

# MKT3429: INDEPENDENT STUDY MODULE IN MARKETING: THE MARKETING OF HAPPINESS Final Report

Prepared by:

Wen Dezhi (U098457N)

**Prepared for:** 

Dr Tambyah

**Date of Submission:** 

4 December 2013

# TABLE OF CONTENTS

INTRODUCTION	3
CONCEPTUAL BACKGROUND	3
What is Happiness	3
Hedonic vs. Utilitarian Products	4
The "Experience Recommendation"	5
Small, Frequent Purchases for Happiness	6
Benefits of Selling Happiness	7
RESEARCH QUESTIONS	9
RESEARCH METHOD	9
Stimuli	9
Conceptual Model	10
Sample and data	10
FINDINGS & DISCUSSION	11
Food – The Happy Product Category	11
Experiential vs. Material Products	12
Brand Environment Mediates Credibility of Happiness	
Advertising	14
Prior Experiences Affects Purchase Intent	15
Brand Loyalty	16
Competition	17
Happiness – A "Cheaper" Emotion	18
FURTHER DISCUSSION	20
CONCLUSION	21
REFERENCES	22
APPENDIX I	i
ADDENDIV II	137

#### INTRODUCTION

Over the past decade, the concept of happiness has been researched extensively across different disciplines such as psychology, economics and sociology (Diener & Chan, 2011; Diener & Seligman, 2002; Dunn, Aknin & Norton, 2008; Easterlin, 2003; Kahnemann et al., 2004, 2006; Lybomirsky, Sheldon & Schkade, 2005; Mogilner, 2010; Van Boven & Gilovich, 2003). The level of consumption is assumed to have a positive relationship with consumer utility, implying a higher level of satisfaction, or happiness, when one consumes more (Dutt, 2006). In recent years, consumer research theorists have begun to explore the finer details in this relationship, especially in relation to brands.

Happiness-related messages have similarly increased in advertisements by consumer brands, with brands across different product categories utilizing happiness as a positioning or an advertising message for their campaigns. Some of these brands include hedonic products such as soft drinks (Coca-Cola), chocolates (Cadbury) and perfumes (Clinique), and more utilitarian products such as cars (BMW), mobile service providers (Starhub), and furniture (Ikea). However, since research into happiness and consumption is still in its infancy, little attention has been devoted to the investigation of how different product categories are viewed by consumers in relation to happiness. A deeper understanding of what consumers think about of different product categories could elucidate the effectiveness of happiness-related messaging for brands.

#### CONCEPTUAL BACKGROUND

#### What is Happiness?

Happiness in this study is defined as "a preponderance of positive affect over negative affect" (Lyubormirsky, King & Diener, 2005) or "feeling good, enjoying life

and wanting the feeling to be maintained" (Layard, 2005), as well as "a personal experience of joy, contentment, or positive well-being" (Lyubormirsky, 2001; Lyubomirsky, Tkach, & DiMatteo, 2006). This is synonymous with "subjective well-being", which is defined as "people's overall evaluation of their lives, including a cognitive evaluation of one's life satisfaction and the balance of the frequency of positive and negative emotions" (Hellén & Sääksjärvi 2011; Diener, 1984).

Happiness is contrasted against "life satisfaction", which is an evaluation of one's satisfaction in specific life domains such as family, work, health, etc. (Diener et al, 1999). This form of satisfaction differs from happiness in that it is a cognitive judgment of one's quality of life whilst happiness entails an affective element.

Although general consumption might reasonably increase life satisfaction of individuals through higher utility, it is difficult to conceive that consumption of specific brands would have significant impact on one's satisfaction with life.

#### Hedonic vs. Utilitarian products

Consumers generally purchase goods and services for different reasons. Batra and Ahtola (1991) claimed these reasons are either hedonic or utilitarian in nature. Hedonism refers to the experience of sensations felt when buying or consuming a product, while utilitarianism refers to the desired functions performed by the product (Voss, Spangenberg & Grohmann, 2003). Hedonic consumption is associated with "increased arousal, perceived freedom, fantasy fulfillment, escapism, and heightened involvement" while utilitarian consumption is often related to tasks and rational thought (Babin, Darden & Griffin, 1994). Although most products and services are a combination of both hedonic and utilitarian, Okada (2005) argues that it is possible to classify a product as more hedonic or more utilitarian, i.e. providing mainly utilitarian or hedonic benefits to consumers.

