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Why Spending \$1K Can Make You Feel Like a Million

By Ben Steverman November 26, 2013

Every aspect of the modern luxury store conspires to seduce the shopper, from the lighting, color scheme and music to the carefully placed product "altars" designed to draw visitors deeper into the shop.

New marketing research is shedding more light on what retailers have known for a long time: How we shop has as much to do with our mental state as with our material needs. People shop because they're sad, and splurge because they're feeling guilty or insecure. With retailers using every trick to get us in the mood to spend, shoppers unaware of their emotional vulnerabilities may find themselves regretting their holiday purchases and buried in debt.

"There is a direct correlation between lack of self-esteem and the brands you buy," says marketing consultant Martin Lindstrom. "The less self-esteem, the more brands you wrap yourself in."

Vanity Sizing

Take the dressing room. The fashion conscious have long noticed the way sizes shift over the decades. You may be a size eight for years and then suddenly you can fit in a size six. Odds are you didn't lose weight. It's just clothiers trying to flatter their customers, a gesture called "vanity sizing" that marketing studies have shown boosts spending.

More from the Luxury Holiday Guide:

- Give! (And You Shall Receive.)
- At Your Slurvice: Holiday Drinking in London
- What Wanderlust Lusters Lust After: Gifts for Globetrotters
- Red Eggs and Ham: Holiday Dining in New York

What happens in the opposite situation, when shoppers try on their usual size to find it's too small? Their confidence takes a measurable hit and predictably, they don't want to buy the offending clothes, according to a recent study by University of British Columbia business professor JoAndrea Hoegg and colleagues in the *Journal of Consumer Psychology*. They do get inspired to buy other items without sizes – scarves, jewelry or watches – that make them feel attractive. As the paper puts it: "Consumers engage in compensatory consumption to help repair their damaged self-esteem."

There's no evidence retailers are intentionally torturing shoppers with clothing sizes that are suddenly too small. Yet there are subtle ways stores do target customer egos. "Reflective surfaces" are a key part of many store designs these days, according to Paco Underhill, president of consulting firm Envirosell. Those mirrors remind us how others see us, and that's the same anxiety driving a lot of our shopping decisions, says Ithaca College marketing professor Michael McCall.

Playing on Guilt

Even the music in stores can subtly remind us of how we're lacking. On visits to 20 New York supermarkets in mid-November, Lindstrom, author of "Buyology: The Truth and Lies About Why We Buy," says retailers are consistently playing more Christmas music earlier in the season.

The reason behind that: Jingle Bells and Christmas carols conjure a more emotional response, reminding us of our childhood, he says, and we compare that idealized past with our stressful present. We think about whether our children get enough quality time. We worry they're missing the wonderful holidays that we had. "We feel guilty," he says. As if by magic, our wallets open up a bit wider.

There are ways consumers can insulate themselves from the influence of the marketing machine. Wear an iPod blasting your own guilt-free music, Lindstrom suggests. And to avoid being vulnerable to manipulation, "Never shop tired," Underhill says. "Never shop hungry."

Good advice, but is there a way to use the mood-altering properties of holiday shopping to our advantage? New research suggests we can.

While studies have long shown that "sadness can make you looser with the purse strings," that's not all bad, says University of Michigan business professor Scott Rick. Going to the mall really does boost the moods of sad shoppers, according to a forthcoming paper by Rick and colleagues. By letting us exercise some choice and giving us a feeling of control, Rick argues, shopping can dispel the blues.

Such retail therapy, however temporary, may rank way below the other joys of the holidays. But as long as no budgets are being broken or mortgage payments missed, what's the harm in bringing home your first size 6?