

IT'S THE THOUGHTS THAT COUNT: SUBSTITUTION FOR GOAL STRIVING ACTIONS

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Planning is widely regarded as a critical tool for helping consumers successfully achieve their personal finance goals. Although planning has been identified as an effective self-regulatory tool, our research demonstrates that planning is not universally beneficial. Across two studies, our results demonstrate that planning delays initiation of goal pursuit behaviors for prevention-focused consumers who have adopted avoidance goals, since they perceive the act of planning to represent legitimate goal progress. In other words, making plans regarding when, where, and how to achieve a personal finance goal under prevention fit leads consumers to perceive themselves as having started to make progress towards their goal, although they only expended cognitive goal-directed effort. In turn, this perception leads to a delay in behaviors aimed at debt reduction. This finding carries important implications for marketing practice and theory.

Reference available upon request