Hedonic products are associated with pleasure and fun, and can elicit positive affect (Hirschman & Holbrook, 1982). Hedonic product consumption has also been found to have indirect effects on happiness by improving consumers' satisfaction within relevant life domains (Zhong & Mitchell, 2010). Hence, it can be expected that a happiness positioning of hedonic products would have a higher effectiveness as compared to utilitarian products.

#### The "Experience Recommendation"

Scitovsky (1976) suggested decades ago that consumption might have a negative impact on happiness because consumers often purchase material goods that lead to comfort but not pleasure. Similarly, Robert Frank (2004) warned against the accumulation of "conspicuous goods" in order to find happiness. These findings seem to run counter to economics intuition and suggest that consumption would lead to unhappy lives.

However, researchers do suggest that there are some types of consumption that might increase happiness. Nicolao, Irwin & Goodman (2009) found that consuming experiential goods led to higher levels of happiness as compared to material goods. This was coined the "experience recommendation". Material goods are distinguished from experiential goods based on the intention of purchase.

Material goods are purchased with the intention to own and possess something physical for an extended period of time. Experiential goods, on the other hand, are purchased with the intention to gain some sort of experience. They are intangible and lasts only for a short period of time (Van Bowen & Gilovich, 2003). Building on the experience recommendation, Nicolao, Irwin & Goodman (2009) found that participants recorded higher levels of happiness when asked to think about an experiential good as compared to a material good. Nicolao (2009) theorized that this

effect was due to the slower hedonic adaptation to experiences as compared to tangible goods. Since experiences exist only in memory and cannot be compared across different individuals, the adaptation process is slower as compared to a tangible good, which has a physical form that serves as a reminder of the product.

It has also been further recognized that the material/experiential distinction is a continuum, implying that it is possible to locate different products along this continuum (Nicolao, Irwin & Goodman, 2009). Based on the experience recommendation, we would then expect products that are more "experiential" to make consumers happier. Products that are more "experiential" would be consumed with the intention of experience, and last only for a short period of time in contrast to products that are more "material", which would be consumed with the intention of possession for a long time. Hedonic products can therefore be seen as more "experiential" since they are consumed for the experience of pleasure, while utilitarian products can be seen as more "material" since their purposes are more functional and long-lasting.

#### Small, Frequent Purchases For Happiness

Consuming smaller amounts at a frequent rate was also found to bring about higher levels of happiness as compared to consuming larger amounts at a lower frequency (Dunn, Gilbert & Wilson, 2011). This was consistent with the findings by Zhong & Mitchell (2010), where smaller more frequent consumption of low-cost hedonic products was found to make consumers happier than less frequent consumption of high-cost hedonic products. Dunn, Gilbert and Wilson (2011) advised consumers to "buy small pleasures instead of few big ones", indicating that the size of purchase would also impact happiness levels. Diener, Sandvik and Pavot (1991) found that happiness is more strongly associated with frequent positive

affective experiences rather than isolated but intense ones. It is suggested that small and frequent pleasures are better than larger ones because consumers are less likely to adapt to the smaller purchases due to their higher chances of being uncertain, surprising and varied. This delayed adaptation process is similar to that explained by Nicolao (2009) for experiential goods, strengthening the case for low-cost hedonic products that are closer to the "experiential" end of the continuum to be perceived as happier by consumers as compared to high-cost utilitarian products that are at closer to the "material" end of the continuum.

#### **Benefits of Selling Happiness**

Happiness has been shown to bring about several benefits for brands such as increased consumption of indulgent products (Witerich & Haws, 2011), higher susceptibility to and lower suspicion of sales messages (DeCarlo & Barone, 2009), and increased brand loyalty (Belanche, Casalo & Guinaliu, 2013).

According to Witerich and Haws (2011) present positive emotions such as happiness causes consumers to consume more as compared to future positive emotions such as hopefulness. Present-focused emotions such as happiness result in actions that favour immediate pleasure, leading to more indulgent choices such as eating of M&Ms rather than the healthier choice of raisins. This study seems to suggest that hedonic products that fulfill desires of immediate pleasure would benefit more from a happiness-related positioning. Specifically, inducing greater consumer happiness would lead to greater sales volume for indulgent products, giving indulgent brands a higher incentive to promote happiness-related messages.

