

Believe in the American dream? You're less likely impulse buy, study finds

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Credit: University at Buffalo

When materialistic consumers believe in the American dream—that it's possible to improve their economic status through hard work—they are less likely to spend impulsively, according to new research from the University at Buffalo School of Management.

"When [materialistic people](#) believe they have the power to change their financial circumstances, they're more likely to save money and focus on long-term success, rather than the short-term pleasure of having the

latest technology or products," says Sunyee Yoon, PhD, assistant professor of marketing in the UB School of Management.

Conversely, those who were pessimistic about their potential to move up the economic ladder were less likely to regulate their impulse spending, according to the study, published in the *Journal of Marketing Research*.

However, the research also found optimistic consumers were likely to make unplanned purchases if they thought those products could help achieve their goals (for example, new shoes or clothing for a job interview).

Yoon and her co-author, Hyeongmin Christian Kim, PhD, associate professor in the Johns Hopkins University Carey Business School, conducted four studies with urban consumers and university students. In each study, the researchers randomly assigned participants to two groups, manipulated their perceptions of economic mobility with news reports and measured their likelihood to spend impulsively.

"For marketers, it's important to understand that you can influence perceptions of the American dream depending on your goals," Yoon says. "It's the difference between choosing a spokesperson like Oprah, a self-made billionaire who grew up in poverty, or Paris Hilton, an heiress and reality TV star."

Yoon suggests financial institutions and nonprofits looking to reduce consumer spending and debt consider showcasing examples of the American dream in their marketing. In addition, she advises marketers to research perceptions of [economic mobility](#) in other countries before planning international ad campaigns.

"Research shows that three in four Americans have made impulse purchases, and that the average American saves less than 5 percent of his

or her income," Yoon says. "Our findings show one way public service campaigns could try to moderate excessive spending."

Provided by University at Buffalo

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