

Product choice: Why do consumers misestimate their abilities?

March 17 2011

Even if you have a grasp on your own abilities, you might have trouble estimating the abilities of others, according to a new study in the *Journal of Consumer Research*. These false impressions affect people's product choices.

"We've known that people overestimate their relative ability for seemingly easy tasks, like driving, and underestimate for difficult tasks," write authors Andrew D. Gershoff (University of Texas at Austin) and Katherine A. Burson (University of Michigan). The researchers found that people tend to think others are fairly evenly spread out in their abilities and characteristics, even if they are not.

In one study, the researchers asked participants to take a quiz on the subject of tools and hardware. Some took a difficult quiz and others took an easy one. Then participants estimated how many questions they answered correctly. People were fairly good at estimating their own scores.

"However, when participants were asked to estimate how other quiz-takers might have done, they consistently assumed that others' abilities were more spread out across all possible scores on the test than they actually were," the authors write.

"When asked to estimate how they scored compared to others, they also erred, overestimating their relative knowledge on the easy quiz and underestimating on the difficult quiz."

This phenomenon can affect product choices because [consumers](#) often choose products by considering their relative position in the market.

"Thus when a consumer finds that she knows very few of the types of hammers, she assumes she is in the minority with other people knowing more than her, and she estimates that she has below-average knowledge, and purchases accordingly," the authors write. In fact, participants who took the difficult quiz in the study thought they knew less compared to others than they actually did. And they went on to prefer less advanced tools, classes, and do-it-yourself projects.

In another experiment, participants took an easy quiz about photography. Then they read quotes from others indicating that they had also found the quiz easy. This feedback increased the participants' estimates of the number of others who scored well on the quiz. "The results indicate that marketers have a fairly straightforward method of improving customers' choices," the authors conclude.

More information: Andrew D. Gershoff and Katherine A. Burson. "Knowing Where They Stand: The Role of Inferred Distributions of Others in Misestimates of Relative Standing." *Journal of Consumer Research*: October 2011. Further information: ejcr.org

Provided by University of Chicago

Citation: Product choice: Why do consumers misestimate their abilities? (2011, March 17) retrieved 3 May 2024 from <https://phys.org/news/2011-03-product-choice-consumers-misestimate-abilities.html>

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