In their study involving sales messages from car salesmen, DeCarlo & Barone (2009) found that priming participants for happiness increased their susceptibility to strong sales messages and reduced their suspicion of these messages. Whilst

participants in a neutral affective state would view more aggressive sales messages negatively, especially if they have a high suspicion that the salesperson has an agenda, participants with a positive mood tended to view stronger sales messages as positive despite suspicion. Positive affect hence neutralized the negative effect of suspicion in the processing of sales messages, allowing participants to relax their coping strategies. Happiness hence alters the consideration process for consumers, making them more susceptible to sales messages. This suggests that priming consumers for happiness would strengthen the efficacy of sales messages. In other words, brands with happiness-related positioning would be more convincing and credible as compared to brands without such a positioning.

Increased happiness might also lead to increased brand loyalty in consumers. Belanche, Casalo and Guinaliu (2013) state that satisfaction with previous interactions is key in developing both trust and affective commitment in a brand relationship. Such satisfaction may be seen as a standard point from which to determine the future behavior of the other party. Feelings of happiness would hence positively impact the quality of consumer attitudes for brands. Specifically, happiness moderates the positive relationship between satisfaction and affective commitment, strengthening brand loyalty. The researchers also recommend highlighting related positive emotions such as contentment or joy to make consumers realize the positive aspects of life when considering the brand. The usage of happiness-related messages would hence benefit brands by evoking positive prior experiences with the brand, increasing the likeability of the brand as compared to another brand without such a message. It is hence expected that brands with happiness-related messaging would be more likeable than other brands in the same product category without such a message.

#### **RESEARCH QUESTIONS**

This study seeks to investigate the relationship between different product categories and happiness. Specifically, it would be interesting to find out if there are product categories that are viewed as inherently "happy categories" that are more effective at using a happiness-related advertising message, why consumers feel that certain product categories or brands are happier than others, and how brands can use a happiness-related message to reap the advantages of higher consumption, less suspicion and greater brand loyalty as stated above.

#### RESEARCH METHOD

#### Stimuli

Advertisements of brands, which utilized a message explicitly related to happiness or joy, were pre-selected from the creative advertising archive, Ads of the World. Only brands that have a presence in Singapore were chosen to ensure that interviewees have prior knowledge of the brand. The advertisements chosen were from brands: Cadbury, Coca-Cola, Clinique, Ikea, Starhub, and BMW. The advertising copy of each of these advertisements is stated in Table 1. (See *Appendix I* for full advertisement)

Brand	<b>Product Category</b>	Advertising Copy
Cadbury	Chocolate	The road to <b>Joy</b> is paved with Chocolates
Coca-Cola	Soft Drink	Open <b>Happiness</b>
Clinique	Perfume	Make Someone <b>Happy</b> , Clinique <b>Happy</b>
Ikea	Furniture	JOY
Starhub	Mobile Service	Starhub Mobile: <b>Happy</b> Everywhere
	Provider	
BMW	Automobile	Joy was born on the left lane

**Table 1: Advertising Copy** 

#### Conceptual Model

The products from the advertisements chosen were placed along a material/experiential continuum as shown in Figure 1. It is believed that low-cost hedonic "experiential" products would be the natural candidate for "happy categories" while high-cost utilitarian products would be associated with other emotions or reasons due to their functional and "material" nature.

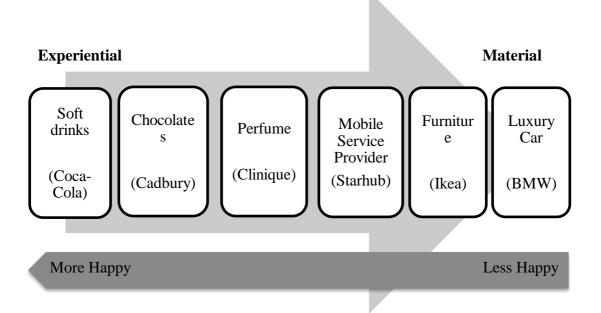


Figure 1: Experiential dimension of products

#### Sample and data

A series of in-depth, semi-structured personal interviews were carried out with 10 undergraduate students from the National University of Singapore to understand their views on advertising messages and happiness. The gender of the sample was equally between male and female split to investigate possible gender differences in responses. The age group of interviewees was restricted to eliminate the possibility of diversity of responses resulting from generational differences. All interviewees were also Singaporean Chinese, ensuring similar cultural experiences in their consumption experiences.

