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PERSONALITY AND SPENDING DECISIONS

The following information is related to a study you may have participated in during December of 2021. If you participated in this study, you completed an online survey (via Prolific) about several personality traits and hypothetical spending decisions.

The main personality trait of interest to this research was self-compassion, or how kindly we treat ourselves during times of struggle. One of the questions this study tried to answer was, how does self-compassion affect our consumer decisions and spending behaviours?

In previous research, being more self-compassionate has already shown the potential for reducing defensive behaviours when we feel insecure or threatened. Spending money on identity- or status- bolstering items can also be seen as a defensive behaviour, especially for people who have relatively more materialistic values.

Therefore, the goals of this study were (1) to determine if self-compassion can predict less spending using multiple measurements of spending, (2) to compare these relationships between participants who are higher vs. lower in materialism, and (3) to control for other personality variables that could be related to both self-compassion and spending.

KEY FINDINGS

Did self-compassion predict less spending? Yes and No. For some of our spending decisions, higher self-compassion predicted lower spending. In particular, having higher self-compassion predicted less compulsive buying. However, there were situations in which self-compassion predicted greater spending, such as how much participants were willing to pay for a luxury or high-status item.

At least in the North American cultural context of this study, so-called “consumerist” spending has turned more and more toward buying large quantities of flashy, inexpensive, and disposable items (e.g., fast fashion trends). Therefore, if highly self-compassionate individuals engage less in compulsive buying but are also willing to pay more for items that they may perceive as having lasting value, these observations may be less opposite than they first appear and both point to less “consumerist” decision-making and behavior.

Was this effect greater or smaller for materialists? In some instances, as we predicted, the effect of self-compassion on our spending decisions was greater for those who were high materialists. Again, self-compassion predicted less compulsive buying, and this was especially true for those who were high materialists. Thus, it was among individuals with the strongest value-predisposition to use spending as a means of bolstering their identity or status that we saw the strongest influence of self-compassion as a means of protection against compulsive buying.

Did these relationships stay the same when controlling for other variables? For the most part, Yes. We could not eliminate tendencies toward low neuroticism, high social desirability, or high self-esteem as potential explanations for at least some findings. This could mean, for example, that it was self-esteem rather than self-compassion that was responsible for higher willingness to spend on luxury or high-status items.

FUTURE DIRECTIONS

This study shows that individuals' self-compassion may predict their spending behaviours. Most reliably, we found that those who were higher in self-compassion engaged less in compulsive buying, especially if they were also high in materialistic values. Since this research was correlational and cross-sectional, we cannot infer cause-and-effect relationships from the present findings. Future research could use randomized experimental and control groups to determine if raising individuals' self-compassion has similar consequences for spending as were observed here, and if these effects extend from hypothetical spending decisions to actual ones.

If you have any questions or concerns about this study, please contact:

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Thank you again for your participation!