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The effect of debt concentration on preference for materials goods or experiential purchases

Prior research suggests that debt concentration affects consumers' motivation and leads to the best financial decisions. However, less is known about its relation to the presence of buying options, specifically, material versus experiential choices. To address this gap, this study proposes investigating how debt management strategy (concentrated vs. dispersed) influences experiential versus material goods preferences. Two experiments were conducted in the lab and Mturk. The main findings suggest pieces of evidence that due dates concentration influences consumers to repay more credit card balances. However, this concentration effect is attenuated by time distance. In addition, dispersed accounts lead consumers to spend more, not with experiences as predicted, but with goods. The results suggest that debt concentration leads consumers to prefer material goods instead of experiences. It can help consumers realize that external factors can influence their buying process more than purchases characteristics and could be helpful for consumers to adopt due dates concentration strategy to organize their finances better. The results contribute to developing theories about how debt management influences subsequent behavior. Also, it has been demonstrated as a new antecedent for purchases preferences for material (vs. experience).

Keywords: Experience; Material goods; Consumers indebtedness; Debt management; Credit card; Debit payment.

O efeito da concentração da dívida na preferência por bens materiais ou compras experimentais

Pesquisas anteriores sugerem que a concentração da dívida afeta a motivação dos consumidores e leva às melhores decisões financeiras. No entanto, pouco se sabe sobre sua relação com a presença de opções de compra, especificamente, escolhas materiais versus experiências. Para preencher esta lacuna, este estudo propõe investigar como a estratégia de gestão da dívida (concentrada vs. dispersa) influencia as preferências experienciais versus bens materiais. Dois experimentos foram conduzidos no laboratório e Mturk. Os principais achados sugerem evidências de que a concentração de vencimentos influencia os consumidores a pagar mais saldos de cartão de crédito. No entanto, esse efeito de concentração é atenuado pela distância temporal. Além disso, contas dispersas levam os consumidores a gastar mais, não com experiências como previa, mas com mercadorias. Os resultados sugerem que a concentração da dívida leva os consumidores a preferir bens materiais em detrimento de experiências. Isso pode ajudar os consumidores a perceber que fatores externos podem influenciar seu processo de compra mais do que as características das compras e pode ser útil para os consumidores adotarem uma estratégia de concentração de datas de vencimento para organizar melhor suas finanças. Os resultados contribuem para o desenvolvimento de teorias sobre como a gestão da dívida influencia o comportamento subsequente. Além disso, foi demonstrado como um novo antecedente para as preferências de compra de material (vs. experiência).

Palavras-chave: Experiência; Bens materiais; Endividamento dos consumidores; Gestão de dívidas; Cartão de crédito; Pagamento em débito.

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Denise Gabriela Rodrigues
Universidade Federal de Minas Gerais, Brasil
http://lattes.cnpq.br/1011548630813582
https://orcid.org/0000-0001-6091-5702
denisegabrielarodrigues@gmail.com

Luana Kava
Universidade Federal do Paraná, Brasil
http://lattes.cnpq.br/7693657600133824
https://orcid.org/0000-0003-3434-7953
contato@luanakava.com

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INTRODUCTION

Credit cards debt is a complex problem for many consumers. The amount of debt stemming from postponed payments is more than $700 billion only in the US, about $15,000 per household unable to pay their bills in full, resulting in carrying a balance that increases fast. Despite almost half of the household being in trouble with credit cards repayments, according to an Experian report, they spend $12,800 on discretionary purchases per year and hold more than five credit cards on average. Moreover, the credit card was considered the primary cause of indebtedness in Brazilian families, with 76.8% being on debit, according to the Institute for Consumer Indebtedness (2017). In addition, this percentage of indebtedness is increasing, reaching 59.2 million, or about 40% of the Brazilian population is in default. The leading cause is credit card misuse, which is often related to influencing how consumers spend their resources (PEIC, 2017). In addition, the Brazilian government has altered the credit card laws about minimum payment, prohibiting postponing total payment. Consumers, therefore, have an imposed limit more superior to the regular minimum payment offered by banks.

Consistent with this data, the relation between debt management complexity and indebtedness of the population has been studied from different perspectives (AMAR et al., 2011; KETTLE et al., 2016; MICK et al., 2012). Likewise, on borrowed money context, was observed depending on degree to which consumers feel psychological ownership of borrowed money, and variation on this dimension can predicts willingness to borrow money for discretionary purchases (SHARMA et al., 2021).

In addition, research has investigated how consumers make decisions in this scenario and how the result of these choices can influence their daily lives. Part of these decisions relates to the way people manage multiple accounts. However, this task maybe not be so simple. For example, consumers often avoid normative perspectives (STANGO et al., 2009b; STEWART, 2009). Instead, consumer debt management generally relies on strategies they judge helpfully to become debt-free, settle all liabilities, and remain financially accountable. Likewise, literature has demonstrated that many consumers misunderstand information related to this process regulation (BENARTZI et al., 2007; EISENSTEIN et al., 2005; STANGO et al., 2009a). Besides, the characteristics of this payment system as a facility of credit often prejudice and undermine consumer self-control (MICK, 2012; SOLL et al., 2013), and managing multiple accounts can affect the consumer's subsequent behavior (DURANTE et al., 2016).