Interviewees were asked on whether they felt there were specific product categories that would be more effective at communicating happiness, their personal experiences with products that made them happy, and what they thought of a series of six pre-selected advertisements that used happiness or joy as a key advertising message as stated above. Interviewees' views on whether they liked or believed the ad were noted, as well as why they felt the advertisements were likeable/unlikeable and believable/unbelievable to gain a better understanding the drivers for successful happiness messaging. Each brand was also compared to competitors to understand if a happiness message would make brands more appealing versus its competitors. The considerations behind purchase for each product category was also noted to understand if a happiness messaging would lead to an intention to purchase (See *Appendix II* for the interview questions guide)

The style of the interviews was conversational, allowing for follow up questions in areas that required clarification or were particularly interesting. Verbatim transcripts were generated from all the interviews and coded for prominent themes that were common across different interviewees. Specific sub-themes were coded in subsequent passes through the transcripts. Questions were left open-ended to encourage as many different responses as possible.

#### FINDINGS & DISCUSSION

#### Food – The Happy Product Category

When asked whether there were specific product categories that would be particularly effective at communicating happiness, all interviewed respondents agreed that food would be highly effective. Most respondents felt that food was the most apt category for a happiness message because it had an "immediate effect" and provided "instant gratification". Keng Yong likened happiness to the feeling of being satisfied

after you relieved yourself of hunger or thirst, while Sasha felt that candy or ice cream could help her to distress and make her happier. Natalie pointed to the idea that eating food probably released chemicals that made us happier. Other respondents explained their choice of the category simply because, "eating makes you happy".

This seems to imply that there is something primal linking food to happiness, making food a natural choice to make interviewees happy. Respondents referred to indulgent products such as tidbits, ice cream or Starbucks coffee, supporting the study linking happiness to increased consumption of indulgent products by Witerich & Haws (2011). At the same time, there seems to an element of immediacy to the perception of happiness, which will be elaborated on in the following section.

From this finding, it is evident that a happiness-related message might be more suitable for indulgent food categories such as soft drinks or chocolate. Indeed, consumers do find food-related products to be more credible when linked to happiness or joy as compared to other categories, as will be elaborated on in a later section.

#### Experiential vs. Material Products

As can be seen from the previous section, interviewees seem to associate happiness with an idea of instant gratification or immediacy. Based on our conceptual model, this is to be expected. Products that are more experiential in nature are closer to experiences in that they last for a short period of time and are consumed for the purposes of experiencing rather than possessing (Van Bowen & Gilovich, 2003). This short period of time in consumption increases the chances of each incidence of consumption to be "varied and surprising" (Diener, Sandvik & Pavot, 1991), making the consumer experience something new every time he or she consumes the same product again.

When aggregating the number of respondents (see Table 2) who felt that each advertisement is credible across the different product categories, we find some evidence for the idea that more experiential product categories bring about greater happiness.

Brand	<b>Product Category</b>	Number of interviewees who agreed that it
		is credible that brand is happy
Coca-Cola	Soft Drink	7
Cadbury	Chocolate	7
Clinique	Perfume	2
Starhub	Mobile Service	3
	Provider	
Ikea	Furniture	9
BMW	Automobile	3

**Table 2: Aggregate Responses from Interviewees** 

Only Ikea bucked the trend of a utilitarian and more material brand being happier than more experiential products. However, it can be argued that the Ikea brand evokes more thoughts about the pre-purchase and shopping experience within Ikea retail stores rather than actual thoughts about the tangible and utilitarian furniture products. Kok Ann expressed that the joy of Ikea is from his personal experiences when interacting with the retail space rather than about the furniture per se:

I think the Ikea experience is more about your interaction with the furniture and the storefront. And the joy of looking through the catalogue and imagining how things will look like in your house... I find more joy in going down to Ikea to have meatballs with family and friends rather than forcibly trying to equate joy with Ikea.

The brand experience also seems to have a mediating effect on the perceived credibility of happiness message, which will be elaborated on in the following section.

#### Brand Environment Mediates Credibility of Happiness Advertising

Brakus, Schmitt & Zarantonello (2009) conceptualized brand experience as the subjective responses a consumer has when interacting with a brand through a product, a service, shopping or consumption. The perceived fit of the brand experience with happiness affected how credible a happiness message was to the interviewees. Sasha felt that a happiness message fit for Ikea because "the retail environment is quite happy". Another interviewee, Joseph shared that his personal experiences with Ikea made the message of "JOY" more effective.

Because every time I go there with my family, it's usually happy. So that's why their messages is better conveyed

Conversely, the happiness message did not work as well for BMW or Clinique because interviewees felt that these brands were not about happiness. Natalie shares this with regard to Clinique:

I have always associated Clinique with skincare; very strong skin care association... Clinique is not seen as a happy brand.

