43$, $p = .036$). However, there was no significant difference in irritation between the better-middle and better-end conditions ($F < 1$), indicating that the intensity of the end didn’t matter when average irritation was held constant.

Study 3 (with 912 participants) conceptually replicated study 2 using positive stimuli by creating compilations of music. Since the overall experience was positive, we added a less enjoyable component to the experience for some participants, and varied the positioning of this component. Not surprisingly, participants in the control condition enjoyed the music compilation more (M = 6.76) than did participants who had a less enjoyable part added, either to the end (M = 6.50) or to the middle (M = 6.58, F(1, 880) = 4.37, p = .037). There was no significant difference between the last two conditions (F<1). Thus, while adding a less enjoyable component lowered evaluations, the positioning of this component did not matter. In sum, studies 2 and 3 indicate that adding a better (or worse) end changes evaluations by changing the average, rather than by changing the end in particular.

In studies 4 and 5, we turn to prior research that has observed end effects in studies that manipulated the structure of the experience within-subjects. Specifically, we examined whether encouraging participants to rely on the structure of the experience (by providing them with multiple experiences that vary only in structure) would increase the impact of the end of the experience. In study 4, participants listened to two aversive sounds that were identical, but reversed in sequence, such that one ended well and one ended poorly. The order of the sounds was counterbalanced. The within-subject analysis replicates previous demonstrations of the end effect: participants rated their better-end experience as less irritating than their worse-end experience, F(1, 198) = 72.85, p < .001. However, the between-subjects analysis indicates that we need to be careful in the interpretation of this effect. At time1, there was no difference in irritation between participants who listened to the better-end sound (M = 6.56) and those who listened to the worse-end sound (M = 6.69, t < 1). It was only at time2 that participants who listened to the better-end sound (M = 7.42) reported less irritation than those who listened to the worse-end sound (M = 5.88, t(198) = 7.31, p < .001).

Study 5 conceptually replicated study 4 using positive stimuli. The within-subject analysis replicated the end effect as demonstrated in prior research (F(1, 487) = 15.40, p < .001). However, between-subjects contrasts indicated that, at time1, there was no difference in enjoyment between participants who received the worse-end experience (M = 6.28) and those who received the worse-middle experience (M = 6.20, F < 1). Only at time2 did participants who received the worse-end experience (M = 5.97) rate their experience as less enjoyable than those who received the worse-middle experience (M = 6.27, F(1, 487) = 5.10, p = .024). In other words, the end effect did not appear until participants were exposed to both experiences—at which point they may have relied on their lay beliefs about the ideal structure of experiences (“ending on a high note”).

Finally, in Study 6, we examine the relationship between the overall evaluation of an experience and ratings of distinct components of the experience using field study data from participants in an obstacle course fun run. After the run, participants were asked to rate their satisfaction with the race in addition to rating each individual obstacle, as well as providing an overall rating of the obstacles. Although the final obstacle was a significant predictor (β = 0.24, t(737) = 6.61, p < .001), out of the eleven other obstacles on the course, nine were better predictors of participants’ satisfaction than the rating of the final obstacle. As an alternative test of the special status of the final event, we also regressed participants’ satisfaction with the race on both the overall rating of the obstacles and the individual rating of the final obstacle. Once the overall rating of the obstacles was taken into account, the rating of the final obstacle did not contribute significantly to the prediction of overall satisfaction with the race, $\beta = 0.05$, $t(747) = 1.54$, NS. These results suggest that, when people can cleanly separate the different components of an experience, then the rating of the final component is not a privileged determinant of the overall evaluation.

SELECTED SHORT RESEARCH ABSTRACTS

"I Want It Now! The Perceived Time Sensitivity of Experiences and Material Goods," with Eesha Sharma.

Nearly 50% of Americans hold a credit card balance and the average American household has over $7,000 in credit card debt; yet, much remains unknown about the psychology underlying borrowing decisions. The current research examines how characteristics of the underlying expense might influence willingness to borrow, and specifically willingness to borrow for discretionary purchases. Previous research suggests that consumers prefer to attach debt to purchases with a longer physical lifetime to match payment duration to consumption utility. Despite this preference, we demonstrate that when purchase decisions are made separately and when the purchase decision means the other option is foregone, people are willing to incur more debt for experiences (vs. material goods) specifically because these purchases are not long-lasting. That is, in contrast with a desire for long-lasting purchases, consumers are more willing to incur debt for experiences because their ephemeral nature makes the purchasing of experiences appear more time-sensitive. When material goods are equally time-sensitive, the difference in willingness to borrow for experiences and material goods is attenuated.

"Evaluating Experiences: The Effect of Evoking Goals versus Expectations," with Amar Cheema and On Amir

This research provides evidence that a consideration of goals versus expectations for an experience leads to higher satisfaction due to the motivational component of goals. A field study of movie goers provides initial evidence that consideration of goals (vs. expectations) leads to more positive evaluations and to higher likelihood of recommendation. Using music clips, study 2 shows that this effect is dependent on a person's ability to use motivated reasoning. Evoking goals (vs. expectations) before listening to a pleasant music clip leads to higher recommendation likelihood. When the music clip is unpleasant, however, the experience clearly does not meet predictions and the effect of goals versus expectations is attenuated. Exploring the motivational account, study 3 reveals that focusing on goals (vs. expectations) increases the reported importance of meeting predictions, and this variable mediates the effect of framing (goals vs. expectations) on recommendation likelihood.

REFERENCES

Tom Meyvis (Dissertation Chair)
Professor of Marketing
Stern School of Business
New York University
Email: tmeyvis@stern.nyu.edu

Vicki Morwitz
Professor of Marketing
Stern School of Business
New York University
Email: vmorwitz@stern.nyu.edu

Hal E. Hershfield
Assistant Professor of Marketing
Anderson School of Business
University of California Los Angeles
Email: hal.hershfield@anderson.ucla.edu

Yaacov Trope
Professor of Psychology
New York University
Email: yaacov.trope@nyu.edu