Special Session Summary  Choice Without Preference

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SESSION OVERVIEW

A fundamental assumption in the literature on consumer decision making and decision theory more broadly is that choices reflect preferences—consumers choose an option because they prefer it over other options. Building on recent research, the papers in this special session introduce the idea that there are two types of choices: those that are based on preference and those that reflect lack of preference, with preferences of the latter kind being less enduring than those of the former type. Specifically, consumers may often choose an option, not because they have a strong or clear preference for that option, but because their “resources” are depleted, they believe that their prior decisions were due to external factors, or due to their inability to form a preference.

The first paper, by On Amir, Roy Baumeister, and Ravi Dhar, builds on the work of Baumeister and colleagues (e.g., Baumeister et al. 1998) regarding the impact of depletion of “resources” that are needed in order to regulate people’s behavior and exert self-control. The Amir, Baumeister, and Dhar paper extends this work to the domain of choice, suggesting that choices that consumers make may often reflect the level of available resources, rather than their preference for the different options. Specifically, manipulating resource levels (e.g., requiring hungry subjects to not eat sweets in a room smelling of delicious cookies being baked), they demonstrate that ego depleted people are more sensitive to contextual influences (e.g., they are more likely to select compromise alternatives and to defer making choices), adding another dimension to the process of making choices.

The second paper, by Yoon and Simonson, approaches the choice without preference proposition from a different angle, suggesting that consumers may often choose certain options specifically because they do not have preferences. Furthermore, because such options are selected without true underlying preference, but merely as a way to resolve a choice problem, consumers are less likely to repeat the same choices on future consumption occasions. In particular, compromise alternatives are often selected when consumers are uncertain about their preferences (e.g., Dhar and Simonson 2003; Simonson 1989). That is, consumers often do not have a strong preference for a compromise option and simply use such options as a way to resolve the need to make a decision.

Suppose, now, that consumers who chose the compromise (middle) alternative encounter the same option a week later in a set where that option is not a compromise alternative (i.e., in a set with just two of the original options). In that case, there should be a relatively low likelihood that consumers will again choose the same option, because their original decision was not based on real preference. Conversely, if an option was initially selected because it appeared attractive and consumers believe that they chose that option because they liked it, then preference for that option should persist even in the absence of the asymmetric dominance relation that affected the original response and perceived attractiveness. Yoon and Simonson support these predictions and provide consistent evidence using process measures (preference certainty and recall).

The third paper, by Liu and Simonson, will take a broader view of factors that determine the degree to which choices are driven by preferences and the strength of preferences. They will also present related findings from a field study conducted in collaboration with Amazon.com as well as related lab studies. Liu and Simonson argue that the degree to which choices are driven by preferences depends significantly on the procedure used to arrive at a decision. That is, some procedures are inherently more likely to result in clear and strong preferences, whereas others tend to produce indecision and preference uncertainty (see also Dhar 1996).

In the study conducted with Amazon.com, three procedures are contrasted (see attached extended abstract), which manipulated the manner in which preferences were formed and the likelihood of regret. Lab studies being conducted provide process measures and further insights into the impact of the decision procedure on the relationship between choices and preferences.

In summary, all three papers examine the same proposition regarding choices that reflect weak or no preference at all. Furthermore, the papers examine both the antecedents and consequences of choices that are based on weak or no preference. This session is expected to be of much interest to judgment and decision making researchers as well as to consumer researchers interested in the implications of the recent work of Baumeister on the depletion of resources. Finally, the Amazon.com study is likely to be of interest to researchers who study the implications of findings in judgment and decision making for consumer behavior on the Internet.

“How Stable Are Consumers’ Constructed Preferences? A Contrast between Attraction and Compromise Effects”

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While choice is interpreted as an accurate indicator of consumer’s true preference, choices can differ in terms of how much they reflect the preference of the choosers. In some cases, consumers select the particular option with clear and well-defined preference, whereas in others, the product is chosen just because choosing the option provides an easy way to resolve the decision problem. These differences could have an important implication for the future choice outcomes; choices made with clear preferences are likely to be enduring while choices based on weak or no preferences are fleeting.

