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Review of research on consumer behavior by hedonic and utility goods

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Abstract:

This article provides a literature review on the impact of hedonic and utility goods on consumer behavior. Focusing on hedonic and utility goods, we investigate their different impacts on consumer behavior, specifically discussing four aspects: price perception, subsequent purchases, purchase intention, and self-control. Our objective is to synthesize how hedonic and utility goods lead to differences in consumer behavior. Regarding price perception, most studies have focused on consumers' varying price sensitivity to different types of goods, resulting in behavioral differences. When it comes to subsequent purchases, researches generally suggest that purchasing hedonic goods may lead to regret and guilt, thereby influencing consumers' subsequent buying behavior. In terms of self-control, studies commonly agree that there is a bidirectional relationship between the type of goods and consumers' self-control behavior. With regard to purchase intention, existing research mainly examines hedonic and utility goods as influencing factors. Overall, this article systematically reviews the different impacts of hedonic and utility goods on consumer behavior, providing valuable insights for marketing strategies.

Keywords: hedonic goods, consumer behavior, price perception, subsequent purchases

1. Introduction

To understand consumers' shopping preferences and enable businesses to develop products more accurate, consumer behavior is a key focus of economic research. Depending on the purpose of purchase, goods can be classified into hedonic and utility categories. Hedonic goods are those purchased for the sake of enjoyment, while utility goods are those acquired to meet daily or functional needs. Many researchers have examined the impact of these two types of goods on consumer behavior. The research primarily revolves around four aspects: price perception, subsequent purchases, self-control, and purchase intention. Regarding price perception, some scholars have studied the relationship between product type, price framing, and anticipated guilt. In terms of self-control, some researchers have explored the influence of feelings of power on impulsive buying behavior related to different types of goods. In the area of purchase intention, studies have also examined the gap between different types of live streaming hosts and the distinction between hedonic and utility goods. These studies connect the two types of goods with consumer behavior. Based on the influence of different product characteristics on consumer behavior, businesses can reasonably position their products to attract target customer groups. At the same time, this knowledge is crucial for consumers in selecting the goods they need, profoundly influencing their purchase behavior.

Although various studies have detailed the relationship between hedonic and utility goods in specific aspects, there is still a lack of a comprehensive review of these findings. This study aims to explore how hedonic and utility goods influence differences in consumer behavior. By summarizing research on hedonic and utility goods, this study highlights their characteristics in terms of subsequent purchases, price perception, purchase intention, and self-control. It aims to help understand the nature of hedonic and utility goods, thereby enhancing the understanding of marketing strategies and consumer choices, providing a reference for businesses to develop more targeted marketing strategies. Based on a review of previous research, this article summarizes some key findings: Consumer behavior directly impacts price perception, and different types of consumer goods also influence consumers' purchasing behavior; purchasing hedonic goods often leads to feelings of regret, which can affect the likelihood of subsequent purchases, but other factors also play a role; purchase intention is influenced differently by hedonic and utility goods; and self-control interacts with various factors, exerting distinct influences on hedonic and utility goods.

2. Overview of the Effects of Hedonic Products and Real Products on Consumer Behavior

In consumer behavior studies, the most common classification of products is based on their hedonic and utility nature, dividing them into hedonic goods and utility goods. Specifically, hedonic goods refer to products that provide aesthetic enjoyment, inspiration, and fun in terms of emotional and sensory experiences, such as jewelry, fashion, chocolate, sports cars, and music. In contrast, the purchase of utility goods is more driven by rational cognition, as they are seen as tools to achieve personal goals or complete tasks, like furniture, office supplies, and basic clothing.

