

Study finds that consumers prefer fewer options when thinking about the future

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(Phys.org)—Consumers generally prefer having more options when choosing among products but not when making choices involving the distant future, according to a study from Washington University in St. Louis.

"The lure of assortment may not be as universal as previously thought. [Consumers'](#) preferences for large assortments can decrease due to a key psychological factor—psychological distance," write authors Joseph K. Goodman, PhD, and Selin A. Malkoc, PhD, both assistant professors of marketing at Olin Business School.

The study, "Choosing for the Here and Now vs. There and Later: The Moderating Role of Psychological Distance on Assortment Size Preference," is available online and scheduled to appear in the December 2012 print issue of the [Journal of Consumer Research](#).

Retailers have known for decades that consumers prefer large selections and are lured by more options and greater variety. For example, when planning a family outing to an ice cream shop this coming weekend, a consumer would most likely choose the local shop offering 33 [flavors](#) over another in the neighborhood offering fewer options.

How universal is this demand for more choice? Are there instances when smaller selections are acceptable or even desirable? The authors find that consumer preference for larger selections decreased for psychologically distant decisions, such as when consumers have to make decisions that

are six months away or while on vacation across the country.

They show this change in preference for an array of products and services, namely restaurants, ice cream shops, chocolatiers, [home appliances](#) and vacation packages.

"Psychological distance is common concern when consumers are making decisions related to the future such as a vacation, insurance or retirement planning," Malkoc says.

"In such instances, consumers tend to focus on the end goal and less about how to get there and this leads to predictable changes in [consumer behavior](#)," she says.

"I'm constantly amazed by the massive amount of choice we have in the marketplace, and it just keeps expanding, making it even more difficult for consumers to make a choice," Goodman says. "I'm very excited about finding instances when consumers might not want so much choice, and can thus avoid some of the difficulty of choosing."

When planning a vacation that is months away, a consumer would probably prefer to hear about fewer dining options in the city they will be visiting than if their vacation was coming up in less than a week.

"In product categories where psychological distance is automatically evoked, it might not be necessary for retailers to offer a large and overwhelming number of options," the authors conclude. "Consumers may even be attracted to those sellers offering a smaller and simpler assortment of options."

More information: www.jstor.org/stable/info/10.1086/665047

Provided by Washington University in St. Louis

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