In the current research, we address this issue through comparing two different context effects; the attraction effect (Huber, Payne, and Puto, 1982) and the compromise effect (Simonson, 1989). We first argue that these two effects differ in the degree to which people are aware of the contextual influence on their choice, hence the perceived certainty with their choice. As suggested in prior research (Dhar and Simonson, 2003), the attraction effect is more perceptual in nature, and thus people are less likely to think that their choice of asymmetrically dominating option is due to the position of the option. Rather they are likely to believe that their choice reflect their true underlying preferences, leading to high perceived certainty with their choice. On the contrary, people who choose a compromise option are likely to select the option mainly because they don’t have a clear preference and choosing the middle option is safe under low preference certainty (Simonson and Tversky, 1992).

We further argue that this difference results in different levels of choice persistence. When people believe that their initial choice reflects their underlying internal value as in the case of the choice based on the attraction effect, they are likely to choose the same option again even when this option does not dominate any options.
in the future choice set. However, this would not be true for the choice based on the compromise effect. When people are aware that their initial choice of the compromise option is mainly due to the position of the option in the initial set, the probability of choosing the same option is likely to be low when the option is no longer a compromise option in the new choice set.

We tested the proposed hypotheses in several different lab experiments. In the first experiment, we showed that participants were more certain about their choice of the product options when the same option was presented as an asymmetrically dominating alternative as opposed to a compromise option in the given choice set.

In the second study, we compared the level of persistence of the choice when the initial choice is made under the attraction vs. compromise effect. Participants at week 1 were randomly assigned to either the attraction or compromise effect condition in which the same target option was presented either as an asymmetrically dominating or a compromise alternative respectively. A week later, people in both conditions were provided with a two-option choice set which included the focal and the other option from the original set. The comparisons of each group with a control condition (where participants received the two-option choice sets in both time periods) showed supporting evidence for our hypothesis. Across three different product categories, the attraction effect lasted even a week later while the compromise effect disappeared in the second week. Furthermore, the analysis at the individual level revealed that people who selected a target presented as an asymmetrically dominating option tended to be more consistent in choosing the same option in the second week, compared to those who chose the same option presented as a compromise option.

The third study was conducted to test the alternative explanation that the greater persistence under the attraction vs. compromise effect is due to the extreme position of the asymmetrically dominating option in the given choice set. These tests were done by using the target option which has an asymmetrically dominating relationship to the decoy alternative, but is no longer an extreme option in the first week’s choice set. We found greater stability of choice in this condition, compared to the compromise effect condition, which allowed us to attribute the greater stability to the inherent nature of the attraction effect (or option’s asymmetrically dominating position) as proposed earlier, rather than to the extreme position of the target option.

The last study examined the underlying processes, using various memory measures. In this study, subjects in the second week were asked to remember their own choices as well as other alternatives presented in the first week’s choice set. We found that asymmetrically dominating option choosers were better able to recognize their own choice at week 1, compared to compromise option choosers. However, it was compromise option choosers who had superior memory of the other options. These results confirmed our proposed notion that the more perceptual attraction effect leads one to build relatively strong initial preference for the chosen option, whereas the compromise choice is driven in general by people’s preference for the option’s position and its relationship to other options in the set.