Moreover, hedonic and utility goods are not always polar

opposites on a single dimension. Instead, they can exist as a continuum of characteristics. A product can possess both hedonic and utility properties. For instance, when evaluating a water bottle, consumers consider both its hedonic aspects, such as color and shape, and its utility features, like capacity, portability, and ease of use. In this case, the classification of the product as hedonic or utility relies more on the individual's perceived trade-off between the hedonic and utility benefits it offers. Products perceived to be more hedonic are categorized as hedonic goods, while those deemed more utility are classified as utility goods.The impact of hedonic and utility goods on the four aspects mentioned earlier—price perception, subsequent purchases, self-control, and purchase intention—can be summarized in the following table.

Research topic	Research contents	Researchers
Price perception	The direct effect of consumer behavior on price perception	Shukai Zhang, Wei Lu; Jibo Li, Xiting Huang, etc
	Price perception of consumers under different commodity types	Silan Li, Fengjie Jing; Wenjing Lu, Zhanbo Zhao, Rong Chen, etc
Subsequent purchases	Hedonic goods bring regret	Guiteng Zheng; Qing Yao, Rong Chen, Suhuan Duan; Qing Yao, Rong Chen; Ruoyi Wang et al
	Effect of other factors on subsequent purchases (hedonic / utility goods as variable)	Jun Pang, Zhuozhao Song, Yilin Lu, etc
Purchase intention	Hedonic / utility goods as variable	Luqiong Tong, Yuhuang Zheng, Ping Zhao; Xiaoli Gu; Qi Wang, Dan Xi, Xiaohang Zhang, Rui Chen, Huihui Chen, Yuhuang Zheng, et al
Self-control	Effect of self-control	Zhuozhao Song, Jiao Feng, Yilin Lu, etc
	Impact on self-control	Xuan Zhang, Fengjie Jing, Yuhuang Zheng, Chunyan Dong, Wenjing Wu, Xinghui Lei, Xi Wang, et al

Table 1. Studies made by different authors on commodity types

As evident from Table 1, hedonic and utility goods exert extensive and profound influences across four key dimensions. Specifically, consumers' price perception is jointly influenced by external factors and their own purchase behaviors. For instance, this trait manifests in the types of investments consumers are willing to make, both monetary and non-monetary, which are related to whether the product is hedonic or utility. If it's a hedonic good, the monetary investment tends to be higher while the non-monetary investment is lower, and vice versa. It also manifests in the anticipated guilt triggered by the combination of hedonic and utility goods: the lower the anticipated guilt, the more relative thriftiness associated with hedonic goods, and thus, the higher the purchase intention. In terms of subsequent purchases, the type of product serves as a variable with widespread impact, and hedonic goods, in particular, can independently evoke regret among consumers. When it comes to purchase intention, the product type emerges as a variable across various aspects, exhibiting discriminatory power in terms of emotional factors like nostalgia and awe, as well as objective factors such as product characteristics. Regarding self-control, the type of product interacts and influences self-control, in turn affecting consumers' purchase behaviors from both positive and negative perspectives. This intricate relationship underscores the complexity of consumer behavior and the need for a nuanced understanding of the various factors that shape it.

