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# Summary

People often understand loss as a reduction in resources, in which a person has a significant emotional investment (e.g., Harvey, 1996). The resources that can be lost can be material or economic, such as money and goods, or they can be immaterial and inherently psychological, such as love and status (Foa, 1971). Most people have to face occasions of losses in their lives. Yet most people are unprepared for major losses, which often happen unexpectedly. Instead, it is common that people take costly risks after losses, such as chasing losses in online poker and Casino games (Gainsbury, Suhonen, & Saastamoinen, 2014). There is a growing call for the development of an interdisciplinary science of the experience of loss, which should be broader than related fields such as traumatology, thanatology, and stress coping (Harvey & Miller, 1998). In brief, it is important to know more about how people respond to losses and how to manage losses in an uncertain world. The present research was designed to fill this void.

The present dissertation aimed to explore (a) how trait and state behavioral approach motivation (BA) influence risk seeking in the context of losses, which we investigate in Chapter 2; (b) the functional role of enacting rituals in response to an experience of loss, which we investigate in Chapter 3; and (c) the power of positive fortune telling in enhancing people's financial risk taking, which we investigate in Chapter 4. We addressed these questions mainly by experiments, but also through qualitative and correlational approaches.

*Chapter 2* tried to answer the question why people make risky decisions when confronted with losses. We focused in particular on Behavioral Approach (BA). We hypothesized that because the experience of a loss is often unwanted, unexpected and potentially threatening, people's responses towards losses are driven by a defensive approach

motivational state. In particular, we argue that expectancy violation and people's trait behavioral approach play important roles in people's reactions towards losses.

Results from two experimental studies, which were conducted in the context of the Asian Disease Problem, consistently demonstrated that people high in trait behavioral approach (trait BA) were more risk-seeking following an expectancy violation (state BA) than in a control condition. This was only the case for decisions framed in terms of losses, but not in terms of gains. Thus, our findings highlight the interacting motivational influences of situation-induced state behavioral approach and trait behavioral approach in understanding risky decision-making in the face of losses.

In *Chapter 3*, we examined the compensatory function of rituals in coping with losses. We used multiple empirical approaches, including a qualitative analysis, a correlational study, a laboratory experiment, and a cross-cultural experiment, to explore the functions of enacting rituals. A qualitative study first suggested that maintaining positivity, gaining control, and seeking meaning are important functions of rituals. With subsequent correlational and experimental studies, we found that after experiencing losses, enacting rituals predicted increased perceived future benefits, which has been found to be constructive for loss coping as one construal of meaning. After having successfully avoided possible losses, however, we surprisingly found that rituals predicted decreased perceived future benefits. We also conducted an experimental study using samples from China and USA, and found that performing a ritual increased people's satisfaction with life particularly after a recalled negative life event. The similar patterns emerged on people's perceived control and perceived future benefits, albeit only in the China sample, which suggested that culture might moderate the compensatory function of enacting rituals in loss coping.

In *Chapter 4*, we investigated to what extent people's financial risk-taking is affected by positive fortune telling. We conducted two online experiments and one laboratory experiment using complementary procedures. The major difference between studies was our measure of people's financial risk taking. In the online experiments we used a financial risk tolerance measure, whereas in the laboratory experiment we used a real gambling game. Results from the two online experiments demonstrated that positive fortune telling enhanced financial risk taking particularly among men. The laboratory experiment, in turn, revealed that positive fortune telling enhanced the likelihood that college students gambled for actual money. A meta-analysis of these three studies demonstrated that the effect of positive fortune telling versus neutral fortune telling was significant for men, but virtually absent for women. Thus, positive fortune telling increases financial risk taking among men, but not (or less so) among women.

Overall, we conclude that palliative behaviors, such as costly risk seeking and superstition, can be conceptualized in terms of management of losses. Based on the empirical findings reported here, the present dissertation offers three complementary insights. First, our findings demonstrated that both situational and trait behavioral approach motivation influence people's risk seeking under losses. Second, our findings suggest that enacting rituals has a compensatory function after losses, for example by enhancing perceptions of future benefits from losses, by enhancing perceptions of control over the past events, and by increasing people's satisfaction with life. Third, our findings showed that positive fortune telling enhances men's financial risk taking, regardless of whether they believe in fortune telling or not. Taken together, these findings illustrate how palliative behaviors, such as costly risk taking and superstition, are associated with people's loss management.

While research on loss management is still not well developed, the present dissertation provides comprehensive insights into how people psychologically cope with the

experience or expectation of losses. As such, we hope that the present dissertation may inspire fellow researchers to uncover the package of strategies that people rely on when coping with losses in their lives.