



# ASSOCIATION FOR CONSUMER RESEARCH

---

Labovitz School of Business & Economics, University of Minnesota Duluth, 11 E. Superior Street, Suite 210, Duluth, MN 55802

## **Will I Like a “Medium” Pillow? Another Look At Constructed and Inherent Preferences**

Itamar Simonson, Stanford University

It is argued that the conclusion that consumer preferences are inherently constructive has been overstated. Much of the evidence for construction can be explained based on a tendency to gravitate to relative values, and some key demonstrations involved rather unusual tasks and “benefited” from the effects they were demonstrating. A nonconstructive, pre-contextual concept of inherent preferences is proposed, suggesting that it is often meaningful and useful to assume that people are non/receptive to object configurations, including those that may not yet exist. Inherent preferences are most influential when reference points and forces of construction are less salient, most notably, when objects are experienced.

### **[to cite]:**

Itamar Simonson (2008), "Will I Like a “Medium” Pillow? Another Look At Constructed and Inherent Preferences", in NA - Advances in Consumer Research Volume 35, eds. Angela Y. Lee and Dilip Soman, Duluth, MN : Association for Consumer Research, Pages: 166-168.

### **[url]:**

<http://www.acrwebsite.org/volumes/13181/volumes/v35/NA-35>

### **[copyright notice]:**

This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at <http://www.copyright.com/>.

**SYMPOSIA SUMMARY**  
**Alternative Perspectives on Consumer Judgment and Choice**  
Itamar Simonson, Stanford University; USA

**SESSION OVERVIEW**

Consumer studies of judgment and choice, like decision research more generally, have tended to adopt a narrow point of view or a particular method of investigation, without trying to examine the same phenomena from different perspectives. As is well-established, the perspective (or frame) and approach that are adopted at the outset of a study can often have a major impact on the findings and conclusions derived from the investigation. Although one can contrast the findings of separate investigations in order to learn about a problem from different perspectives, variations in concepts and methodologies often limit our ability to make such comparisons.

Accordingly, the main objective of this session is to advocate and illustrate the application of different approaches and perspectives within the same investigations of judgment and choice phenomena. Each of the three papers in this session examines judgment and/or choice phenomena from two different perspectives, focusing on the implications of each perspective with respect to our understanding of the underlying processes and the derived predictions and explanations. We hope that the multi-perspective approach advanced in the session will have a broader impact on future investigations of consumer judgment and choice behavior.

The paper by Sood, Rottenstreich, and Trepel contrasts predictions from traditional approaches for studying anchoring and adjustment with predictions from a dual process perspective. Traditional models do not distinguish the types of stimuli that may engender greater or reduced anchoring effects. Using a dual process framework, they show that stimuli that are reliably judged by "System 1" are not subject to anchoring effects whereas stimuli that typically invoke "System 2" are subject to anchoring effects. Consistent with their analysis, they show, for example, that differences in anchoring effects depend on whether the judgments were regarding personal taste or more complex judgments.

The paper by Gao and Simonson examines two perspectives regarding the consumer decision making order and its impact on the resulting choices. One perspective focuses on situations in which consumers first decide whether to choose and then make a selection from a set of options; the other perspective reverses the order, with the option selection decision coming first followed by the decision whether to make any choice. Across a wide range of problems (e.g., asymmetric dominance, assortment size effect, vice vs. virtue choices), they show that the Option selection→No/Buy order is driven by the relations among options whereas the No/Buy→Option selection order highlights overall features of the set.

The paper by Simonson contrasts the currently dominant notion that consumer preferences are constructed with an alternative view whereby revealed preferences reflect both constructed and *inherent preferences*. Briefly, this paper proposes that much of the evidence for preference construction reflects people's difficulty in evaluating absolute attribute values and tradeoffs and their tendency to gravitate to available relative evaluations. A non-constructive concept of *inherent preferences* is then presented, suggesting that it is often meaningful and useful to assume that people are non/receptive to certain object configurations, including those that may not yet exist. This notion may have far reaching implications for our understanding of preferences and for consumer research.

**EXTENDED ABSTRACTS**

**"Exploring Boundary Conditions for Anchoring by  
Contrasting Traditional Approaches and Dual Process  
Models"**

*Sanjay Sood, University of California, Los Angeles*

*Yuval Rottenstreich, New York University*

*Christopher Trepel, Industry, USA*

In this research we contrast predictions from the traditional approach for studying anchoring and adjustment with an alternative approach that stems from recent research in dual process models. Traditional approaches have not identified clearly the types of estimates that may be more or less susceptible to anchoring effects. We show how dual process models help to shed light on this issue by delineating the effect of anchors in different contexts.