Even if it does not seem intuitive, account management can influence such behaviors. Among these aspects, clues show that the consumer frequently fails in this situation. Moreover, even making efforts, such choices can disrupt the recovery of the debts. For example, when the consumer must choose which accounts to eliminate first, there is a tendency to underestimate interest rates and prefer to pay off the lowest debt, which is justified because reducing the number of accounts is more satisfactory than paying less interest and healthier financially. Such action leads people to cultivate a false sense of progress by focusing on reducing accounts but increasing the debts if considering the amount of value, a phenomenon called "account aversion" (AMAR et al., 2011).

Conversely, research has highlighted the influence of one specific strategy, which is the presentation of the bills as concentrated or dispersed, and its impact on consumer's future behavior (AMAR et al., 2011; KETTLE et al., 2016; SOLL et al., 2013). The concentration of payment comprehends as any situation in which multiple bills can be asses jointly. In these cases, the emphasis is on the total value of all bills the consumer holds. While for dispersed accounts, the bills are considered one by one, emphasizing each value (KETTLE et al., 2016). These two perspectives have different effects on subsequent behavior as they help consumers organize personal finances (BOLTON et al., 2011; ORMAN, 2000; RAMSEY, 2003), choose better how to allocate debt repayments among multiple bills (AMAR et al. 2011; SOLL et al., 2013) and increasing motivation to get out of debts (KETTLE et al., 2016).

Likewise, as discussed, literature has provided evidence of how the adoption of concentration strategies (*vs* dispersion) influences the quality of the consumer's allocations in their daily lives and other subsequent behaviors. However, less is known about how this relationship could influence consumers' purchases preferences. To date, debt management has been studied isolated but in the context of a dilemma or an opportunity to make a purchase. Should these concentrations effects remain when the consumer has the option to buy something? How do consumers asses available capital when it feels tempted to buy something instead of repaying their debts? More specifically, it is argued that debt concentration leads consumers to prefer material goods. This is consistent with Tully's (2015) finding that financial restriction leads consumers to prefer material goods instead of experiences.

In this sense, the main goal of the present research is to verify whether the credit card bills presentation as concentrated leads consumers to choose material purchases. In another way, the dispersed presentation influences consumers to choose experiential purchases. It is argued that the strategy of concentration repayment shifts the consumer's preferences for products because they feel more committed to debt payment and consequently financial constrained, which leads to a concern about the lasting of a purchase. On the other hand, dispersed debts can lead to experiential choices. This should occur because consumers experience a lower level of commitment with debt payment and allow themselves to indulge in licensing effect of task accomplishment (LOCKE et al., 1988).

More objectively, it contributes to confirming the effect of concentration of debt when there is the presumption of time in maintaining the motivation to remove debts and if this remains in the context where there is a possibility of expenses. Therefore, understanding the motivations and strategies that effectively help the consumer get out of debts is attractive to consumers and public policymakers and institutions engaged in brokering transactions for this purpose by learning about how they can influence their users to get rid of debts faster.

The aspects that can shift consumer preferences have many studies investigating external factors that can influence them (PINE et al., 1998; CARTER et al., 2010; NICOLAO et al., 2009). However, until now, the literature uncovered how debt management interacts with purchases preferences. Tully et al. (2017) have found that the type of debt matters. Also, the authors did field studies about discretionary buys with a credit card and demonstrated that consumers spend more money on experiential purchases. However, to date was, not found studies investigating how different presentations of due dates can shift consumer choices and explain mechanisms. Moreover, this kind of flexibility common to consumer indebtedness can lead to different types of subsequent behavior.

The central hypothesis of this research is that debt concentration manipulated by due dates can shift consumers' preference for material goods, whereas dispersed bills lead consumers to prefer experiential purchases. This prediction that debt concentration can influence the consumer's preferences for material goods is consistent with prior research, which has shown that the concentration effect increases consumer motivation to get out of debt (AMAR et al., 2011; KETTLE et al., 2016; NAVARRO et al., 2011). Moreover, consequently, this sense of commitment to repayment, like financial constraint, could shift the preference for material goods, as demonstrated in prior research (CARTER et al., 2010; DURANTE et al., 2017; TULLY, 2015; TULLY et al., 2017; NICOLAO et al., 2009 PINE et al., 1998).

The relevance of studying the allocation of resources by consumers can be associated with economic and social problems associated with the indebtedness of families (PEIC, 2017). In this way, this research interests' diverse audiences. In addition to consumers who can acquire guidelines to help them better manage their debts, public policymakers with such insights can guide, collect, and punish institutions that use such mechanisms to hurt consumers.

In order to test these predictions, two experimental studies were conducted. Study 1, operationalized by Mturk respondents, aimed to investigate if concentrated (*vs* dispersed) due dates influence the preference for material purchases (*vs* experiential), the main finding was that condition concentrated, and distant ($30^{th}/30^{th}$) paid significantly less the bills. Study 2, conducted in laboratory ambient, seeks to replicate the effect in conditions more controlled, and the results marginally significant was those consumers in dispersed conditions ($15^{th}/30^{th}$) spent more, however not with experiences as predicted, but with a product. Finally, the finds and limitations are discussed, and an agenda is proposed.