Similarly, BMW was seen as more luxurious, powerful and about engineering rather than about Joy. Curiously, only men were able to relate to the idea of the BMW campaign's idea of Joy, suggesting a gender effect. Even then, the concept of joy is linked with other emotions that are more strongly linked to the BMW brand experience:

It gives me a sense of what I am supposed to feel when I drive the car. I think I would feel power, security, and I would feel good by driving this car.

Therefore, the perceived fit of brand experience with happiness mediated the effectiveness of a happiness-related message on both hedonic and utilitarian products. The expectations of consumers based on their prior experience with the brand seems to play an important role in how credibly they viewed happiness-related advertising messages. Marketers should be aware of the brand associations "baggage" that their brand has before attempting to use a happiness-related message.

## Prior Experiences Affects Purchase Intent

The credibility of happiness messages in advertisements is also affected by consumers' prior experiences with using the product itself. This is also seen to have a direct relation to purchase intent. Sasha, who had a bad experience with Clinique, was not willing to even entertain the idea that any product by Clinique could be about happiness:

Okay. Personally I used Clinique before and the product sucks. So I don't believe in this.... Oh it's a perfume? Too bad. The brand has been destroyed. I won't consider their product.

Kok Ann shared a similar bad experience with Starhub that left him unconvinced that Starhub was truly about happiness despite the fact that he liked their advertisement:

I am using Singtel. I actually broke up with Starhub because the 3G was too slow. The experience is bad, so no matter how happy you tell me you are, how much money you pour into your marketing it's pointless. I won't believe you.

Prior dispositions towards certain product categories also affected intentions to purchase. Interviewees who felt that brand advertisements were creative or credibly linked to happiness still would not purchase. Elaine opines:

When I see Cadbury, I remember happy. But because I don't really like the taste, I will never buy it.

In extreme cases, prior dispositions toward the brand makes consumers totally ignore the advertising message, even if they know about them:

So to you it's not believable that Coke is happy? And it's not credible?

Nope it's not. But I do see the associations when I see all the advertisements, about how people are happy. There are associations, but it's not something that I would take.

Therefore, the happiness message is not a magic cure that solves all the marketer's problems of convincing consumers, even for the most hedonic and experiential of products like Coke. With that said, consumers who have had bad experiences or no disposition towards your brand would not have had your brand in their evoked set of considered brands, and would not have been in the target segment of the brand in the first place.

#### **Brand Loyalty**

On the flipside of negative experiences and dispositions towards a brand are positive prior experiences with the brand. It has been found that satisfaction with previous interactions improves brand loyalty by developing trust and affective commitment (Belanche, Casalo and Guinaliu, 2013). In my study, interviewees express a positive "reinforcement" of their beliefs about brands that they already use and love from happiness-related advertising messages:

I think if I already believe it's a happy brand, it will reinforce it, and confirms my belief. But if I don't think it's a happy brand, even if I see all these, I will be like, "errr you are trying to convince me but no". – Sasha

I think I originally felt quite positive about the brand. This is more like reinforcement of my opinion. – Keng Yong

It is observed that this phenomenon seems to happen across different product categories similar to the prior dispositions to products and brands:

Actually as of now, I would say [I would like to buy] a BM. I would say this ad reinforces why I would like to get a BM. - Gerald

I think their branding helps in this case. And I personally like Starhub. I personally am ALREADY a user of Starhub - Michelle

A happiness-related message for a brand will therefore serve to increase their trust and affect toward the brand by confirming pre-existing beliefs that consumers have about the brand, thereby increasing brand loyalty as compared to before the advertisement. Advertising happiness can be a way for brands to elicit increased loyalty amongst its customer base without making any significant investments or changes to product or brand environment

#### Competition

When asked if the happiness message set a brand apart from its competitors, interviewees felt that it did if other brands were not already touting the same message. Interestingly, an interviewee mentioned that a happiness-related message from Cadbury would want to make her go out and buy chocolates from a competitor brand rather than Cadbury.

If this advertisement were shown at home, it would make me want to buy chocolate, but not necessarily Cadbury. Maybe I will even buy dark chocolate instead.

Competition between different brands in the same category seems to be affected more by how much marketing dollars are spent on advertising, and therefore stronger brand recognition, rather than a specific happiness message:

Honestly, as a regular consumer who does not drink Coke or Pepsi, I don't really see any Pepsi commercials as much as Coke. So if you ask me to pick between Coke and Pepsi, I would pick Coke. To me there's more brand recognition for Coke. I don't know what Pepsi stands for.

