

SPENDING MONEY ON
OTHERS PROMOTES
HAPPINESS

LARAKNIN





TALK OUTLINE

- Does prosocial spending lead to happiness?
- Are the emotional benefits of prosocial spending universal?
 - Rich and poor countries
 - Among young children
 - Ex-offenders
- Surpass new standards of evidentiary value?

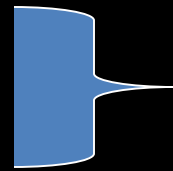
Correlational Survey

- N = 632 Nationally Rep. sample of Americans
- How much do you spend in a typical month on:
 - Expenses/rent/bills/debts
 - Gifts for Self
 - Gifts for Others
 - Charity donations
- DV: General Happiness Question
“Do you feel happy in general?”

Correlational Survey

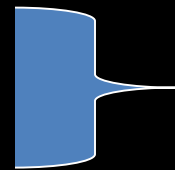
- Summed categories into two spending indices:

- Bills /expenses
- Gifts for Self



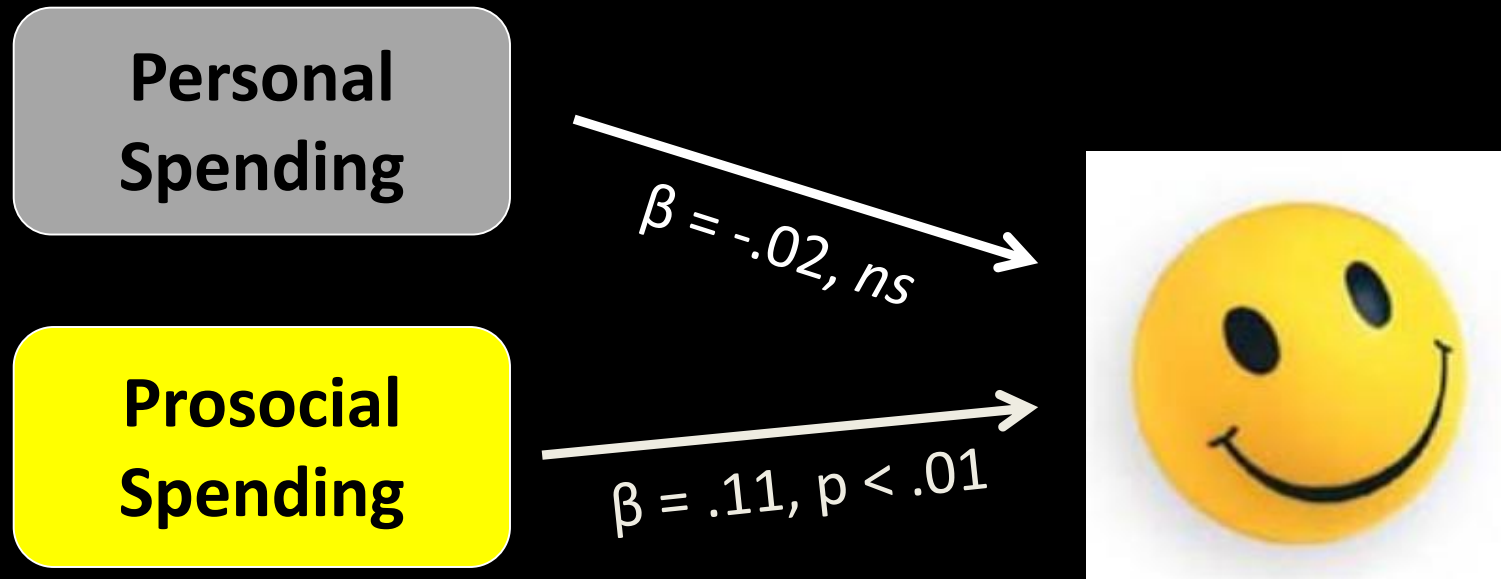
Personal Spending
 $M = \$1714, SD = 1896$

