

AI-00158 What is the Ikea Effect?

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What is the Ikea Effect?

The IKEA effect is a cognitive bias where individuals tend to place a disproportionately high value on products they have assembled or created themselves, compared to those they have not. The term comes from the Swedish furniture company IKEA, which is known for selling self-assembled furniture.

The idea behind the IKEA effect is that people tend to overvalue things they have put effort into making or creating themselves, whether it's building furniture, baking a cake, or even writing a computer program. This is because the act of creating something gives individuals a sense of ownership, pride, and accomplishment, which in turn makes them view the finished product as more valuable than it may objectively be.

The IKEA effect has been studied in various contexts, and researchers have found that it can lead to increased motivation, creativity, and productivity. However, it can also lead to overconfidence in one's abilities and unrealistic expectations of the value of one's creations.

tell me more

Sure! The IKEA effect was first identified and named by researchers Michael Norton, Daniel Mochon, and Dan Ariely in a 2011 study. The researchers conducted several experiments to test the hypothesis that people value things they create themselves more than identical objects created by others.

In one experiment, participants were given the opportunity to build their own origami cranes or to choose from a selection of pre-made cranes. The researchers found that

participants who built their own cranes rated them as more valuable and were willing to pay more for them than participants who chose a pre-made crane.

In another experiment, participants were asked to assemble IKEA boxes, and the researchers found that participants who completed the task rated their boxes as more valuable than participants who did not complete the task or who received pre-assembled boxes.

The IKEA effect has also been studied in the context of creativity and problem-solving. Researchers have found that allowing individuals to create their own solutions to problems can lead to greater satisfaction and a sense of ownership, even if the solutions are not objectively better than those provided by experts.

However, the IKEA effect can also have negative consequences. For example, individuals may overvalue their own creations and underestimate the value of others' contributions, which can lead to conflict in group settings. Additionally, the effect can lead to the sunk cost fallacy, where individuals continue to invest time and resources in a project even when it is no longer rational to do so.

Overall, the IKEA effect is a fascinating cognitive bias that has important implications for how we perceive and value the things we create.

List 10 examples of Ikea Effect

Sure, here are 10 examples of the IKEA effect:

1. Self-assembled furniture: This is the most common example of the IKEA effect. When people assemble furniture themselves, they tend to value it more than pre-assembled furniture.
2. DIY home decor: When people make their own home decor items, such as curtains, throw pillows, or wall art, they tend to value them more than store-bought items.
3. Cooking and baking: When people cook or bake their own food, they tend to enjoy it more and view it as more valuable than food purchased from a restaurant or grocery store.
4. Crafts and hobbies: When people create their own crafts or engage in hobbies, such as knitting, woodworking, or painting, they tend to value their creations more than

similar items purchased from a store.

5. Gardening: When people grow their own vegetables or plants, they tend to value them more than similar items purchased from a store.
6. Personalized gifts: When people make or personalize gifts for others, such as photo albums, scrapbooks, or custom t-shirts, they tend to value them more than store-bought gifts.
7. Home improvement projects: When people complete home improvement projects themselves, such as painting a room or installing new flooring, they tend to value their work more than similar work done by professionals.
8. DIY beauty products: When people make their own beauty products, such as face masks, body scrubs, or lip balm, they tend to value them more than store-bought products.
9. Creative writing: When people write their own stories, poems, or songs, they tend to value their creations more than similar works written by others.
10. Software development: When software developers create their own code or contribute to open-source projects, they tend to value their work more than similar work done by others.