Since it was first highlighted by Tversky and Kahneman (1974), anchoring and adjustment has been implicated in many important phenomena, including patterns as disparate as preference reversals (Lichtenstein and Slovic 1971), hindsight bias (Fischhoff and Beyth 1975), and the effect of ambiguity on judgments (Einhorn & Hogarth 1985). Recent research by Strack and Mussweiler (1997) suggests that anchoring is a special case of semantic priming. On the other hand, work by Epley and Gilovich (2006) has emphasized that the anchoring process is a function of the anchor itself and differentiates between processes arising given self-generated versus other-generated anchors.

In this research, we study anchoring using dual process models such as that proposed by Kahneman and Frederick (2002; see also Stanovich and West 2002; Sloman 1996). These models propose an interplay between two systems or modes of thought. "System 1" is marked by rapid, automatic, and associative processing that provides an initial (and often final) response to stimuli. System 2 is marked by slower, more controlled, and deliberative processing and sometimes overrides, corrects, or supplements the response of System 1. A dual process framework may help explicate the types of stimuli and the conditions under which anchoring will or will not occur.

Earlier research characterized anchoring as less likely to occur when an individual holds a strong a priori attitude towards the stimulus being judged. We suggest a modification of this conclusion; in particular, anchoring may be less likely to occur for stimuli engendering a compelling reaction by System 1, a reaction that either does not need or cannot benefit from the supplemental processing provided by System 2. To illustrate, consider how much you like chocolate. System 1 provides an immediate response to this question; moreover, this response may not benefit much from more deliberative processing by System 2. That is, one "knows" how much one likes chocolate, yet one cannot "figure out" how much one likes chocolate. In sum, using a dual process view, judgments of personal taste (e.g., how much do you like chocolate?) and aesthetics (e.g., how attractive is the Eiffel Tower?) are unlikely to be susceptible to anchoring. On the other hand, more complex judgments involving these matters (how much would you pay for Godiva chocolates?) should be susceptible to anchoring.

Note further that in a dual process framework, adjustment is a System 2 process. Thus, cognitively taxing individuals should dilute anchoring effects for matters of taste and aesthetics, because

it will lead people to rely on their accessible System 1 response. On the other hand, cognitively taxing individuals, should accentuate anchoring effects for more complex matters that necessarily engender System 2 processing. In these cases, System 2 will operate but will adjust less than it would were it not taxed.

We examined these predictions in two experiments. In experiment 1, we find differences in anchoring effects depending upon whether the judgments were regarding personal taste or more complex judgments. In experiment 2 we use a cognitive load manipulation to suppress the use of System 2 and examine corresponding changes in the anchoring and adjustment process.

### Selected References

- Epley, N. & Gilovich, T. (2006), "The Anchoring and Adjustment Heuristic: Why Adjustments are Insufficient," *Psychological Science*, 17, 4, 311–318.
- Kahneman, Daniel and Shane Frederick (2002), "Representativeness Revisited: Attribute Substitution in Intuitive Judgment". In Tom Gilovich, Dale Griffin and Daniel Kahneman (Eds.) *Heuristics of Intuitive Judgment: Extensions and Applications*. New York: Cambridge University Press.
- Slooman, Steven A. (1996), "The Empirical Case for Two Systems of Reasoning," *Psychological Bulletin*, 119 (1), 3–22.
- Strack, F., and Mussweiler, T. (1997). "Explaining the enigmatic anchoring effect: Mechanisms of selective accessibility," *Journal of Personality and Social Psychology*, 73, 437–446.

### "Perspectives on Consumer Decision Order and Their Impact on Purchase Behavior"

Leilei Gao, Stanford University

Itamar Simonson, Stanford University

A purchase usually involves two decisions and can be examined from both perspectives: a *selection decision* (which option I like most) and a *buy/no-buy decision* (whether or not to buy it now; see also Dhar and Nowlis 2004). The order in which consumers make the two decisions may vary across different shopping situations. For example, consumers tend to make the buy/no-buy decision prior to the selection decision when they have a shopping list or are facing a big sale. However, when consumers are simply browsing at a bookstore or visiting an antique shop, they tend to make the selection decision prior to the buy/no-buy decision. The two decisions may also be made simultaneously (e.g. many impulsive shopping decisions). Prior research on decision-making has either focused on the selection decision or examined the joint consequence of the two decisions. In the present research, we separate the two perspectives on consumer decision processes and show that different decision procedures lead to systematic differences in consumers' purchase likelihood.