- Gifts for Others
- Donations to Charity

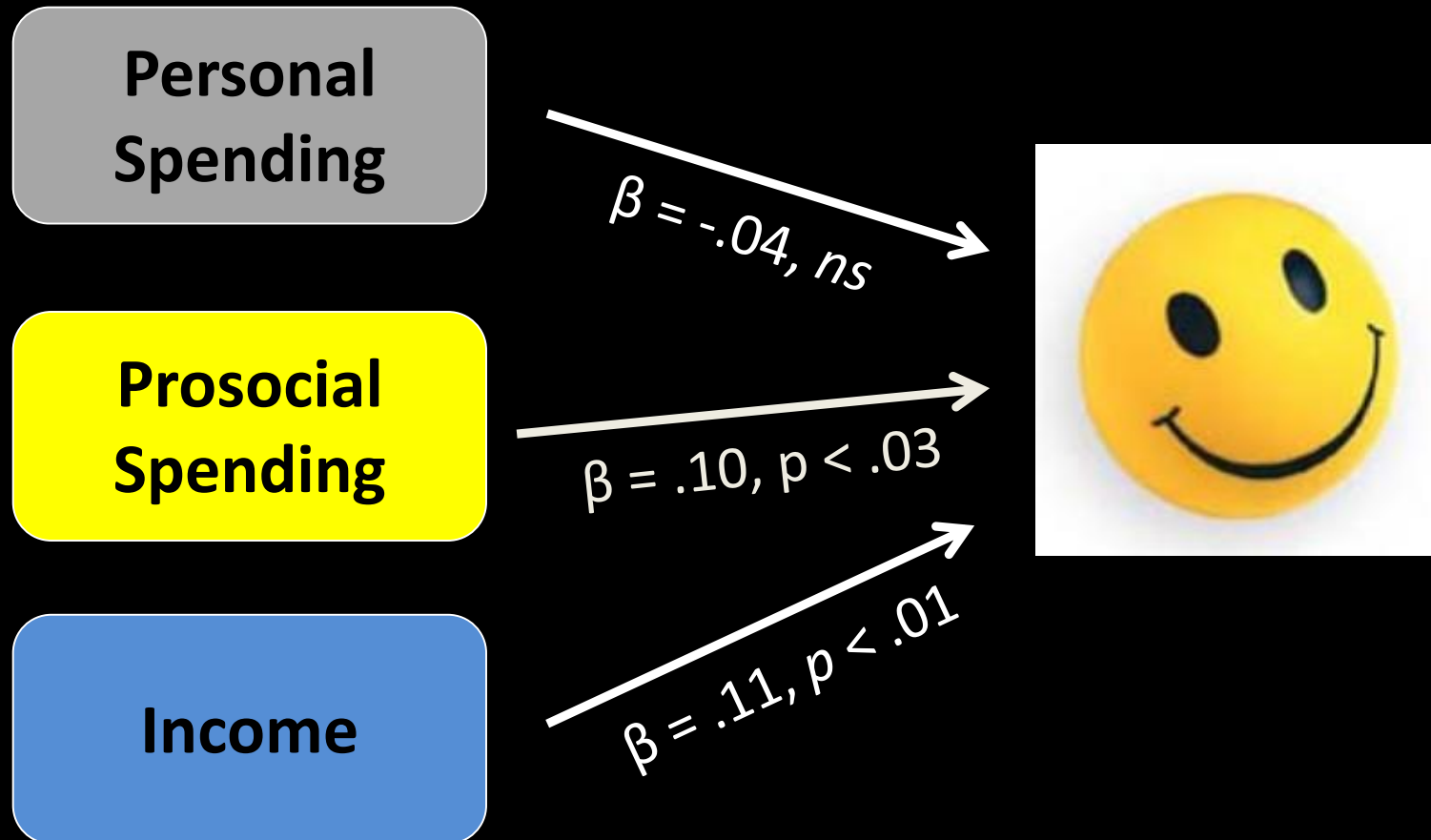


Prosocial Spending
 $M = \$146, SD = 306$

Correlational Survey



Correlational Survey



Summary of Correlational Survey

- People who spend more on others report higher happiness
- Strengths:
 - Initial evidence
 - Large nationally representative sample
- Limitations:
 - Strictly correlational

Windfall Study

- 46 UBC students
- Windfall size
 - \$5
 - \$20
- Spending instructions
 - **Personal**: bill, expense, or gift for self
 - **Prosocial**: gift for someone else or charitable donation
- Pre & Post Happiness
 - Single Item + PANAS



