Anxiety and the Preference for Resource Efficient Behaviors
Shruti Koley¹, Caleb Warren² and Suresh Ramanathan¹
¹Texas A&M University, ²University of Arizona

Anxiety is of Two Kinds

Active Anxiety experienced when lagging on goal pursuit.
Passive Anxiety experienced due to uncontrollable threats.

Active Anxiety increases Desire for Resource Efficiency

- Detect Discrepancy (or lag)
- Issue feedback as Active Anxiety
- Monito Goal Progres
- Need to Maximize Resource Efficiency

Desire to Increase Speed of Goal Progress

Activate desire to increase the speed of Goal Progress

Desire to Get More done per unit resource

The feeling: ‘Make the most of your time’, ‘Get more bang for your buck’

Need to Maximize Resource Efficiency increases

1) Choice for Discounted Products & Activities

Coffee & Drinks; 30 minutes now, > Coffee & Drinks; 45 min. if you delay.

2) Sunk Cost Effect

Why change now? We've already wasted so much money.

3) Desire to Qualify for Free Shipping

FREE SHIPPING ON ORDERS OVER $100

Study 1: Preference for Discounts

After emotion manipulation, participants asked to choose a hypothetical basket of either products (in a shopping task), or activities (activities prioritization task) from a list. Half the products and activities on the list discounted (counterbalanced).

Study 2: Sunk Cost Effect

You have spent $200 on a ticket for a weekend ski trip to Michigan. Several weeks later you buy a $100 ticket for a weekend ski trip to Wisconsin. You think you will enjoy the Wisconsin ski trip more than the Michigan ski trip. You must use one ticket and not the other.

Which will you go on?
- a) Michigan Ski Trip
- b) Wisconsin Ski Trip

Study 3: Ruling out Opportunity Cost Consideration.

Is preference for discount about 'Getting more bang for your buck' or 'Saving money for Future Opportunities'?

Participants given a hypothetical choice to buy a DVD or not. DVDs were either discounted or not (price kept same). Half the participants were reminded that the money saved by not buying DVD can be kept for other purposes (Opportunity cost: salient).

Study 4: Real Behavior

Participants recruited on MTURK asked to do a second study for a bonus. They could do either:
- a) A 3 minute long study for a $0.30 bonus (efficient, but lower absolute payout)
- b) A 10 minute long study for a $0.50 bonus (inefficient, but higher absolute payout)

Conclusions

- Anxiety can be of two kinds depending on whether agency is retained or not.
- Active anxiety (agency retained) increases efficient choices
- Efficient choices can both help (e.g. buying in bulk to save), and hurt (sunk-cost bias, buying excess to avail discount).