

Under the influence: Reminders of money impact consumer decision-making

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When reminded of money (not cost), consumers are more likely to evaluate a new product based on its primary features or brand name, according to a new study in the *Journal of Consumer Research*.

"Money and symbols of money are ubiquitous in our daily consumer environment, and money is linked to [social resources](#) such as security, status, power, confidence, and freedom. Mere reminders of money have the potential to signal confidence and strength and thereby impact consumers when making decisions," write authors Jochim Hansen (University of Salzburg), Florian Kutzner (University of Heidelberg), and Michaela Wänke (University of Mannheim).

Consumers encounter money or symbols of money all the time. We earn, save, spend, or possibly lose money. We physically handle bills and coins. We are reminded of money by proverbs (e.g., A penny saved is a penny earned), songs (e.g., Money, Money, Money), and movie titles (e.g., The Color of Money). Given the importance of money in our lives, it is important to understand the psychological implications of such frequent reminders of money.

In a series of studies, the authors found that reminders of money caused consumers to think more abstractly and focus on the primary [features](#) of a product instead of its secondary features. For example, we might wonder if a television has great picture or [sound quality](#) and not pay any attention to the warranty. Or we might think about whether a yogurt is healthy or tasty but ignore the package design. Additionally, consumers

reminded of money are more likely to evaluate a new product based on its brand name instead of its individual features. For example, we might think that a new bike by Mercedes must be good because Mercedes is a good brand and ignore its actual features.

"Our studies show that reminders of money influence [consumer decision](#)-making. Consumers should keep this in mind when choosing products, because they may overlook certain features when reminded of [money](#)," the authors conclude.

More information: Jochim Hansen, Florian Kutzner, and Michaela Wänke. "Money and Thinking: Reminders of Money Trigger Abstract Construal and Shape Consumer Judgments." *Journal of Consumer Research*: April 2013.

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