Spending Examples

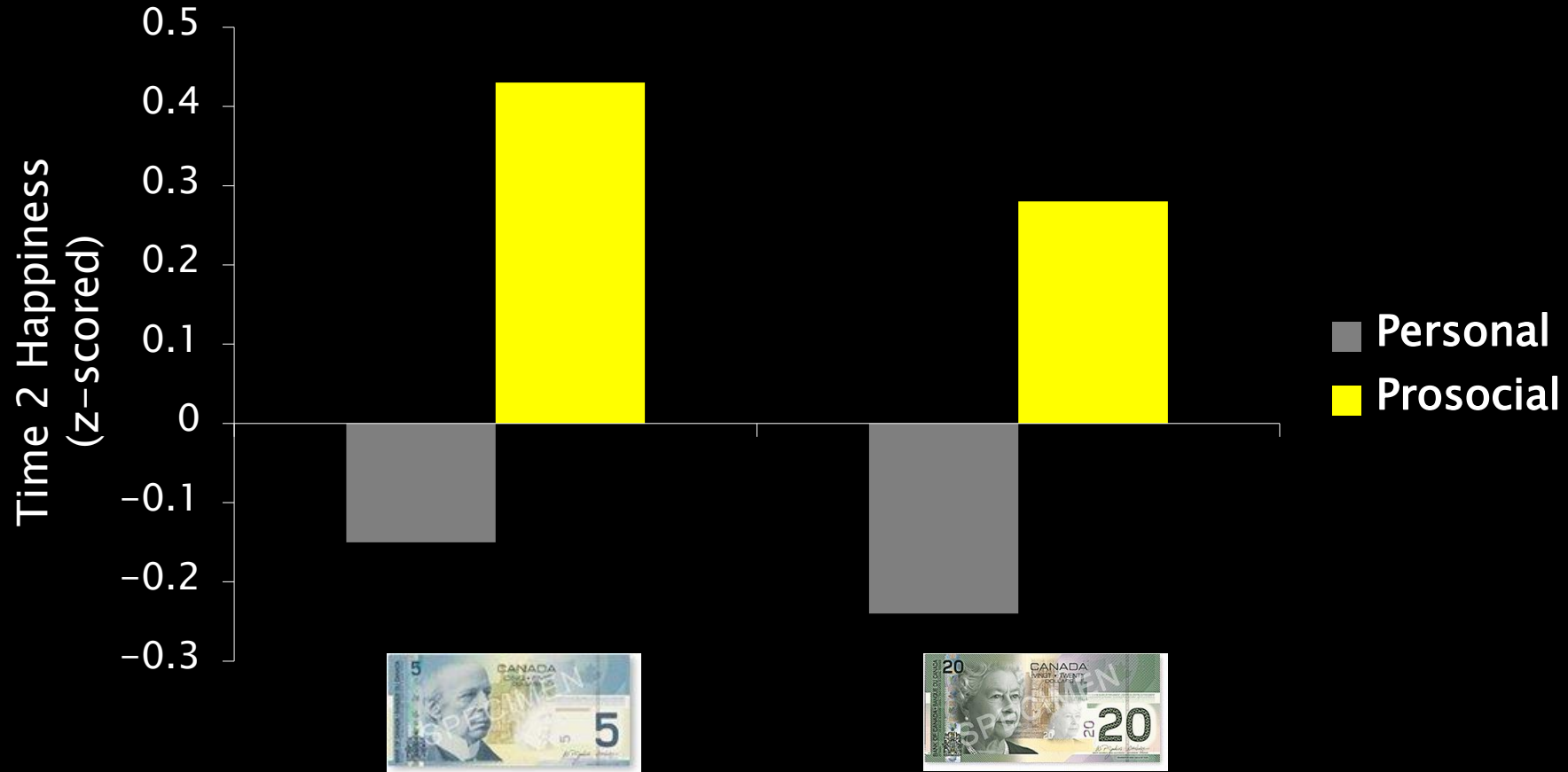
Personal



Prosocial



Windfall Study



Main effect of spending direction (controlling for T1 happiness) $p < .05$

Summary of Windfall Study

- Participants assigned to spend on others were happier
- Strengths:
 - Direct support for causal claim
- Limitations:
 - Student sample

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Limited to North America?

- Original data from North America
- Do people around the world feel happier after spending money on others?
- Fundamental to human nature?

Examining Universality

- Apply Norenzayan and Heine's (2005) recommendations:
 - Cross cultural survey
 - Experiments in diverse cultural contexts



Examining the Gallup World Poll

- 234,000+ participants from 136 countries sampled during 2006-2008 Gallup World Poll
- Donated to charity in the last month (yes/no)
- Reported happiness



Relationship positive in 120 of 136 countries while controlling for income and additional control variables

