

Put Away That Credit Card!

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By Sharon Begley

Memo to Mitt Romney: do not—I repeat, do not—try to get over your disappointment over your failed campaign by going shopping. Or buying a company. Or even buying stocks. If you do, you are likely to overpay by at least 300 percent.

A few years ago scientists caught up with what many women who have had their heart broken knows: there's nothing like new shoes, or new anything, to lift your mood. Called retail therapy, the idea is that "comfort items" distract you from your sadness, or at least counterbalance it a little. But in 2004 scientists led by Jennifer Lerner, who is now at the Kennedy School of Government at Harvard, reported a worrisome relationship between heart strings and purse strings: feeling blue makes you willing to pay more for stuff. That ran counter to the prevailing view in psychology, namely that feeling lousy makes you devalue things. That is, when you're blue neither a good movie nor a great dinner are as appealing as when you're in a good or even a neutral mood.

Now she and colleagues think they have figured out why unhappy people tend to overpay. In a study to be published in June in the journal *Psychological Science* and that she is presenting tomorrow, February 9, at the annual meeting of the Society for Social and Personality Psychology, Lerner and her team find that thinking intensely about yourself—what they call self-focus—explains the connection between sadness and overpaying.

In their new study, the scientists recruited smart, quantitatively-oriented volunteers (that is, lots of Harvard students). Each volunteer received \$10 just for showing up. Then each settled into a cubicle and watched a short film clip, either from a tearjerker ("The Champ") or a neutral film (on the Great Barrier Reef). The first was meant to make them feel sad, the second to have no emotional effect. Finally, each participant wrote an essay, on how the film made them feel or on their daily activities, that the scientists analyzed for how many times self-y words like "I," "me" and "my" appeared.

Then came the test. Each volunteer was given the chance to buy a sporty, insulated water bottle, at prices from \$10 to 50 cents in 50-cent increments. Those who were made a little sad by the film, and who wrote self-centered essays, were willing to pay an average of \$2.11 for the bottle. Those in a neutral mood paid 56 cents, barely one-quarter as much. Yet the volunteers who felt a little blue insisted their mood had no effect on their spending decision.

Lerner explains this "misery is not miserly" effect by invoking people's need to make themselves whole. Sadness leads people to devalue their self image; they try to repair that by buying stuff, and are willing to pay more because making the self whole again matters so much. Why people don't try to restore their sense of self and lift their mood by, say, helping little old ladies across the street remains a mystery, though certainly a welcome one for the nation's retailers.

Lerner doubts people can avoid this effect by, say, realizing that sadness will make them overpay. "If anyone should be able to think themselves out of this, it was our volunteers, who were all smart and very quantitative," she says. But the volunteers denied that their mood had any effect on their spending decision. Instead, says Lerner, "all you can do is change the situation. If you're feeling sad put some time between that and your decision to spend money. If you're negotiating a price, don't do it when you're in a down mood." Or, she says, take the focus off yourself and your misery by helping others—even that little old lady.