3. Research Content on the Impact of Hedonic and Utility Goods on Consumer Behavior

3.1 The Impact of Hedonic and Utility Goods on Consumers' Subsequent Purchases

In terms of subsequent purchases, the aspect of regret associated with hedonic goods is particularly noteworthy. Qing Yao, Rong Chen and Ping Zhao (2015) argued that purchasing hedonic goods is more likely to prompt consumers to focus on the legitimacy or justification of subsequent options, leading to a decrease in the likelihood of subsequent purchases or a greater tendency to purchase products with the best supporting reasons. On the other hand, Zheng found a positive correlation between product attributes and buyer loyalty, measured by the ratio of transaction frequency between buyer and seller to the number of purchases made by the buyer from the seller on the platform. Qing Yao, Rong Chen, Suhuan Duan (2013) suggested that purchasing utility goods increases the probability of subsequent purchases, while purchasing hedonic goods decreases it. This is because the purchase of hedonic goods is more likely to evoke feelings of guilt, the pain of spending money, and even negative self-image and higher-level goals, leading to a dominance of rational thinking and a weakening of the application mindset triggered by previous purchases. Compared to utility goods, the purchase of hedonic goods is less likely to trigger a shopping momentum effect. Qing Yao, Rong Chen (2013) further proposed that previous purchases of hedonic goods are more likely to evoke feelings of guilt or payment pain in consumers, leading to an increased need to seek reasons for subsequent choices. This, in turn, enhances the probability of choosing compromise options and dominant options, thus strengthening contextual effects. As for other factors influencing subsequent purchases, Jun Pang, Zhuozhao Song, Yilin Lu (2014) emphasized that male consumers tend to have stronger revenge desires after product failure than female consumers, and this gender difference is significant in both hedonic and utility product failure scenarios. Meanwhile, female consumers are more likely to have stronger avoidance desires after product failure, and this gender difference is more pronounced when comparing hedonic product failure with utility product failure. Xiaozhou Dong (2020) found that individuals' hedonic shopping motivation can significantly reduce the impact of perceived product innovation on perceived risk while significantly enhancing the impact of perceived product innovation on customer inspiration.

3.2 The Impact of Hedonic and Utility Goods

on Consumers' Self-Control

In the case of self-control, Zhuozhao Song, Jiao Feng, Yilin Lu (2013) proposed that consumers with self-control goals towards restraint adopt a low-level interpretation when dealing with utility goods and a high-level interpretation for hedonic goods. Conversely, consumers with self-control goals towards indulgence adopt a high-level interpretation for utility goods and a low-level interpretation for hedonic goods. Xuan Zhang, Fengjie Jing (2012) found that consumers have the highest willingness to purchase and impulse buy hedonic virtual products, with significant differences compared to utility virtual products. However, the differences in purchase intention and impulse buying between physical hedonic and utility goods are less significant. Yuhuang Zheng, Chunyan Dong (2013) demonstrated that decision-making interruptions significantly increase the likelihood of consumers choosing hedonic goods compared to efforts or control groups. This positive effect is moderated by consumers' perceived conflict between the chosen hedonic and utility goods. Wenjing Wu (2019) proposed that the sense of power influences people's willingness to impulsively purchase different types of products. The mechanism lies in the higher information processing fluency experienced by individuals with varying levels of power when facing utility or hedonic goods. Furthermore, when individuals with a high sense of power have hedonic goals, they tend to exhibit a higher willingness to impulsively purchase hedonic goods. Xinghui Lei and Xi Wang (2019) suggested that product type moderates the relationship between social exclusion and consumers' impulsive buying behavior, with social exclusion having a stronger impact on impulsive purchases of hedonic products compared to utility products. Fei Jin and Huawei Zhu (2016) clarified that individuals with a high sense of power have higher information processing fluency when facing utility goods. When these individuals have hedonic goals, they tend to exhibit a higher willingness to impulsively purchase hedonic goods.

3.3 The Impact of Hedonic and Utility Goods on Consumers' Price Perception

Regarding price perception, Silan Li and Fengjie Jing (2014) analyzed the relationship between price framing and consumer preferences in bundled sales of utility and hedonic goods, revealing that hedonic goods tend to trigger higher purchase intentions. Shaoyi Cheng (2021) explored the impact of discount types on consumers' repurchase intentions, finding that fixed discounts enhance repurchase intentions for hedonic goods compared to gambling-style discounts. When purchasing hedonic goods,

fixed discounts lead to higher internal reference prices, while hedonic goods exhibit the opposite trend. Wenjing Lu, Zhanbo Zhao, and Rong Chen (2014) compared the effectiveness of promotional gifts as hedonic or utility items, concluding that hedonic gifts are more effective in promoting the sale of hedonic goods, while there is no significant difference in the promotional effect of gifts for utility goods. Shukai Zhang and Wei Lu (2017) proposed that product type significantly moderates the composition of price perception in terms of monetary and non-monetary inputs. When purchasing utility goods, the impact of monetary and non-monetary inputs on perceived value is not significant. However, when purchasing hedonic goods, the perceived value of monetary inputs is significantly higher than non-monetary inputs. Jibong Li and Xiting Huang (2017) directly linked preferences for time pricing with hedonic and utility goods, suggesting that individuals in the time pricing group tend to choose utility goods over hedonic goods.