Goody Bag Study: Canada & South Africa

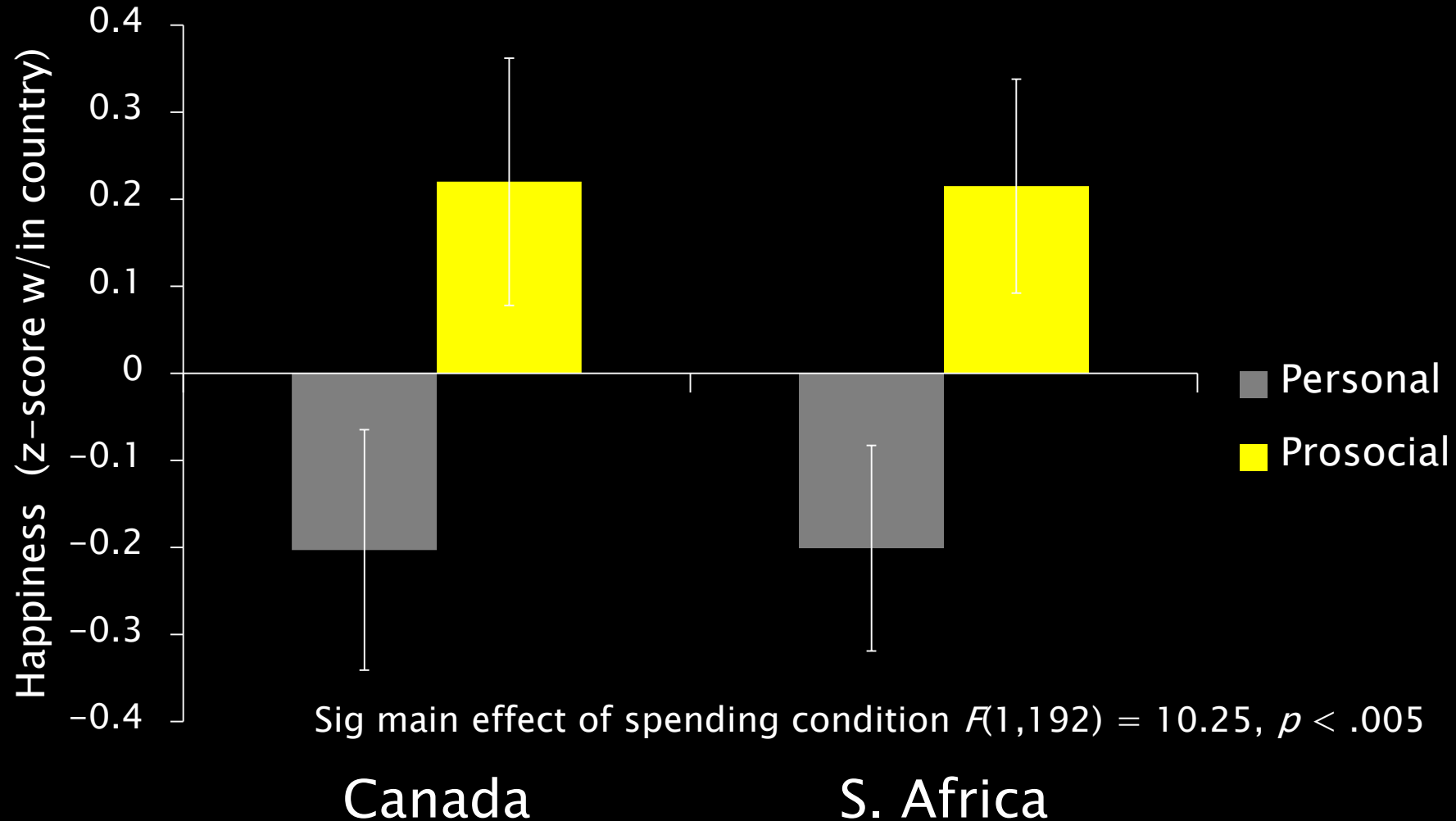
- 207 students (86 Canada, 121 S. Africa)
- Baseline happiness
- Additional study payment \$2.50 (20 Rand)
 - Buy goody bag valued at \$3 (25 Rand)
 - Self (*personal*) vs. sick child at hospital (*prosocial*)
- Report happiness after



Goody Bag Study: Canada & South Africa

- Ruling out social relationships
 - Lab delivered gift to sick child → *no contact with recipient*
 - Researchers and fellow Ps were unaware of spending condition → *no social praise*

Goody Bag Study: Canada & South Africa



Goody Bag Study: Canada & South Africa

- Prosocial spending leads to happiness in poor (S. Africa) and rich (Canada) nations, even with no praise or contact with beneficiary
- Strengths:
 - Captures immediate emotional reward
 - Minimizes alternative explanations