Related to this, when consumers are asked why they felt Coke was a happy brand, some cited the fact that Coke was "everywhere", making them think that it must be happy for it to be so popular:

I mean like Coke is already everywhere, people are already drinking Coke, and the reason is because it's a happy brand.

When asked about what they would consider before buying a particular product, most interviewees fell back on to price considerations and the availability of package deals. This was especially so for more utilitarian and costly products such as mobile service providers and cars, possibly due to a higher level of consideration for this product categories. Happiness was often not ranked among any of their considerations, especially for more material products.

#### Happiness - A "Cheaper" Emotion

During the study, it was also found that interviewees somehow saw happiness as a less sophisticated emotion. Natalie opined that happiness would fit cheaper and mass-marketed brands better such as Cadbury chocolate as compared to more upscale brands such as Godiya or Lindt:

Like Cadbury is more mass market and cheaper, so it can be seen as happy; and it is marketed to kids as well. But for Lindt or Godiva, happiness would not fit.

When prompted to further elaborate on her point, she pointed to the idea that happiness was too simple an emotion for more expensive brands:

Maybe because the element of happiness is one-dimensional. But the other emotions require more stimulus. Happiness is like, kids are happy, my dog is happy, but pleasure and anxiousness would require more factors. Aesthetics require more.

This sentiment was echoed by Keng Yong, who thought that happiness related more to products that were at the bottom of Maslow's hierarchy of needs rather than products that might give higher-level satisfaction to consumers.

Things like food and comfort and shelter are at the bottom rungs. And I think it gives me a feeling of happiness to have these fulfilled. A very simple kind of happiness.

Happiness is seen as a vanilla emotion that translates directly to positivity, leaving little to the imagination of consumers as compared to more mysterious emotions such as "pleasure" or "aesthetics". This implies that a happiness proposition might not perceptually fit products that should evoke a certain level of sophistication, reducing the credibility and effectiveness of the advertising message. For example, interviewees consistently felt that perfumes should be about "elegance" or "sensuality" rather than happiness, and that the BMW should be about "luxury" rather than joy. If the aim of the BMW is to sell more expensive cars, an association with a "cheaper" emotion like happiness would be the opposite of what it should do despite its advantages. It is interesting, and a bit ironic, that higher-level emotions are

demanded of more utilitarian products to justify the expensiveness of these products when they are purchased primarily to serve a functional rather than an emotional need.

#### **FURTHER DISCUSSION**

As my study has shown, hedonic and more "experiential" product categories are seen to be more effective at using happiness as an advertising message as compared to more "material" categories. Consumers also seem to have an innate sensibility with regard to what product categories are considered happy, and what are not.

Consumers determine whether brands are happy or not based on their prior experiences with the brands and also on their personal dispositions towards different product categories or brands. These experiences and dispositions mediate the relationship between the material/experiential nature of the product and the effectiveness of its advertising message, reinforcing those brands that they have had positive experiences with, and weakening those brands with which they have had negative experiences. See *Figure 2* for a revised conceptual model.

Competition between different brands in the same category is seen to be more a function of the amount of advertising spend, i.e. the ubiquity of the brand's advertising, price promotions, and functional benefits of the products themselves rather than the happiness message. The happiness message also seems to be less relevant as we move towards more 'material' products.

Lastly, happiness is perceived as an immediate, simple and cheaper emotion as compared to higher-level and more sophisticated emotions like sensuality or pleasure, possibly reducing its effectiveness at marketing premium brands. The benefits of the

successful marketing of happiness though, is increased brand loyalty and greater trust and commitment to a brand.

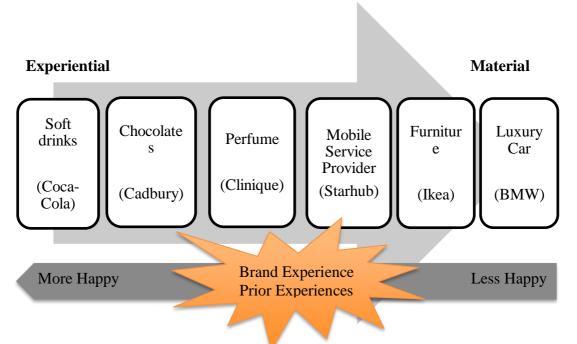


Figure 2: Revised Conceptual Model

#### **CONCLUSION**

This study contributes to the literature in consumption and happiness by conceptualizing a way of looking at tangible products along a material/experiential continuum and linking this to how credible a happiness-related message would be. This relationship is further related to research on brand experience to give a fuller picture of what affects the perceived degree of happiness of a brand. These findings would also have real applicability to marketers who are thinking of hopping on the bandwagon of marketing their products using the idea of happiness.