3.4 The Impact of Hedonic and Utility Goods on Consumers' Purchase Intentions

As for purchase intentions, Luqiong Tong, Yuhuang Zheng, and Ping Zhao (2011) demonstrated through experiments that increased effort enhances people's willingness to purchase products, with a more significant impact on the purchase intentions of hedonic goods compared to utility goods. Xiaoli Gu (2022) proposed that there is a significant interaction between the activation method of money concepts and the source of money on consumption choices. Under the concept of electronic payment, there is no difference in the choice of utility and hedonic goods between earned and unexpected money scenarios. However, under the concept of cash payment and the control group, individuals tend to choose hedonic goods in unexpected money scenarios and utility goods in earned money scenarios. Qi Wang, Dan Xi, and Xiaohang Zhang (2017) pointed out that product attributes moderate the impact of payment methods on purchase intentions. Significant differences in the impact of different payment methods on purchase intentions are only observed when the product attribute is hedonic, while there are no significant differences for utility goods. Rui Chen, Huihui Chen, and Yuhuang Zheng (2017) proposed that nostalgia promotes consumers' preference for hedonic goods, and emotional decision-making mediates the impact of nostalgia on the choice between hedonic and utility goods. Qiufang Wang (2020) proved that positive awe emotions tend to make individuals more inclined to choose practical goods, while negative awe emotions incline individuals towards the purchase of hedonic goods. Shuai Zhong, Gaojie Li, and Yan Kou (2021) took a different approach and discovered that trust has a greater impact on the willingness to purchase practical goods, while the expression of social value has a greater impact on the willingness to purchase hedonic goods. Specifically, trust has a stronger influence on the willingness of consumers with a defensive mindset to purchase practical goods, while the expression of social value has a greater impact on the willingness of consumers with a promotional mindset to purchase hedonic goods. In terms of live streaming, Xuhui Wang, Jia Hao Wang, Yun Wu (2023) found that when consumers purchase practical goods, specialized live streaming for product promotion is more effective in enhancing their purchase intention. However, when consumers purchase hedonic goods, live streaming that involves sharing and promoting products is more conducive to stimulating their purchase intention. Furthermore, Minxue Huang, Yuqian Ye, Wei Wang (2023) pointed out that when celebrity anchors recommend and introduce hedonic goods, it triggers consumers' identification mechanism and enhances their purchase intention and product sales. Conversely, when corporate anchors recommend and introduce practical goods, it triggers consumers' internalization mechanism and boosts their purchase intention and product sales.

4. Summary and Outlook

Overall, to distinguish the purpose of purchase, people categorize goods into hedonic items, purchased for enjoyment, and practical items, acquired to fulfill daily or functional needs. Based on this classification, the aim of this paper is to explore the differences in how hedonic and utility goods affect consumer behavior. By summarizing research on hedonic and utility goods, this paper conducts a comprehensive and in-depth study from four aspects: price perception, subsequent purchases, self-control, and purchase intention. The conclusion drawn is that consumer behavior has a direct impact on price perception, and different types of consumer goods also influence consumer behavior. The purchase of hedonic goods is more likely to lead to widespread regret, which in turn affects the likelihood of subsequent purchases, while other factors also have an impact on subsequent purchases. Purchase intention is influenced differently by hedonic and utility goods. Self-control interacts with various other factors, and its impact also differs between hedonic and utility goods. Such research helps to comprehensively reflect the differences and similarities between hedonic and utility goods, aiming to assist in understanding their various properties. This, in turn, contributes to understanding market strategies and consumer choices, providing a reference

for businesses to carry out more targeted marketing. It effectively guides businesses in positioning their products and is significantly helpful for consumers in selecting the goods they need.

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