The present work contributes to different kinds of literature. For debt management, insights about how a consumer can lead to multiple bills depending on due dates are given. In addition, it provides evidence about the concentration effect on less engagement on bills payment and increases the preferences for the product instead of experiences. Also, there is a contradiction, an attenuation of concentration effect by time distance. Finally, the studies about purchase preferences bring light to one more external factor that could interact with consumer decisions and help propose new factors which can influence the phenomenon like debt concentration to comprehend better the influence of credit card bill due dates and purchases preferences. Finally, this research provides evidence to help consumers attenuate preferences that sometimes lead to poor financial decisions by lousy management of credit card bills.

THEORETICAL REVIEW

Indebtedness and Debt Management

Research on consumer behavior has investigated how the strategies adopted by consumers can help or yet increase indebtedness. The way that consumers deal with multiple debts and which strategies are explicitly adopted with multiple credit card bills. Debt management refers to how consumers organize, pay, and act on their debts. It also includes the strategies and lay theories about methods and strategies used to deal with their multiple accounts to keep the financial situation organized (BENARTZI et al., 2007; AMAR et al., 2011).

Because of some inconsistencies, the research sought to investigate how consumers assess their financial situation. Moreover, how it could lead to subsequent behavior, since motivational behavior, psychological factors, financial literacy (BOLTON et al., 2011), available information in credit card statements (SOLL et al., 2013), minimum payment (NAVARRO et al., 2011), and management of bills concentrated or dispersed as small or completely tasks (JIN et al., 2015; GAL et al., 2012; BROWN et al., 2015; AMAR et al., 2016; ORMAN, 2000; RAMSEY, 2003), the influence of the type of debt/source-of-fundings on purchase preferences (TRULLY, 2017).

Credit cards

Specifically, many studies investigated how threatening credit cards can be to consumers. Means of payment play a significant role in consumer decisions. From an economic point of view, money is fungible. Thus, existing payment alternatives should follow the same orientation when used to make a payment, which does not happen in practice, showing that psychological aspects interfere significantly in the consumers' decision (SOMAN, 2001a). Since the sixties, the impacts of different means of payment on consumer decisions have been analyzed. In his seminal paper, Hirschman (1979) questions this role and proposes the verification of what occurs in this process. Therefore, besides being a growing area, several aspects still require explanations (KETTLE et al., 2016, SOLL et al., 2013, SOMAN, 2001a, 2001b).

Debit Concentration Strategy

All the dynamics related to the payment of credit card bills alone already offer challenges for the consumer. However, the situation may present additional complexity when considering multiple invoices. That is one more aspect that the consumer must elaborate in the time to realize the allocation of its resources, the number of bills to be analyzed.

On the prospect of progress and goal pursuit, the consumer target literature has a considerable body of knowledge that explains the consumer's decisions to keep to a goal or abandon it, which would justify the adoption of smaller account payments or dispersed in the short term and thus more easily meet long-term goals (NEWELL et al., 1972). From this, it has been found that accounts that are adopted globally, that is, concentrated, have more impact on the motivation of consumers to strive more to clear invoices than those who viewed the accounts in a scattered way (KETTLE et al., 2016).

Similarly, one of those beliefs that academics have explored is related to the presentation of multiple bills. It has been verified whether multiple bills presented grouped or in a situation like in a concentrated way can influence more positively in debt management than dispersed (BROWN et al., 2015; GAL et al., 2012;

ORMAN, 2000; RAMSEY, 2003). Studies suggest that debt concentration versus dispersed effect subsequent behaviors. Kettle et al. (2016) carried out a field study analyzing invoices and realized that effectively, in the daily life, consumers engage more when adopting strategies of concentration of debits founds in this way, that concentrated debts strategies lead consumers to more engagement and be motivated to quit their debts more quickly when their focus is to get the total debt done. They also found that dispersed accounts instead could influence the consumer to be less attempt to amount the debt, being more demotivated to repay their debts. Also, even the goal pursuit states that small tasks lead a more achievement (LOCKE et al., 1988). Consumers who focus on paying their debts in a concentrated way feel more likely to get out of debt. Amar et al. (2016) proposed an "Accounting aversion," a result of choosing to eliminate accounts instead of reducing the costliest debt, an example of how consumers prefer to complete tasks on quantity instead of process values.

Goal Pursuit

Research shows that consumers assess the distance and difficulty degree of goal, which defines their commitment (LOCKE et al., 1988). The main statement of this study affirms that consumers engagement strongly depends on which stage of the goal it is focused on, the progress, or what they already achieved—this leads to keeping motivation. However, the focus on "what is deserved as achievement" remains incomplete lead to abandoning the goal (BANDURA, 1991; FISHBACH et al., 2005; FISHBACH et al., 2006; HUANG et al., 2011; KIVETZ et al., 2006; KOO et al., 2012; LOURO et al., 2007).

In other situations that analyze global assumptions, assessing many accounts together can be assumed as discrete goals that have to be achieved. Better saying, consumers can take multiple bills as multiple goals.

Furthermore, this perspective can be applied to managing multiple accounts to be paid. As argued, consumers assume this situation like discrete goals, which leads them to implement strategies that can help them figure out how to complete the task (pay all the bills). As stated by theories about completing tasks, the focus on the main goal or part of it matters (AMAR et al., 2011; BROWN et al., 2015; GAL et al., 2012).

