

# Study: Many options equal extreme choices

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Scientists in Canada and China are studying "range effect," to better understand what consumers do when faced with a range of price and quality options. Specifically, the authors found offering a wide range of options causes consumers to gravitate toward extreme choices because it is easier for them to discern difference.

"When two attributes have different levels of evaluability, extending the range of the background set would shift preferences towards the option that has a greater quantity of the high evaluability attribute," write Catherine Yeung of the University of Singapore and Dilip Soman of the University of Toronto.

But they say "range effect" occurs at the expense of mid-priced products, particularly at stores where quality ranges from moderately good to moderately very good.

"We show that widening the range of encountered options increases the choice of the cheaper option relative to the more expensive option," write the authors.

The study is detailed in the in the December issue of the Journal of Consumer Research.

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