

Netflix, Uber Eats, Trivago – online window-shopping is a feel-good experience

August 24 2017, by Niki Widdowson

A QUT study has challenged a marketing maxim that too many product offerings such as those offered on aggregate sites cause choice overload and decrease purchases.

QUT marketing lecturer Dr Frank Mathmann said his research found a customer segment who were 'high assessors' who were not spoiled by [choice](#), but rather preferred selecting from a wide range.

"Customers who have a strong interest in comparing and evaluating options are high assessors and likely to make multiple comparisons among multiple options to find the best choice," said Dr Mathmann, from QUT's School of Advertising, Marketing and Public Relations.

"My research experiments found high assessors were willing to pay more for items they had chosen from a large range than from a small range because they had invested thought in the decision and so were more certain of their choice, which gave their chosen product greater value to them.

"This has important implications for digital retailers. By segmenting customers according to their assessment orientation, they can adjust the size of their assortment easily, similar to the way they already tailor product recommendations to [customer](#) tastes.

"It also highlights the problem for Australian online retailers who have a smaller set of offerings than their US counterparts."

Dr Mathmann's experimental research found that assessment was susceptible to 'priming'.

"We found that customers who received a 'priming' advertisement which suggested they make the best decision possible could become high assessors and spend time evaluating options," he said.

"Some sites put customers into assessor mode with advertisements showing someone comparing many options to prime customers into thinking 'this is an important decision' and that they need to take time and engage with their intended [purchase](#)."

Dr Mathmann said there was an ongoing marketing debate about assortment size.

"On one side, there is the threat of 'choice overload' which discourages purchase and on the other is the 'more options the better' argument," he said.

"While some studies have found large assortments increase purchase likelihood and consumption, others indicate large retail assortments tend to decrease purchases and reduce decision satisfaction."

"However, when we look at the rising growth of sites such as Netflix and Booking.com that aggregate a huge number of choices, the notion of a universally negative comparison experience is questionable."

"My research aimed to explain this variance and investigate the type of consumer who responds to a large range of choice positively."

Dr Mathmann's research found that assessors actually liked the experience of comparing.

"They are engaged in their purchase and feel good which leads them to be willing to pay more for it. For them online window-shopping is an enjoyable activity and is valued especially if there are many options," he said.

Provided by Queensland University of Technology

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