Experiential vs. Material purchases

The differentiation between material goods and experiential purchases can be defined as a continuum. Experiences are not tangible; they have a deadline to finish, and they cannot be transported, although it is considered living gain, something like life experience. On the other hand, material goods it almost the opposite, tangible, retained over time and can be transferred from one place to another (NICOLAO et al., 2009; TULLY, 2017).

Research on purchases choices (PINE et al., 1998; CARTER et al., 2010; NICOLAO et al., 2009) suggests that the nature of purchase could be just one of the reasons that influence consumer's choices on material goods versus experiential purchases. Likewise, the preference can change; for example, external factors could change consumers' preferences for material or experiential choices (DURANTE et al., 2016; TULLY et al., 2017). Specifically, purchases on experiential versus material preferences on financial restriction context led consumers to a limited budget to seek lasting resources by choosing material goods even for discretionary purchases (TULLY et al., 2015). Also, subjacent behavior influences the kind of purchase in borrowing behavior (TULLY et al., 2017).

Based on this discussion, it is argued that debt concentration influences the preference for material goods. It should occur because debt concentration increases motivation to repay accounts by engaging consumers. That commitment, similarly to financial constrained, leads consumers to prefer materials goods (vs. experience). Moreover, when consumers have dispersed debts, this leads consumers to a prefer experiences. This could happen because paying one bill can lead to a desire to indulge. Moreover, commonly, consumers self-indulge more with experiences. Conversely, the central hypothesis of this study is H1(a): Concentrated (vs. dispersed) due dates lead a consumer to choose material goods (vs. experiences).

MATERIALS AND METHODS

Study 1

The purpose of study 1 was to test H1, which predicted that consumers could shift their preferences for products or experiences influenced by how they manage the payment of their credit card bills. Participants and design in this study were 229 respondents (54,6% female, Mage = 37). recruited by Mechanical Turk who completed the survey in exchange for financial compensation, thirty-five participants failed attention checks and were excluded resulting in a final sample of 194 participants. The study followed a single factor with three dimensions.

Procedures Participants were asked to imagine that they are managing their credit card bills; they received a stimulating e-mail with two offers that they could buy if want. Then, on the next screen, they assess two ads randomized: one from a concert (experiential) and a cell phone (material good). At the next step, all respondents received the information that they have a budget of U$ 700.00 to pay the bills and take the offers if they wanted. Then, they demonstrated how much they would pay/spend on one of each option. Finally, participants were randomly assigned to one of the three conditions, and they received the credit card bills with due dates corresponding conditions (concentrated-close – 15th/15^{th,} dispersed – 15th/30^{th,}, concentrated-distant 30th/30th).

Were used images simulating credit card statements from unknown brands showing all the essential information (Figure 1). These simulations were used in previous research on credit card assessment and payment decisions (NAVARRO et al., 2011; SOLL; KEENEY et al., 2013). All bills' images and different due dates were randomized.

To measure the dependent variable, the respondent must assign the amount of money according to whether they decided to pay or buy between four options by indicating how much they will spend on each (from US$ 0.00 to US$ 400.00) by dragging the bars. The four options (bill 1, bill 2, product, and experience) were shown simultaneously, with the presentation sequence randomized, asking them to drag, as demonstrated in the figure followed in the study is available in appendix A1.

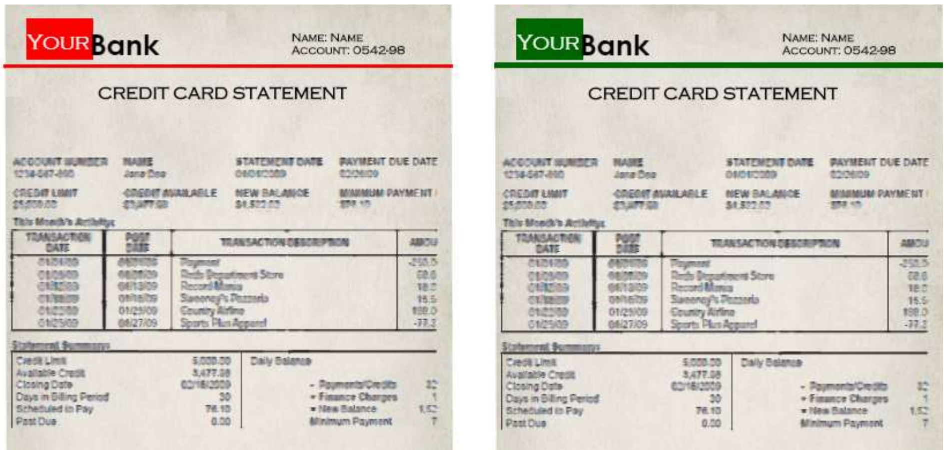

Figure 1: Credit Card Bills.

The stimulate comprehension and respondent's attention in this study were checked. First, they were asked to classify the offers they have seen (cell phone and the concert as a material good or experience in their opinion.) by rating with a three-point-scale (1 = product; 3 = experience). The second check distinguished due dates concentrated from dispersed and the time distance. At the end of the form, they were asked a question with three items about how they perceived the accounts by the due dates as concentrated or dispersed. Were used a 5 points Likert scale (1 = strongly disagree; 5 = strongly agree). To verify the differences between concentrated conditions were asked an open-ended question, which was the due dates they had seen in the study. Finally, demographic data were collected.