Indonesia

Papua
New Guinea

Solomon
Islands

Tuvalu

East
Timor

Vanuatu

Australia

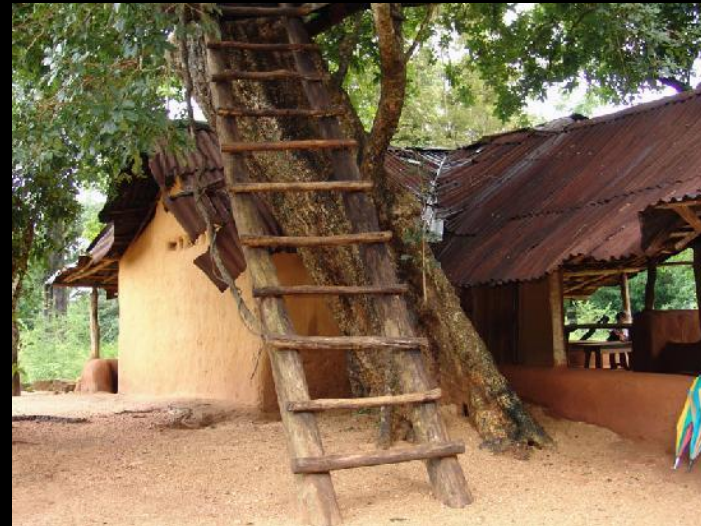
Sydney

New
Zealand



Vanuatu Replication

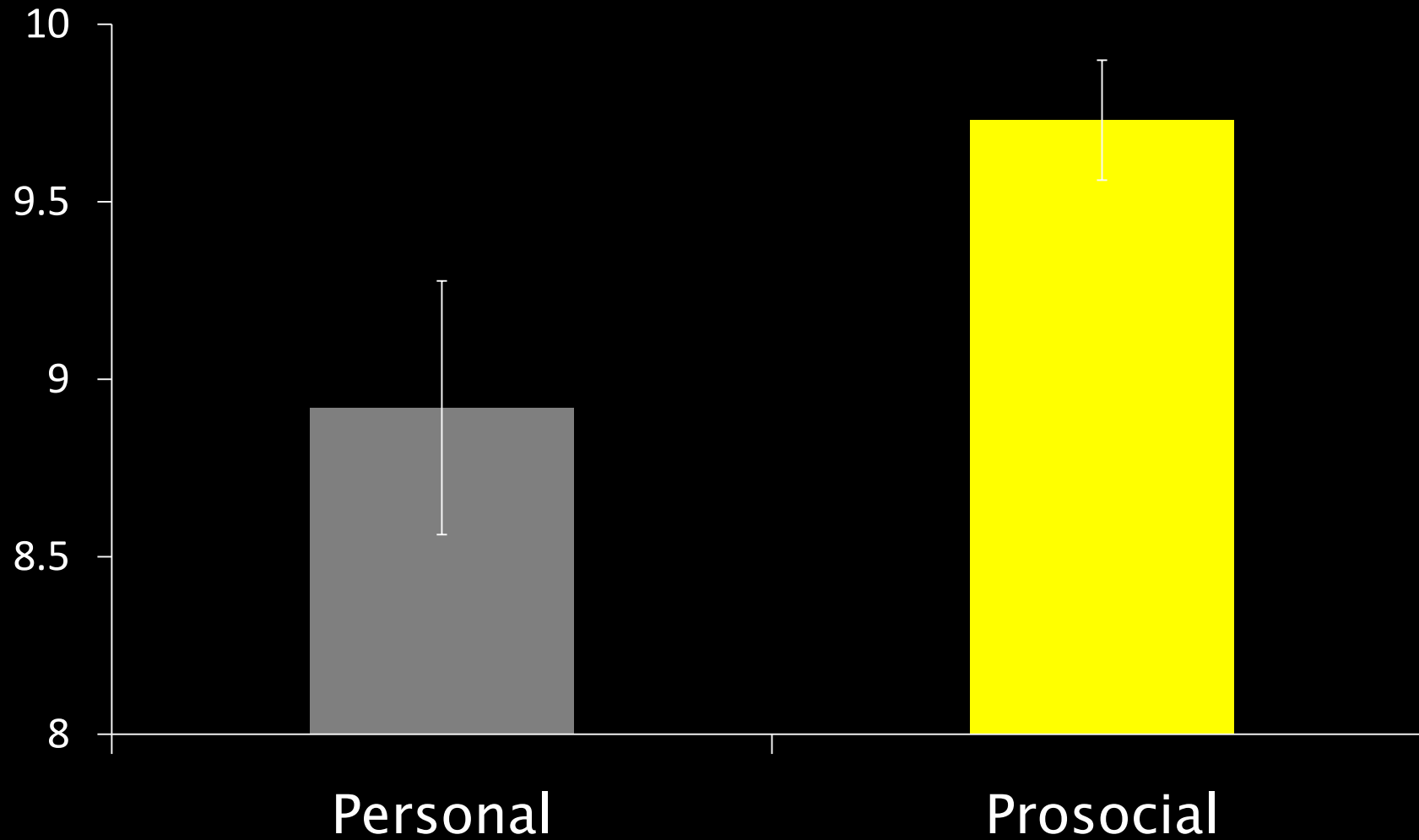
- 26 adults in Lunikavik village ($X_{age} = 46$; 15 fem.)
- Given additional study payment (10 vatu) to keep or:
 - Purchase candy for self (personal spending)
 - Purchase candy for others (prosocial spending)
- Report emotion
using →
(happy, excited, strong)



Vanuatu Replication



Vanuatu Replication



Vanuatu Replication

- Prosocial spending leads to higher happiness than self directed spending in small scale traditional society
- Weakness:
 - Less experimental control
- Strength:
 - Very different cultural context provides a strong test of universality

Fundamental Feature?

- Human adults around the world experience happiness from sharing resources with others
- When do humans pair good deeds with good feelings?
 - Early evidence for helping and cooperation
 - Why?

Toddler Study

- 20 toddlers (22-24 months)
 - a) Meet puppet (touch, pet, interact)
 - b) Child given 8 treats
 - c) **OBSERVE PROSOCIAL ACT:** Child watch E's give treat to puppet*
 - d) **NON- COSTLY PROSOCIAL ACT:** Child gives one of E's treats to puppet*
 - e) **COSTLY PROSOCIAL ACT:** Child gives own treat to puppet*
- * counterbalanced

Toddler Study

Toddler Study

- Emotional reactions videotaped
- Coded for happiness on 7-point scale
 - 2 coders (avg. alpha = .84)
- Were children happier giving treats than receiving treats?
- Differ based on whether treats belong to oneself or other resource pool?

Kids happier **giving** than receiving

Kids happier giving their own treat than an identical one that was not theirs

Summary of Toddler Study

- Emotional benefits of (costly) prosocial behavior in the early years of life
- First evidence that giving makes young children happy
 - Replicated in Vanuatu as well

What about Ex-Offenders?

