

AI-01389 IKEA Effect

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Explain the IKEA Effect

The IKEA Effect is a cognitive bias where people place a disproportionately high value on products they partially created. This effect is named after the Swedish furniture retailer IKEA, which sells products that require assembly by the customer. The effort and labor invested in assembling the product can lead to an increased attachment and valuation of the item.

Key Points of the IKEA Effect:

1. **Increased Valuation:** Individuals tend to value self-made products more highly than similar products made by others.
2. **Sense of Accomplishment:** The act of creating or assembling something generates a sense of pride and accomplishment.
3. **Ownership and Investment:** The time and effort invested in the assembly process enhance the perceived value and emotional attachment to the product.
4. **Perceived Competence:** Successfully completing a task, such as assembling furniture, can boost one's self-esteem and perceived competence.

Examples:

- **Furniture Assembly:** People might value an IKEA table they assembled themselves more than a pre-assembled table of the same quality.
- **Cooking:** A homemade meal is often considered more valuable and satisfying than a similar meal purchased from a restaurant.

- **DIY Projects:** A hand-crafted item or a DIY home improvement project may be viewed more favorably by its creator than a professionally made counterpart.
- **Gardening:** Gardeners often feel a strong attachment to plants they have grown from seeds, appreciating them more than store-bought plants.
- **Customized Products:** Personalizing items, such as creating a photo book or designing custom clothing, can increase their perceived value.

The IKEA Effect highlights the importance of personal investment in the creation process and how it can influence our perception of value. It underscores the psychological benefits of engaging in activities that involve effort and creativity, enhancing our appreciation for the things we create.

Feel free to share your thoughts or if you have any examples of your own experiences with the IKEA Effect!