

Break the attachment before selling your stuff, study says

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Credit: Savanna Richardson/ BYU

Ever tried to sell something you've owned for a while on Craigslist and found that no one is willing to pony up what you're asking?

It's because you're asking too much.

Economists have long studied this phenomenon—people overvaluing an [object](#) simply because they own it—but few agree on why exactly it happens. Academics even have a name for it: the "WTA-WTP disparity," meaning the difference in a seller's "willingness to accept" and a buyer's "willingness to pay."

In an effort to better understand this fascinating human behavior, BYU marketing professor Tamara Masters and her coauthors Arul Mishra and Himanshu Mishra from the University of Utah, decided to go outside [economic principles](#) and apply a bit of neuroscience and psychology. Their study, appearing in the *Journal of Neuroscience, Psychology and Economics*, finds that people who are asking too much for something are experiencing both physical attachment and loss aversion to that object.

"If you're finding that no one is willing to buy something from you for the price you're asking, then your price is wrong," Masters said. "You're too attached and you don't want to lose it."

Being "too attached" means that possession of an item changes someone's perceptions of an object, leading them to actually see it as a reflection or extension of themselves. Meanwhile, loss aversion is when the pain of losing an object is greater than the pleasure of gaining it.

For her study, Masters manipulated subjects so that many of them developed an actual physical attachment to an object—in this case, a mug. To do this, she adapted a well-known visual-tactile experiment from neuroscience where a participant put their hand in a box with the mug placed on top. The researcher then tapped the mug with one hand (which the participant saw) while simultaneously tapping the subject's hand inside the box (which they felt).

Those participants, of which there were more than 400, were then shown the same mug and asked to name a selling price. They found those who

reported developing a unique sensation or attachment to the mug asked for much more money (\$6.00) than those who did not gain that attachment (\$4.77).

"We have biases we don't even know that we have that affect our decisions," Masters said. "If you find personal [attachment](#) or hate to let go of things that become yours, you will struggle to sell them at market value. Some people get attached to objects and others hate losing objects. If you have both of these things, you will sell them for much more than buyers in the market think they are worth."

This is often the case with entrepreneurs, she said. Since entrepreneurs put a lot of personal effort—"blood, sweat and tears"—into their products, they tend to perceive them as having a higher value than they actually do to the consumer.

So, a bit of advice to those looking to make a few bucks from the classifieds: Don't become attached to things and don't be afraid to lose them.

"Easier said than done," Masters said.

Provided by Brigham Young University

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