- Humans are exceptionally prosocial, but acts of greed abound
 - Most crimes committed by offenders high in antisocial or psychopathic tendencies
- May engage in fewer acts of kindness
 - But emotional rewards when they do?

What about Ex-Offenders

- 4 studies led by graduate student Kate Hanniball (with Drs. Douglas & Viljoen)
 - Online Recollection Study (N=501)
 - At-Risk and Delinquent Youth around Vancouver (N=64)
 - Online Ex-Offenders (N=777)
 - Online Pre-Registered Replication (N=1,295)

Online Ex-Offender Study

- Reported baseline happiness
- Told that they had earned additional \$.10
 - Personal: could use to buy \$1 item for self
 - **Prosocial**: could use to make \$1 donation to real campaign on DonorsChoose.org
 - Both conditions offered granola bars or pens
 - Possibility to 'opt out' and take cash value (.10) for self
 - Thank you note
 - Report post-spending well-being
 - Measures of antisocial and psychopathic tendencies

Personal Spending Options

OPTION 1

Healthy Snacks, Full Tummy, Ready for Anything



Adults need healthy snacks for, during, and after the workday to make sure they don't come home hungry.

You

No matter who you are, you want to succeed and accomplish your goals. Whether you need energy to run a marathon, get through the next big project, or keep up with the kids, it is important to keep your brain and body fueled with healthy energy. Do yourself a favor and keep energy levels high by consuming healthy foods during the day to make a positive impact on your life and productivity.

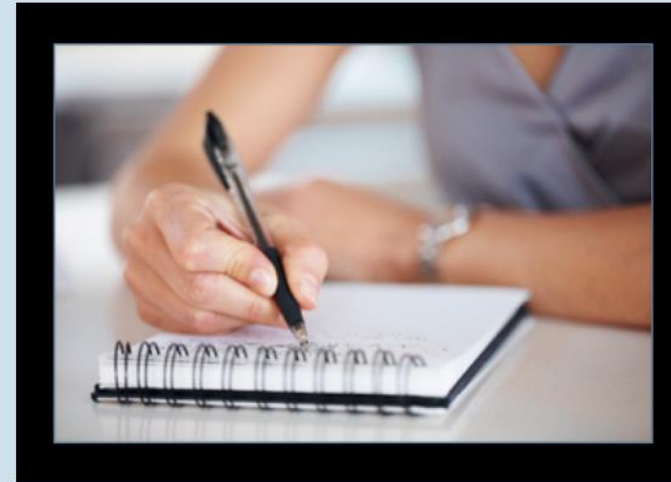
The Project

You have a lot on the go—whether training your body, your mind, or balancing all of life's many needs you need to fuel with healthy snacks to stay focused on the task at hand, not a growling tummy, because no one can, nor should, perform on an empty stomach!

Nature Valley Granola bars are a great and healthy way to keep up with life's needs during the day, and are also a great snack to come home to after the day's end.

OPTION 2

Let Yourself Write!



Give yourself the gift of new pencils, pens, and markers to stay productive!

You

A highly practical purchase, pens, pencils, and markers are always needed around the house and the workplace. Whether for making lists to help organize your life or writing a letter to a long-lost pal, extra pens and pencils always come in handy without these materials, its hard to get much done!

The Project

With basic writing supplies such as markers, colored pens, and pencils, you can feel ready to stay on top of managing your day and rest assured that you have the supplies needed to complete various projects, assignments, and tasks throughout the year.

With this purchase, you will be ready to graph, sketch, write, label, and list with ease.

Prosocial Spending Options

OPTION 1

Healthy Snacks, Full Tummies, Ready Learners



Mrs. Osorio

Molholm Elementary School
Lakewood, CO
Grades 6-8
Highest Poverty

My students need healthy snacks for, during, and after school. Many of them come to school hungry and have little or no food at home.

My Students

Most of my students come from financially unstable, very broken, and very dysfunctional homes and tend to struggle academically. However, each one of my students desperately wants to succeed and to accomplish their goals. Our school has a large population of homeless students, and several of those students belong in my class. The socio-emotional needs of these kids are great, and all the help we get can really impact their lives!

My Project

My preteen students are growing and are constantly hungry! They need healthy snacks to stay focused on their learning and not their growling tummies, because no one can, nor should, learn on an empty stomach!

OPTION 2

Let Us Write!



Mr. Jones

Ronald McNair Academy
E Palo Alto, CA
Grades 6-8
Highest Poverty

My students need pencils, pens, and markers to complete all assignments!

My Students

The school I teach at is a middle school in a high-need community. The students attending this school are in a low economic community where they are not able to afford school materials. This leaves the students in need of support from others outside the community. Without these materials, our students feel left out and begin to give up in school!

