Lacking a Resource of Being One: Money Scarcity Versus Time Scarcity Differentially Shape Self-Value and Product Judgments

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This research shows that feelings of money (vs. time) scarcity can lead to different levels of self-deservingness. When individuals are feeling money (vs. time) scarcity, people make negative (vs. positive) self-inferences. The difference in the self-inferences subsequently affect individuals' perceptions of deservingness.

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Lacking a Resource or Being One: Money Scarcity versus Time Scarcity Differentially Shape Self-value and Product Judgments

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EXTENDED ABSTRACT

In this article, we investigate how time scarcity and money scarcity differentially affect consumer’s subjective assessment of the self-value via altering consumer’s view of the self as a resource.

Time and money are both primary resources that are used to achieve certain ends (Becker 1965). However, consumer researchers have shown that time is systematically different from money in multiple ways (Leclerc et al. 1995; Mogilner and Aaker 2009; Okada and Hoch 2004). One important difference between time and money is that money does not require the self as an actor to have its value and meaning but time is bounded with the self to have its value and meaning. Money is a medium of exchange that has a fixed value (Leclerc et al. 1995; Okada and Hoch 2004; Saint and Monga 2008). However, time is by its definition, an experience that the self is connected to (Liu and Aaker 2008; Mead 1934; Reed et al. 2007).

We suggest that due to this difference in interconnectedness of the self and the resources, the self-inferences that people make when feeling time (vs. money) scarcity can be different. Because money is not bounded up with the self, the self-inference that people make when feeling money scarcity is simply that ‘I don’t have the resource’. Money is a tangible resource that one can possess (Macdonnell and White 2015) and be used to exchange with desirable outcomes. Thus, people who are feeling money scarcity may have a negative self-inference such that they lack the scarce and important resource. However, time is a resource that the self is at root (Flaherty and Fine 2002; Mead 1932), thus scarcity of time entails meanings other than simply not possessing the resource. Because individual’s activities and experiences translates into spending time (George and Jones 2000; Mead 1932), lack of time means the shortage of the self as an actor who needs to take multiple roles at the same time (Jabs and Devine 2006; Kaufman et al. 1991). Thus when feeling time scarcity, people may have a positive self-inference such that ‘I am the scarce resource’, over and above the negative inference of ‘I don’t have the scarce resource’.

We further suggest that this relative difference in self-inferences will differentially affect consumer’s self-value. We suggest that the desirability and positive aspects of scarcity can be applied to the self when making the positive self-inference that further leads to greater self-value. We measure the self-value through a variety of self-related variables such as self-esteem, self-importance, and self-achievement. Such increased self-value shapes consumer’s preference towards products that reflect the higher self-value such as choosing higher priced products and better evaluations of products that pitch the self as ‘being worth it’ or special. Furthermore, to test that these effects are driven by the positive self-inferences, we document conditions when time scarcity does not lead to favorable self-inferences (i.e., low personal control) and when money scarcity leads to more favorable self-inferences (e.g., when the scarcity arises from prioritization).

The objective of study 1 is to show that time (vs. money) scarcity leads to increased positive self-inference, which further affects consumer’s responses. We used pre/post measure of positive and negative self-inferences to test this link. We found that both time and money scarcity led to greater negative self-inference (i.e., I lack the scarce resource). However, we found that only time (vs. money) scarcity led to greater positive self-inference (i.e. I am the scarce resource). Moreover, we found that the increased positive self-inference significantly predicted self-value (e.g., self importance, self-esteem) and self-value significantly predicted consumer’s preference towards self-value promoting advertisement. We found a serial mediation in this study.

In study 2, we showed the effect of time (vs. money) scarcity on positive self-inference can be switched off by using personal control as a moderator. If time scarcity leads to greater positive self-inference because spending time requires the self as an actor, then those who perceives themselves as unable to change the outcome will be less likely to infer that they are the scarce resource. As predicted, we replicated our previous effect that time (vs. money) scarcity leads to greater positive self-inference, among those who have high personal control. However, we found that such difference was diminished among those who have low personal control.

In study 3, we showed that money scarcity effect can be switched on. If money scarcity does not lead to positive self-inference because the self as an actor is not salient to consumers, then highlighting the positive role of the self should boost their positive self-inference. We tested this using the self as the source of scarcity. Those who view themselves as a positive source of scarcity (i.e. feeling scarcity because the self was prioritizing the use of resource), we should see that even money scarcity leads to greater positive self-inference. However, those who view themselves as a negative source of scarcity (i.e., feeling scarcity because the self mismanaged the use of resource), we should replicate our previous effect. We used 2(money scarcity vs. time scarcity) x 2(prioritization vs. mismanagement vs. control) between subjects design. We replicated our previous findings in the control and the mismanagement condition, such that time scarcity condition indicated greater positive self-inference and preference towards indulgent product than the money scarcity condition. However, within the prioritization condition, the money scarcity condition showed increased positive self-inference and increased preference towards indulgent product.

Our findings suggest that compared to money scarcity, time scarcity leads to positive self-inference whereas both time scarcity and money scarcity lead to negative self-inference. This is due to that time is more bounded with the self, such that spending time cannot be done without the self as an actor. Such positive self-inference leads time (vs. money) scarce people to have greater assessment of self-value.

REFERENCES