References
its own, without the possibility of comparing it with any other products. This is particularly a constraint for products that appear early in the sequence. In the other condition, people employ a “winner carries over” procedure. Specifically, people start by seeing two offers along side each other, and they are instructed to explicitly compare them and decide which one they like better. Once the consumer indicated this preference, the inferior option will be replaced by the next offer in the sequence, and the person compares the winner from last comparison with this new offer, and again, the winner gets carried over to the next round. The process is repeated until the consumer is left with a final winner. At this point the consumer must decide whether to purchase this product, or purchase nothing. Therefore, in this condition, when the consumer decides whether to purchase an item (i.e., the winner), this product has already been compared to at least one other product (products that appeared early in the sequence would have been engaged in more comparisons). Therefore, we make two predictions: (1) due to the opportunity to make explicit comparisons, people in the “winner carries over” condition is more likely to make a purchase than in the “single evaluation” condition; and (2) the “winner carries over condition” favors products that appeared early in the sequence, whereas the “single evaluation” condition favors products that appeared late. Both predictions were supported by our data (n=1117 visits). Indeed, in the “single evaluation” condition, 40% of all visits resulted in a purchase, whereas in the “winner carries over” condition, 46% of all visits lead to a purchase (p=0.04). Moreover, we noted the “location” of each purchase (location=1 if the item was the first in the sequence, and 10 if the item was last). Indeed, the mean location is 5.93 in the “single evaluation” condition, and 5.03 in the “winner carries over” condition (p=0.0005). Therefore, study 1 showed that being able to make explicit comparisons lead to greater commitment to purchase. However, in study 1, making more comparisons also meant seeing more products, and hence having more information about the product space. Therefore, the question remains whether making explicit comparisons can lead to greater commitment to purchase even if the comparisons provided no additional information. This issue was examined in study 2.

In study 2, we juxtapose two evaluation procedures that provide the same information, but differ in their comparative nature. Specifically, we compare the effect of ranking vs. rating procedures on purchase commitment. In one condition, participants are asked to rank six chocolates. In another condition, participants are asked to rate six chocolates (on a 1-100 point scale). After the evaluations, all participants were asked whether they would like to receive a small pack of the top-ranked/rated chocolate or $2 cash (n=71). Indeed, we found that in the rating condition, 32% chose chocolate over cash, but in the ranking condition, 56% chose chocolate over cash (p<0.01). Therefore, study 2 provided evidence that making explicit comparisons can lead to greater commitment to purchase even when information conditions are held constant.

References


“The Effect of Depleted Resources and Weak Preferences on Consumer Choice”
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The notion that consumer preferences are constructive and sometimes even formed on-the-fly is now well accepted. The focus has shifted to identifying the boundaries and mechanisms that explain the choice processes when clear strong preferences are not available. In this work, we point to an aspect of the self that has a profound influence on observed behavior and choice making—ego depletion (e.g., Baumeister, et al. 1998). In particular, we demonstrate the effects of depleting a common resource, thought of as regulating behavior and exerting self-control, on individuals’ choices in different contexts.

We examine three well-known effects of context on choices: compromise, attraction, and the preference for choice deferral. The compromise effect (Simonson 1989) occurs if the choice share of one option, b, relative to another existing alternative, a, is enhanced when a third option, c, which makes b a “compromise” (middle) option, is added to the set. The second effect has to do with the context under which consumers choose the no-choice option (Dhar 1997). In a recent paper, Dhar and Simonson (2003) show that both the choice of a compromise and of the no-choice option reflect preference uncertainty. Our main proposition in this paper is that, when individuals engage in choice tasks, they are drawing upon a resource that has traditionally been regarded as necessary for self-regulatory behaviors. We suggest that individuals that are depleted of this resource, after exerting self-control (e.g., refraining from eating forbidden sweets), will generally be more susceptible to the compromise effect and choice deferral.

Our first experiment demonstrated that depleted participants exhibit a greater tendency to select the compromise alternative, compared to a control group. The second experiment showed that depleted participants are more likely to opt out of the decision process by choosing the no-choice alternative (e.g., deferring choice). Our third experiment will look at the effect of depletion on the attraction (asymmetric dominance) effect (Huber, Payne, & Puto 1982). Dhar and Simonson (2003) point to an important distinction between the compromise and the attraction effects: a compromise option is selected due to preference uncertainty, whereas the more perceptual mechanism underlying the attraction effect creates the illusion that the asymmetrically dominating option is preferred because of its attractive attribute values. This study will compare and contrast the effect of resource depletion on compromise with the attraction effect.

In conclusion, our results expand prior research on preference construction and suggest that choices are influenced by the same resource used to regulate and control behavior and depend less on prior preferences than previously assumed. Furthermore, our findings depict contextual effects as events closely linked to previous as well as subsequent events in the daily life of the consumer.

References