Some possible areas of future research include finding the link between happiness and purchase intent, defining when a product becomes less experiential and hedonic and becomes more material in the minds of consumers, thereby predicting the

effectiveness of a happiness message, and possible gender effects on the perceived happiness of brands.

These would not only give practical marketers a better framework to base their advertising strategies on, but also deepen our understanding of consumers and how they view product categories in the with regard to happiness.

#### **References:**

- Babin, B. J., Darden, W. R., & Griffin, M. (1994). Work and/or fun? Measuring hedonic and utilitarian shopping. Journal of Consumer Research, 20, 644–656.
- Batra, R., & Ahtola, O. T. (1991). Measuring the hedonic and utilitarian sources of consumer attitudes. Marketing Letters, 2, 159–170.
- Belanche, D., Casalo, L.V. & Guinaliu, M. (2013). The Role of Consumer
   Happiness in Relationship Marketing. Journal of Relationship Marketing, 12, 79-94.
- Brakus, J.J., Schmitt, B.H., & Zarantonello, L. (2009). Brand Experience: What Is
   It? How Is It Measured? Does It Affect Loyalty? Journal of Marketing, 73(May 2009), 52-68.
- DeCarlo, T. E., & Barone, M.J. (2009). With suspicious (but happy) minds:
   Mood's ability to neutralize of suspicion on persuasion. Journal of Consumer
   Psychology, 19 (2009), 326-333.
- Diener, E. (1984). Subjective well-being. Psychological Bulletin, 85, 542–575.
- Diener, E., & Lucas, R. E. (1999). Personality and subjective well-being. In D.
   Kahneman, E. Diener, & N. Schwartz (Eds.), Well-being: The foundations of hedonic psychology (pp. 213–229). New York: Russell-Sage.
- Diener, E., & Chan, M. (2011). Happy People Live Longer: Subjective Well-Being Contributes to Health and Longevity. Applied Psychology: Health and Well-Being, 3 (1), 1–43.
- Diener, E., & Seligman, M. E. P. (2002). Very Happy People. Psychological Science, 13 (January), 81–84.
- Diener, E., Sandvik, E., & Pavot, W. (1991). Happiness is the frequency, not the intensity, of positive versus negative affect. In F. Strack, M. Argyle, & N. Schwarz

- (Eds.), Subjective well-being: An interdisciplinary perspective,119–140, Oxford: Pergamon.
- Dunn, E.W., Aknin, L.B., & Norton, M.I. (2008). Spending Money on Others
   Promotes Happiness. *Science*, 319 (March), 1687–88.
- Dunn, E.W., Gilbert, D.T., & Wilson, T.D. (2010). If money doesn't make you happy, then you probably aren't spending it right. Journal of Consumer Psychology, 21, 115-125.
- Dutt, A.K. (2006). Consumption and Happiness: Alternative Approaches.
   Department of Economics and Policy Studies, University of Notre Dame.
- Easterlin, R.A. (2003). Building a Better Theory of Well- Being. *Proceedings of the National Academy of Sciences*, 100 (September), 11176–83.
- Hellén, K., Sääksjärvi, M. (2011). Happiness as a Predictor of Service Quality and Commitment for Utilitaritarian and Hedonic Services. Psychology & Marketing, Vol 28(9), pp 934-957.
- Hirschman, E. C., & Holbrook, M. B. (1982). Hedonic consumption: Emerging concepts, methods, and propositions. Journal of Marketing, 46, 92–101.
- Isen, A. M., Labroo, A.A., & Durlach, P. (2004). An Influence of Product and Brand Name on Positive Affect: Implicit and Explicit Measures. *Motivation and Emotion*, 28(1), 43-63
- Kahneman, D., Krueger, A.B., Schkade, D., Schwarz, N., & Stone, A. (2004). A
   Survey Method for Characterizing Daily Life Experience: The Day Reconstruction
   Method. *Science*, 306 (December), 1776–80.
- Lyubomirsky, S. (2001). Why are some people happier than others? American Psychologist, 56, 239–249.
- Lyubomirsky, S., Sheldon, K.M., & Schkade, D.A. (2005). Pursuing Happiness:

