

It's all in the details: Why are some consumers willing to pay more for less information?

October 22 2012

Some consumers will pay more for a product if they are given detailed information on how it works while others are inclined to pay less when given too much detail, according to a new study in the *Journal of Consumer Research*.

"Certain consumers like to understand how a product works and are willing to pay more when given this information. But others do not want deep explanations and are satisfied by sketchy, abstract knowledge. Asking them to explain how a product works undermines their sense of understanding and makes them less willing to pay for it," write authors Philip M. Fernbach (University of Colorado), Steven A. Sloman, Robert St. Louis, and Julia N. Shube (all Brown University).

Consumers suffer from an illusion that they understand how everyday objects work. For instance, most people will report that they have quite sophisticated knowledge about how a toilet works. However, if they are then asked to explain the mechanisms they will be unable to and their feeling of understanding will disappear.

In a series of interesting experiments, the authors discovered that consumers differ in their [susceptibility](#) to this illusion and this may be why they also differ in whether they like shallow or detailed explanations. Those who tend to question their [intuition](#) are more likely to realize that their initial sense of understanding is not based on true

knowledge and thus desire additional explanation, which gives them a deeper understanding. In contrast, additional details will only serve to expose this [illusion](#) to consumers who feel like they understand even when their knowledge is quite coarse and simplistic. This leaves them feeling like they do not understand, and therefore less certain about a product's effectiveness.

"[Consumers](#) vary in the strength of their intuitions and in their [willingness](#) to deliberate. They will be more receptive to messages that speak to their natural modes of thought. Some are more likely to be attracted by careful arguments while others will be attracted by aesthetically and intuitively appealing communications and coarse explanations," the authors conclude.

More information: Philip M. Fernbach, Steven A. Sloman, Robert St. Louis, and Julia N. Shube. "Explanation Fiends and Foes: How Mechanistic Detail Determines Understanding and Preference." *Journal of Consumer Research*: February 2013.

Provided by University of Chicago

Citation: It's all in the details: Why are some consumers willing to pay more for less information? (2012, October 22) retrieved 5 May 2024 from <https://phys.org/news/2012-10-consumers.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.