RESULTS

Manipulation Check Thirty-five people in total failed on these two types of checks are thus excluded from the analysis (detailed later). To check the stimuli and the attention of respondents in this study was verified if the manipulation of independent variable were well assessed. Twenty-seven cases were excluded because participants were not able to respond which was the due dates they have seen on the research with an open-ended question and this was considered essential to respond all the questions correctly. Participants perception of concentration or dispersion of the bills by the due data manipulation was reduced in one indicator using factorial analyses ($\alpha = 0.54$).

As expected, there were significant differences between concentrated and dispersed conditions. The One-Way ANOVA test was significant $F(2,191) = 4.863$, $p = .009$. The concentrated close condition "30th/30th consider it as concentrated (M concentrated = 3.18, SD = .45), participant from "15th/30th" condition, judge it dispersed (M disperse = 2.91, SD = .54), and concentrated and close condition "15th/15th" did not show statically differences (M concentrated = 3.07, SD = .48). The Tukey HSD post hoc test presented this difference, and all are significant at the 0,05 level. This suggests that respondents see as a distinct way the bills. Then, to verify whether the two concentrated conditions can be distinguished, answers to the open-ended question were analyzed. There was not any significant effect and had no interaction with the results. The Levene test of homogeneity of Variances did not present a significant result, suggesting that these differences did not come from the sample.

A series of variables were measured as the control to verify if there was any interference in the results. It was thus tested perceived indebtedness for manipulations, consideration of interest during the decision-making, the degree to which the respondent considered his financial condition, the number of credit cards that the person uses, socioeconomic situation, age, self-efficacy as personality traits. In addition, other operational controls such as differences between collection groups (classes, courses, and states), realism, the degree of difficulty, and involvement in the research were tested. However, none of these variables has influenced the results.

As the main objective of the present work is to investigate whether there is a main effect of resources management on purchases preferences, we measured all the respondents' allocation to analyze the phenomenon better. For that reason, it was necessary to verify the findings by steps since prior research has studied isolated debt management or purchases preferences. In addition, as this work aimed to explore a phenomenon were measured and explicitly analyzed all the allocations options. So, this section will be detailed each dependent variable measured. The Levene test was significant, suggesting that the sample was not homogenous. However, considering the primary purpose of this study and since the early stage of this study, this was considered a limitation of the studies but not a reason to avoid it altogether. Table 1 demonstrates all the dependent variables that are measured and the main findings.

Table 1: Dependent variables measurement (study 1).

DV	F	Sig	N	Condition	Mean		Sd
			60	15th / 15th	529,1333		167,32
Total Payment	(2,191) 36.297	p = .000	72	15th / 30th	548,8194		164,27
			62	30th / 30th	262,6613	a	286,15
			60	15th / 15th	170,8667		167,32
Total Buy	(2,191) 0.253	p = 0.777	72	15th / 30th	151,1806		164,27
			62	30th / 30th	437,9677		150,15
			60	15th / 15th	68,8833		89,84
Spent in Product	(2,191).238	p = 0.789	72	15th / 30th	68,8333		105,84
			62	30th / 30th	58,8548		83,20
			60	15th / 15th	101,9833		113,63
Spent in Experience	(2,191).684	p = 0.506	72	15th / 30th	82,3472		98,70
			62	30th / 30th	98,1129		97,74
			60	15th / 15th	267,8667		94,85
Payment - first bill	(2,191).880	p = 0.416	72	15th / 30th	253,3611		85,67
			62	30th / 30th	272,8387		86,37
			60	15th / 15th	261,2667		98,41
Payment - second bill	(2,191) 2.386	p = 0.095	72	15th / 30th	295,4583		102,45
			62	30th / 30th	270,1935		78,35
A different subscript indicate differences between groups at the level of p < .05							

A significant main effect was on the decision to pay off the two bills shown in a One-Way ANOVA F (2,191) = 36.297, p = .000. Post hoc test Tukey HSD indicated the group differences, such that participants in the concentrated and distant condition "30th/30th" (M payment = US$ 262.66, SD = US$286.15) were significantly less likely to pay both bills than were participants in the concentrated and close "15th/15th" (M payment = US$ 259.13, SD = US$ 167.32), or dispersed condition "15th/30th" (M payment = US$ 548.31, SD = 164.27). Moreover, the other measures: Individual Balance of Bills Payment, First Bill Payment. Second Bill Payment, there was no significant main effect and the influence of Due Dates presentation on buy decision in general and for Experiential (vs. material).

DISCUSSION

The principal hypothesis was not confirmed in this study, but as described, this field of research is in the early stages and aims to explore mapping the phenomenon. Even the scope of study of this context is still largely unexplained. Despite having no main effect of due dates on purchases preferences, the payment measured as control show that the debt concentration effect can be attenuated by time distance. Thus, the findings of this first study suggest evidence and paths that can be explored to identify explanatory mechanisms and explore more the trends suggested by the analyzes. Therefore, hypothesis H2 was corroborated, as extending that concentration effect was attenuated. The finds demonstrated that due dates concentrated but distant influenced respondents to pay less the two bills.