Specifically, in a series of studies (based on the dissertation of the first author), we contrast consumers' purchase behavior under different decision orders. In one condition, participants are first asked to decide whether to choose and then make a selection from a set of options (the *buy-select decision procedure*). In another condition, participants are first asked to make a selection and then decide whether to make any choice (the *select-buy decision procedure*). To compare the two decision orders with the traditional way of examining choice deferral (e.g., Dhar 1997), we add a third condition where consumers are asked to make a selection when a no-buy option is treated as another choice option (the *one-step decision procedure*).

Building on the preference reversal literature (e.g., Tversky, Sattath, and Slovic 1988) and temporal construal theory (e.g., Trope

& Liberman 2000), we propose that although different decision orders provide logically equivalent end states, they activate a different evaluation focus, which in turn affects consumers' purchase likelihood. When the selection decision is made first, consumers focus on assessing comparative characteristics of alternatives and weighing relevant differences among them. When the buy/no-buy decision is made first, however, consumers focus more on assessing their need for the product and judging the overall features of the choice set. In other words, an initial focus on the selection decision limits the scale of comparison to alternatives within the set. But an initial focus on the buy/no-buy decision increases the scale of comparison to trading off benefits of purchase with that of deferral.

We explored the decision order effect across a wide range of problems based on the notion that factors that primarily affect the overall feature of the choice set would have stronger influence on the buy-select procedure, whereas factors that primarily affect the difficulty of comparing alternatives within the set would have stronger influence on the select-buy procedure. Following are brief summaries of the results of already completed studies:

- (1) *Decision Order & Donation Behavior*: The buy-select decision order induced a higher donation rate (involving charities to save particular animal species) than the select-buy order.
- (2) *Decision Order & Dominance Structure*: Including a dominant option in the choice set significantly increased purchase rate in the select-buy condition, but had no effect in the buy-select or one-step conditions.
- (3) *Decision Order & Assortment Size*: Large (vs. small) assortment is found to decrease purchase rate in a select-buy decision order, creating a choice "overload" effect, but increase purchase rate in a buy-select decision order, resulting in a "reverse overload" effect.
- (4) *Decision Order & Product Nature*: When choosing among "virtue" products, the select-buy order led to higher purchase rate than the buy-select order. When choosing among "vice" products, however, decision order has no effect on purchase rate.

We are currently running additional studies to explore the process underlying the effects of decision order as well as boundary conditions.

### Selected References

- Dhar, Ravi (1997), "Consumer Preference for A No-Choice Option," *Journal of Consumer Research*, 24(September) 215–231.
- Dhar, Ravi and Stephen M. Nowlis (2004), "To Buy or Not to Buy: Response Mode Effects on Consumer Choice," *Journal of Marketing Research*, 41 (November), 423–32.
- Trope Y. and N. Liberman (2000), "Temporal Construe and Time-Dependent Changes in Preference," *Journal of Personality and Social Psychology*, 79 (6), 876–89.

### "Will I Like a "Medium" Pillow? Another Look at Constructed and Inherent Preferences"

Itamar Simonson, Stanford University

There is a growing consensus that preferences are inherently constructive and largely determined by the task characteristics, the choice context, and the description of options. In this paper, I argue that much of the evidence for preference construction reflects people's difficulty in evaluating absolute attribute values and

tradeoffs and their tendency to gravitate to available relative evaluations. Furthermore, although some key demonstrations of constructive preferences involved rather unusual tasks and might have “benefited” from the effects they were demonstrating, the findings have led to rather sweeping, unqualified conclusions.

A nonconstructive, pre-contextual concept of *inherent preferences* is then presented, suggesting that it is often meaningful and useful to assume that people are non/receptive to certain object configurations, including those that may not yet exist. Inherent preferences are most influential when reference points and forces of construction are less salient, most notably, when objects are experienced. A series of specific research propositions will be presented. It is important to recognize that both constructed preferences and inherent preferences pose major challenges to the effectiveness of marketing research, in general, and to the prediction of consumer preferences, in particular. Thus, the final part of the presentation explores some of the implications of constructed and inherent preferences with respect to decision and marketing research.

**Selected References:**

- Bettman, J.R., Luce, M., and Payne, J. (1998). Constructive consumer choice processes. *Journal of Consumer Research*, 25, 187-217.
- Drolet, A., Simonson, I., & Tversky, A. (2000). Indifference curves that travel with the choice set. *Marketing Letters*, 11, 199-209.
- Schwarz, N. (2007). Attitude construction: Evaluation in context. *Social Cognition*. In press.
- Tversky, A., Sattath, S., & Slovic, P. (1988). Contingent weighting in judgment and choice. *Psychological Review*, 3, 371-384.