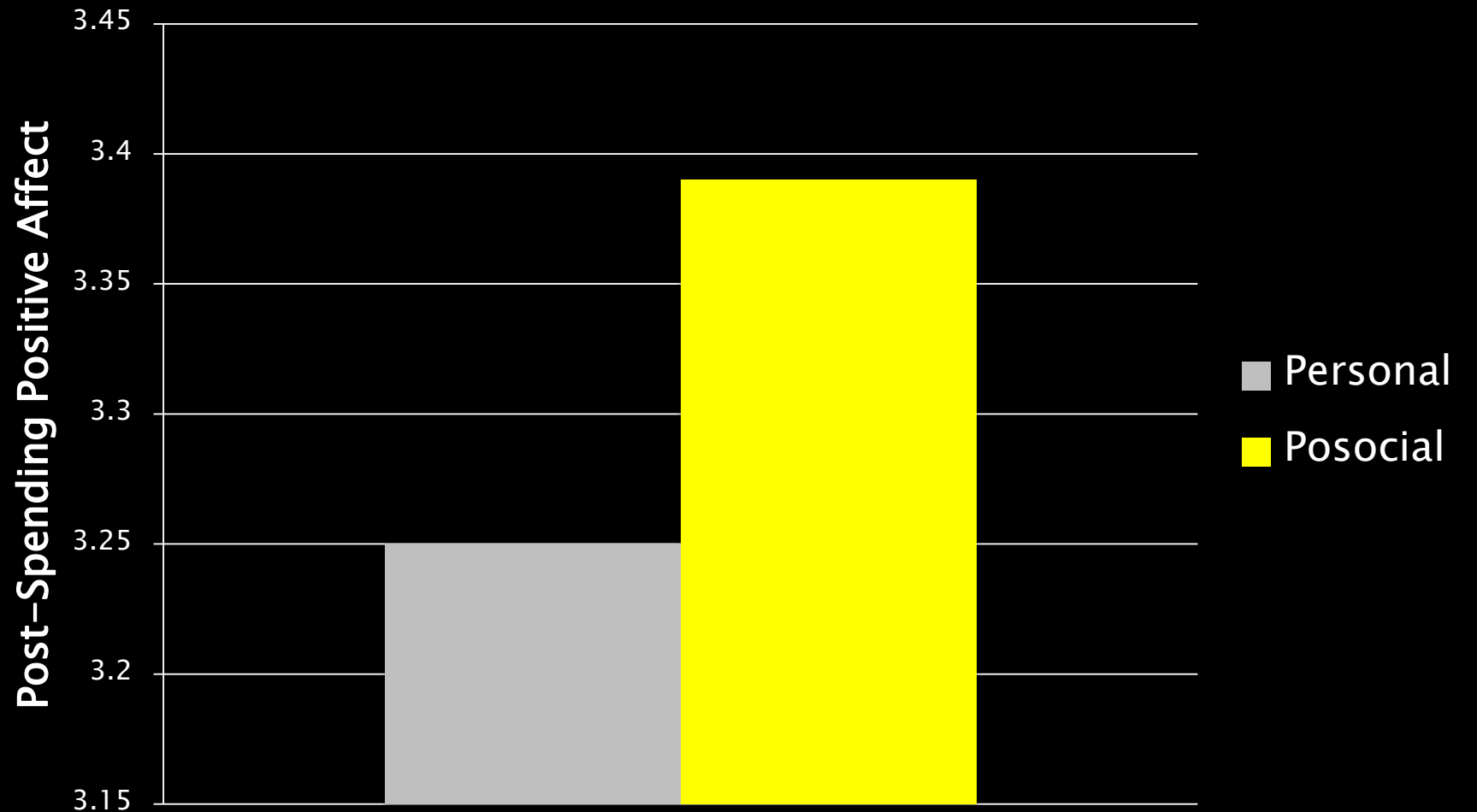
My Project

With the basic school supplies such as markers, colored pencils, and chalk, my students will feel empowered to succeed throughout the 6th grade and will be able to enter the classroom with the supplies needed to complete projects and various assignments throughout the year.

Online Ex-Offender Study

- Recruited antisocial sample
 - Many reported violent crimes, some of the highest severity
 - rape, murder, child trafficking
 - On avg, significantly higher antisocial tendencies than community samples

Online Ex-Offender Study (N=777)



$t(775)=2.055, p=.04, 95CI [.006, .263], d=.15$

Online Ex-Offender Study

- Take home message:
 - The emotional rewards of giving may be detectable among ex-offenders
 - Weaker degree than non-offending populations