Objectively, it can be observed that the experimental condition that received two bills on the $30^{th}/30^{th}$ presented a lower average payment of credit card bills, which may suggest that even in concentration condition, the temporal distance from the respondent could lead to an effect attenuation. Construal Level Theory could explain it (FISHBACH et al., 2005; TANNER et al., 2014; ZHANG et al., 2010).

In addition, this was the first study to operationalize the debt concentration by manipulating the due dates of the accounts. The result of these representations is significant, suggesting then that the concentration of debts can be perceived by the consumer not only by paying the total sum of accounts or paying multiple accounts simultaneously but also when considering that they expire together.

Study 2

The objective of study 2 was to verify the concentrated effect in a more controlled ambient, operationalized similarly, but with self-select desired purchases. Were expected that respondents in concentration condition $15^{th}/15^{th}$ feel more indebted than the others, and because of that, they pay more the bills in the dispersed condition.

Participants and design 194 undergraduate students (54% female; M_{age} = 23.3) from social sciences at two public universities in two Brazilian states, Minas Gerais and Paraná. They participate in charge of a gift card drawn from respondents who completed all questions to thank for participation. The study followed a single-factor with three dimensions, between-subjects design.

Procedures Participants were invited to the classroom, and who agreed were forwarded to the laboratory and oriented to be in silence and pay attention to the instructions on pc screen before starting to respond. This study's operationalization was quite similar to Study 1. However, currently, it is in a more controlled ambient. In the first task, all the participants were asked to describe two purchases that they wanted to make with an average price of R$ 300.00 (about US$ 70.00) and had thought about it in the last months, but it did not buy it yet because it is a discretionary purchase (TULLY et al., 2017). After the description, they were asked to self-encode the purchases with a 4 points scale (1 = "definitively a product"; 4 = "definitively an experience"). The decision to ask them to think about buys first was based on the need to create more involving a desire in respondents and control the bias of personal preferences or attractiveness of the ads offered (TRULLY et al., 2015).

After that, all conditions provided the same information that they must manage an amount of R$ 500,00 (about US$ 150.00) to pay the bills and make the purchases they have just described. Then, at the same screen but randomly assigned to one of the three conditions, they must drag the sliders bars to demonstrate how much they want to designate one of each option. The credit card balance of each bill was R$ 300.00 (total R$ 600.00/ US$ 200.00), and the minimum payment was R$ 100.00/ US$ 50.00. Since they must think about purchases simultaneously, this task will need respondents to choose which options are worth more. All images and values were randomized. The bills were equal, changing only the Due dates between conditions and colors within conditions to reinforce that they are different bills from different institutions (Figure 2).

Figure 2: Credit Card Bills.

Moreover, the fields designated for their purchases have an image discriminating that they have to show how much they would spend on each. That was also randomized based on previous material and experiential purchases (TULLY et al., 2017). The following procedures were the same as in study 1.

RESULTS

Manipulation Check, eleven respondents failed attention checks and were excluded from the first study. The next step was conducting the One-Way ANOVA test. As expected, it demonstrated that the independent variable was distinguished between conditions F (2,178) = 59.535, p = .000. The Levene test of homogeneity of Variances did not present a significant result, suggesting that these differences did not come from the sample. Tukey HSD post hoc tests demonstrated the statistical significance of these differences. The respondents consider the "$15^{th}/30^{th}$" condition as different from the others and disperse by the due dates ($M_{dispersed}$= 3.45; SD = 0.88) and as concentrated, the "15^{th} /15^{th}" ($M_{concentrated}$= 1.93; SD = 0.70), and "$30^{th}/30^{th}$" ($M_{concentrated}$= 2.17; SD = 0.84).

Although the concentrated and dispersed conditions could be distinguished, the "15^{th} /15^{th} " and "30^{th} /30^{th}" have no significant difference. Tukey HSD post hoc tests were p= .272 for these two groups. So, to verify if the respondents considered it different and paid attention to due dates were asked an open-ended question which was the two bills they had seen in the study. The results were that 23% of respondents were not precisely on answers, but after verification was concluded that it did not interact with the results. This result suggests that respondents see the bills differently under three conditions. Control Variables, similarly, in the first study, a series of variables were measured as the control but did not interfere with the results.

Main Effects, as explained, the debt concentration-effect has not been demonstrated yet in prior research to influence the buying process. For that reason, it was necessary to verify the findings in steps. In this way were measured distinctly. Was analyzed how much was paid in each option (payment only of the first bill, only of the second bill, both, amount spent only on products, only in experience, and spent in both). The payments were measured as control but were necessary to precisely measure the main interest variables of the study: purchases choices. Specifically, because prior work has studied debt management or purchases preferences isolated, this operationalization must be carefully designed. Also, this work aims to explore a phenomenon that measured and analyzed each of the allocation's options.

In this sense, the test of whether the presence of due dates influenced the bills payment and purchase preferences. This was tested by One-Way ANOVA, which shows a significant effect of dates, suggesting participants could be rationalized in different ways depending on the experiential condition they received. As in the first study, the Levene test remains significant. However, in this study was possible to identify and confront the different groups, but there is no interacting effect that comes from this, indicating heterogeneity. Therefore, as detailed before, seeking evidence that could better explain this phenomenon was decided to maintain the study analyses as possible tendencies to be investigated in future studies. So, in this section, each dependent variable will be detailed, at table 4, are demonstrated all the dependent variables that are measured and the main findings of Study 2.