- The Architecture of Sustainable Change. *Review of General Psychology*, 9 (2), 111–31.
- Lyubomirsky, S., King, L., & Diener, E. (2005). The Benefits of Frequent Positive
   Affect: Does Happiness Lead to Success?. *Psychological Bulletin*, 131 (6), 803–55
- Lyubomirsky, S., Tkach, C., & DiMatteo, M. R. (2006). What are the differences between happiness and self-esteem? Social Indicators Research, 78, 363–404.
- Mogilner, C. (2010). The Pursuit of Happiness: Time, Money, and Social Connection. *Psychological Science*, 21 (1), 1348–54
- Mogilner, C., Aaker, J., & Kamvar, S.D. (2012). How Happiness Affects Choice.
   Journal of Consumer Research, 39(2), 429-443
- Nicolao, L. (2009), "Happiness, Consumption and Hedonic Adaptation,"
   University of Texas at Austin.
- Nicolao, L., Irwin, J.R., & Goodman, J.K. (2009). Happiness for Sale: Do
   Experiential Purchases Make Consumers Happiner than Material Purchases?.

   Journal of Consumer Research, 36(2), 188-198
- Okada, E. M. (2005). Justification effects on consumer choice of hedonic and utilitarian goods. Journal of Marketing Research, 42, 43–53.
- Scitovsky, T. (1976). The Joyless Economy: An Inquiry into Human Satisfaction and Consumer Dissatisfaction. New York: Oxford University Press.
- Van Boven, L., & Gilovich, T. (2003). To Do or To Have: That Is the Question.
   Journal of Personality and Social Psychology, 85 (December), 1193–202.
- Voss, K. E., Spangenberg, E. R., & Grohmann, B. (2003). Measuring the hedonic and utilitarian dimensions of consumer attitude. Journal of Marketing Research, 40, 310–320.
- Winterich, K.P., & Haws, K.L. (2011) Helpful Hopefulness: The Effect of Future

Positive Emotions on Consumption. *Journal of Consumer Research*, 38(3), 505-524

 Zhong, J. Y., & Mitchell, V-W. (2010). A mechanism model of the effect of hedonic product consumption on well-being. Journal of Consumer Psychology, 20(2010), 152-162.

# APPENDIX I: ADVERTISEMENTS

Cadbury:









# Ikea:



### Starhub:



#### BMW:



# JOY WAS BORN FOR THE LEFT LANE.

Grip the steering whoel and file on your left binler — it's time to set Joy free, Hidden beneath this dynamically soutputed hood is the bilantian power of TwinPower Tutto technology, a 400-horsepower, 4.4-tier V8 that can cover 0-96 in five seconds flet. Cought that with Driving Dynamics Control, which allows you to adjust between confet and sport modes, allowing faster gear changes and lightened elemening responses, and you can count on

JOY IS THE ALL-NEW BMW 5 SERIES.



#### APPENDIX II: INTERVIEW GUIDE

#### **EXPLANATION OF STUDY**

Hi, I am conducting a research into the relationship between happiness and consumption and would like to find out more about what you think about the subject. Throughout this interview, I will ask you some questions about different kinds of products, and then zoom into specific product categories.

#### **DEMOGRAPHIC QUESTIONS**

- 1. What is your gender
- 2. How old are you this year?
- 3. What is your education level?
- 4. What is your occupation?
- 5. What is your household income likely roughly?

#### PRODUCT CATEGORIES V.S. HAPPINESS

- 6. Several brands from different product categories have started to use happiness or joy as an advertising message in the past few years.
- 7. Can you think of any of these advertisements? (Brand salience as indicator of advertising effectiveness)
- 8. Do you think there are specific product categories that might be more effective than others at using this messaging?
- 9. Why do you think said category is more effective?
- 10. How about in terms of actually buying the products?
- 11. Which product categories do you think will make you happier if you buy it?
- 12. Why will this product category make you happier?

- 13. How much of your happiness levels do you think is dependent on the brand environment and experience of the process of buying and using the product?

  Do you think there is any effect at all?
- 14. Is there a temporal effect? (Long term vs. short term happiness) Why do you say so?

#### PRODUCTS WITHIN CATEGORY WITH HAPPINESS-RELATED MESSAGE

- 15. Please take a look at this advertisement (*shows one brand advertisement*) Do you think that these advertisements are believable?
- 16. Do you like this advertisement?
- 17. Which do you think is a happier brand? Brand or Competitor?
- 18. Do you think that it is credible for BRAND to claim that they are a happy brand?
- 19. Do you think this brand is a better brand as compared to competitors? Why?
- 20. Do you think you will be more likely to buy this brand because of its positioning?
- 21. What are some of the factors you will consider when buying this brand?

(Questions 15 to 21 to be repeated for each brand)

-END OF INTERVIEW-