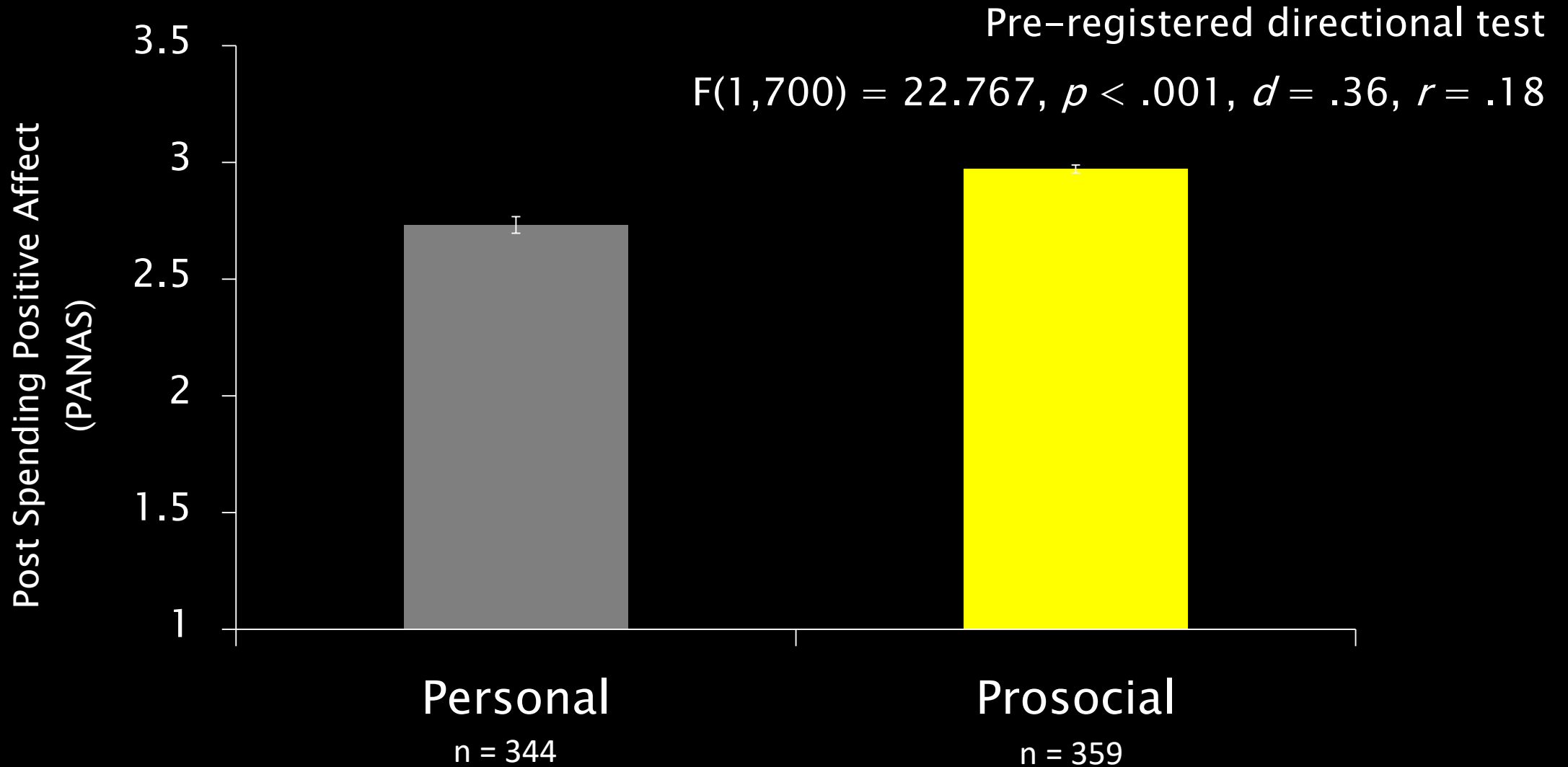
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New Standards for Evidentiary Value

- Recent “replication crisis”
- Emerging stronger from improved methods
 - Larger samples
 - Pre-registration
- Multiple, large pre-registered studies
 - Goody-bag design (>700 students)
 - Recall design (2 studies, 1950 people) mixed

RRR Goody Bag



Conclusions

- **Money can buy happiness if spent on others**
 - Correlational Survey
 - Windfall Study
- **Support for Universality**
 - Gallup World Poll
 - Goody bag studies (Canada/South Africa and Vanuatu)
 - Toddler Study
 - Ex-offenders and delinquent youth
- **New, best practice**
 - Registered Replication Report

Conclusion

- Prosocial spending leads to happiness
 - Around the world
 - Hedonic rewards of prosocial behavior emerge early and available to many, even unlikely samples
- A positive feature of humanity, likely rooted in our deep connection and reliance on others
- Happier spending choices



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Thank You!

- Collaborators
 - Liz Dunn, *UBC* (Social Psychology)
 - Mike Norton, *Harvard Business School* (Marketing)
 - Kiley Hamlin, *UBC* (Developmental Psychology)
 - Tanya Broesch, *SFU* (Developmental Psychology)
 - Chris Barrington-Leigh, *McGill University* (Economics)
 - John Helliwell, *UBC* (Economics)
 - Claire Ashton James, *Gronigen University* (Social Psychology)
 - Robert Biswas-Diener, *Positive Acorn*
 - Paul Nyende, *Mbarara Institute* (Uganda)
 - Imelda Kemeza, *Makerere University* (Uganda)
 - Jodi Viljoen, *SFU* (Forensic Psychology)
 - Kate Hanniball, *SFU* (Forensic Psychology)
 - Kevin Douglas, *SFU* (Forensic Psychology)
 - Jason Proulx, *SFU* (Social Psychology)
 - Iris Lok, *UBC* (Social Psychology)

Q&A Session

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