Table 4: Dependent variables measurement (study 2).

DV	F	sig	N	Condition	Mean		Sd
Total Payment			53	15th / 15th	446,3396	a	83,45
	(2,179) 2.835	p = 0.61	63	15th / 30th	402,1429		111,50
			66	30th / 30th	414,6212		105,31
Total Buy			53	15th / 15th	53,6604	a	83,45
	(2,179)2.835	p = 0.61	63	15th / 30th	97,8571		111,50
			66	30th / 30th	85,3788		105,31
Spent in Product			53	15th / 15th	20,1321	a	37,31
	(2,179)2.956	p = 0.55	63	15th / 30th	44,4921		67,16
			66	30th / 30th	29,5758		53,10
Spent in Experience			53	15th / 15th	33,5283		53,57
	(2,179)1.515	p = 0.223	63	15th / 30th	53,3651		76,93
			66	30th / 30th	55,803		86,05
Payment of first bill			53	15th / 15th	205,9623		55,31
	(2,179)5.605	p = 0.004	63	15th / 30th	242,4921	a	76,47
			66	30th / 30th	205,5758		75,08
Payment of second bill			53	15th / 15th	240,3774		59,59
	(2,179)20.384	p = 0.000	63	15th / 30th	159,6508		73,57
			66	30th / 30th	209,0455		71,48
a Different subscript indicates differences between groups at the level of p < .05							

Payment of Two Bills Balance There was a marginally significant main effect on decision to pay off the two bills $F(2,179) = 2,835$, $p = .061$, suggesting that participants in the concentrated and close condition "15th /15th" were more likely to pay more the bills (M_{payment} = R$ 446.33, SD = R$83.45), than participants in the concentrated and distant condition "30th /30th" (M_{payment} = R$ 414,62, SD = US$105.31) or dispersed condition "15th /30th" (M_{payment} = R$ 402.14, SD = US$ 111.50) such Tukey HSD post hoc show means differences confirmation. In addition, the others variables measured as control, has significant effect for First Bill Payment, $F(2,179) = 5.605$, $p = .004$ and Second Bill Payment $F(2,179) = 20.384$, $p = .000$.

Material Purchase The main effect of due dates presentation on the decision to buy a product was marginally significant $F(2,179) = 2,956$, $p = .055$ at the One Way ANOVA test, an Tukey HSD post hoc tests suggesting that participants in the concentrated and close condition "15th /15th" were more likely to buy a product $M_{payment}$ = R$ 20.12, SD = R$37,31, than participants in the concentrated and distant condition "30th/30th" ($M_{payment}$ = R$ 29.57, SD = R$53.10) or dispersed condition "15th/30th" ($M_{payment}$ = R$ 44.49, SD = R$ 67.16).

DISCUSSION

In this study, it was replicated that the respondents identify the accounts concentrated by the presentation of the same payment due dates. The suggested concentrated-versus-dispersed effect can be considered consistent with that presented in the previous study since in the first study, a significant difference was found in the 30th/30th group against the 15th/30th and at present study; the 15th/30th group suggests that may be significantly different from the other two conditions.

In addition, a possible result found in this study is different from the previous study. However, they are not opposites but complementary. For example, condition 15th/30th had a marginal result suggesting a tendency to make more purchases of products, and condition 15th/15th engaged in paying bills more. On the other hand, the previous study is that condition 30th/30th is the one with significant differences, showing that respondents pay less.

Finally, condition 15th/30th provides evidence that a product-choice trend is consistent with the literature stating that dispersed accounts engage the consumer less in the action of getting out of the debt. Although the hypothesis is that this condition would lead to the preference for experience, the literature states that the feeling of financial constraint may lead consumers to opt for material goods in a general context. This is because, in this case, consumers tend to prioritize the longevity of the purchase.

The hypotheses are partially supported in studies 1 and 2. The debt concentration can shift the consumer preference for material goods purchases. Likewise, dispersed conditions make consumers less willing to repay their debts and make purchases.

The demonstrated debt concentration effect on payment decisions is already established by prior research (AMAR et al., 2016; KETTLE et al., 2016). Studies on this scenario confirmed by the present results show that concentration of bills is helpful to keep consumer spending less. Although the repayment decision has been measured just as a control, it is part of the finds because it confirms the current findings of this theory in this area. Conversely, it was found that the concentration effect can be attenuated by time distance, as explained by psychological distance influences consumer decisions, specifically economic decisions.

Therefore, another's conditioning with no spending on purchases can also be for the same approach considering that the consumers invest better. These results are also congruent for dispersed conditions. At present, the research found that dispersed leads consumers to pay fewer bills or feel more able to make a purchase, even without enough money to repay the balance.

There was a consistent find of concentration-effect perceived by due dates replicated on two studies confirming the hypothesis H1b. Likewise, the bills payment measure as a control presented results congruent with the literature on debt management. The conditions with exact due dates repay more credit card balances than dispersed due date conditions.

In study 1, the prediction about purchases preferences was not confirmed. The nature of context related to debt management can explain it, which leads consumers to try to avoid discretionary purchases (TULLY et al., 2015). Despite having no main effect of due dates on purchases preferences, the payment measured as control show that the debt concentration effect can be attenuated by time distance. Even though the concentrated and close condition (15th/15th) did not affect payment, the result of concentrated and distant was relevant, confirming hypothesis H2.

