

Ambitious goals = satisfaction

August 17 2011

Consumers who set ambitious goals have a greater level of satisfaction compared to those who set conservative goals, according to a recently published paper by the Cecile K. Cho, a University of California, Riverside assistant marketing professor.

Cho and her co-author and Gita Venkataramani Johar, a professor at Columbia University, set up two experiments to compare people who set ambitious [goals](#) to those who set conservative goals. They focused on situations in which goals were achieved, and measured the level of satisfaction with the achieved goals.

"The moral of the story is don't sell yourself short," Cho said. "Aim high."

The paper, "Attaining Satisfaction," has been published online in the [Journal of Consumer Research](#). It will appear in the December issue of the journal.

The paper aimed to answer whether lowering expectations helps manage happiness. The question was answered through two experiments.

In the first one, 134 participants were asked to set a target rate of return that they would be satisfied with and asked to pick from a percentage range of 6, 8, 10, 12, 14, 16, 18 or 20. Low goal setters were defined as those who set the rate at 14 percent or lower. High goal setters were those who set the rate at greater than 14 percent.

Participants were then asked to allocate their \$5,400 budget by picking three of 20 fictitious stocks presented to them.

After a 10-minute filler task, participants received the return of their stock portfolio, handwritten by the experimenter so it matched their goal. Participants were led to believe their stock allocation had been entered into a database to get actual returns.

The experimenters then concocted three feedback scenarios.

In the first one, only the stock performance information was provided. This is called the "default" condition of interest. In the second one, the participants were first told the typical return of stocks was 6 percent to 20 percent and then told how their stocks performed. In the last scenario, participants were first reminded what their goal was and then told how their stocks performed. Participants were then asked to rate their satisfaction on 9-point scales.

Of interest is whether all participants, who achieve their goals, are similarly happy. Existing research would predict that those who achieve their goals should be satisfied. Results suggested otherwise.

In the first "default" scenario, high goal setters average satisfaction was 7.85 while low goal setters were at 6.53.

In the third scenario, where the range of possible outcomes was reiterated, a similarly large gap occurred between high-goal setters (8.57) and low goal setters (6.98).

In the second scenario, where participants were reminded of their goal, the gap in happiness level between the two groups disappeared, with high goal setters at 7.72 and low goal setters at 7.46.

This suggested that when people set goals, they don't necessarily recall this goal to evaluate their performance, but recruit a higher comparison point to do so. This upward comparison process likely negatively impacts their satisfaction with the performance of their portfolio.

A second experiment involving puzzles found similar results.

The paper is one of several about happiness and goals written or planned to be written by Cho, whose research focuses on consumer motivation and satisfaction.

A paper she co-authored in the October 2010 issue of the Journal of Consumer Research looked at consumer decisions when confronted with similar products with different features in a controlled experimental setting. She and her colleagues demonstrated consumers who experience heightened conflict due to their shifting motivational state are more likely to be swayed by irrelevant information which often leads to suboptimal choices.

Future papers will look at the reasons people lower their goals and sequential goal setting, in other words if you reach your first goal how does it impact setting a second goal.

Provided by University of California - Riverside

Citation: Ambitious goals = satisfaction (2011, August 17) retrieved 26 April 2024 from <https://phys.org/news/2011-08-ambitious-goals-satisfaction.html>

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