These finds are consistent when analyzed under the CLT. As argued, the psychological distance (time, place, hypothetical) of people, events, or objects changes the type of decision depending on the abstraction level considered high or low. That is, accounts closer to respondents denote a more concrete scenario. On the other hand, foreign accounts influence consumers to be less engaged in fully paying bills. In this sense, the high construal level caused by time-distance leads consumers to allocate fewer resources to paying these accounts, even when concentrated. Therefore, the concentration-effect has conditions to occur, as demonstrated that bills with due dates more distant, even concentrated, lead them to pay less their debts.

Study 2 partially confirmed the hypothesis H1a, that concentration strategy shifts consumers' preference for material goods, whereas dispersion leads to an experiential purchase. In addition, the results demonstrated that dispersed bills lead consumers to pay less the bills on average (measured as control), predicted by debt management (AMAR et al., 2016; KETTLE et al., 2016). Consequently, consumers feel more able to make purchases, representing, in this case, an abandonment of goal, as stated by goal pursuit theory (LOCKE et al., 1988).

However, there is an inconsistent result. This body of research also demonstrated that when people feel that the tasks are accomplished, they tend to indulge. This licensing often occurs with experiences instead of material goods (KIVETZ et al., 2002; BOVEN; 2005). Instead, the finds demonstrated a tendency to make more purchases in dispersed contexts, but of material goods. The preference for material goods in dispersed conditions is consistent with current literature. Despite the central hypothesis being partially rejected (the prediction was that debt concentration led to material goods purchases while dispersed lead to experiential purchases), in a comprehensive approach, studies have shown that limitations of resources cause this effect (TULLY 2015; TULLY et al., 2017).

Finally, the condition concentrated close to $15^{th}/15^{th}$ presented a consistent effect on repayment, but this study was not significant on purchases, although these results did not confirm the hypothesis. Nevertheless, it is congruent with indebtedness literature, which states that concentration helps organize the accounts. Furthermore, it is important to reinforce that scenario showed has not enough to repay the bills entirely.

FINAL CONSIDERATIONS

The present study proposed a debt concentration strategy to be studied considering purchases options. In order to fulfill this objective was proposed to test these predictions with two experimental studies. In Study 1, investigating if concentrated (vs. dispersed) due dates influence the preference for material purchases (vs. experiential), the main find was that condition concentrated, and distant ($30^{th}/30^{th}$) paid significantly less the bills. Moreover, Study 2 partially replicated a consistent effect in conditions more controlled, and the results marginally significant was that consumers in dispersed conditions ($15^{th}/30^{th}$) spent more, however, not with experiences as predicted, but with material goods.

Are there any implications, debt management literature, there are some insights provided to identify that consumers deal with multiple bills based on due dates, as demonstrated as concentrated or dispersed. Until now, the concentration effect was only investigated by the number of accounts or repayment amount. However, despite the proposition of a new consumer perspective about debt concentration, a contradiction was found: an attenuation of full effect by time distance. This result provides new characteristics, and a conditional process for this effect occurs, suggesting another point of view on the CLT approach. Specifically, credit cards literature presented a new perspective on debt repayment and allocation decisions. They demonstrated that consumers consider the credit card payment flexibility to leave bills unpaid when the money is not enough to quit the accounts.

Furthermore, suggest more external factors that can shift product purchase preferences instead of experiences. To date, less is known about how debts management can influence this relationship. Moreover, these two sides, "debt management" and "purchases preferences," have been explored individually in prior research. In this way, one of the contributions is to verify resources allocations considering, at the same time, the repayment and buying process.

Consumer well-being is strongly associated with financial health precisely because of the credit card issuer (MICK, 2012). In addition, purchases preferences like material goods or experiential are related to happiness (NICOLAO et al., 2009). For that reason, mainly, this classic trade-off deserves attention. This research also helps institutions like banks to comprehend better their consumer. The borrowing behavior and aspects that influence consumers to pay the debts or alternatives that can help to do so more quickly.

This study has some limitations. The first one is related to the nature of the research. As it is the first time this main effect is being proposed, the operationalization of the same one demanded much effort and attention to the instrumental questions. Part of the results had not such robust statistical data, and this can be attributed to the nature of the measure that incurs difficulty in analyzing the results due to the very high standard deviation and a still considerable number of degrees of freedom. It is even believed that this study provides evidence and trends that can be explored, even though they have not presented significant results under these instrumental issues.

For future research, it is suggested to seek to replicate the main results in more thorough studies with more robust results from the statistical point of view. In addition, it can be verified which explanatory mechanisms act in this context and alternative explanations for the hypotheses that do not show corroborated. Other theories can interact with these results that are worth checking, such as the degree of interchangeability of purchases made in studies and purchases attributes. Personality traits could influence such decisions, self-control and self-efficacy, and self-conscious emotions such as regret. It can be verified if there is an influence vies of optimism or financial literacy. These effects can also be verified in other contexts with other types of accounts besides the credit card, and finally, a field study or physical simulation can be performed in the laboratory. Finally, verify the countries' financial system differences influence consumers' decisions.

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