

Choice: How much Is too much?

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The Baskin-Robbins ice cream chain boasts 31 flavors. As wonderful as that sounds, excessive choice, can sometimes be a bad thing.

It seems counterintuitive that fewer choices provide higher levels of satisfaction. But that's exactly what [Elena Reutskaja](#), assistant professor of marketing at IESE, and Robin M. Hogarth, of Pompeu Fabra University, argue in their paper, "[Satisfaction in Choice as a Function of the Number of Alternatives: When "Goods Siate" But "Bads Escalate"](#)", a version of which was recently published in *Psychology and Marketing*.

The authors explore how satisfaction varies according to the number of alternatives in the choice sets people face. The authors suggest that variety is beneficial and costly for people at the same time. People like to have large varieties of products. However, when faced with too many choices, we tend to vacillate and delay decisions, despite costly stoppage time. We want to have 31 options instead of six, but find it easier to choose one of six than one of 31.

The authors plot satisfaction derived from choice as an inverted U-graph, which reaches its apex somewhere between too many choices and too few choices.

The paper updates past studies, which have always favored choice in terms of satisfaction, by testing intermediate size sets of options and providing explanation of why people prefer intermediate sets to sets containing either few or many options. Most studies have pitted one to six choices against 25+ choices, leaving an intermediate gap that the authors consider fundamental and conclusively more satisfying. The paper emphasizes the need for an explicit explanation for knowing how much choice is "enough."

The paper has one main objective: to test the inverted-U shape of satisfaction in four experimental studies. However, several side points are revealed along the way. For example, the authors manipulate the perceptual costs of information processing, and demonstrate how this affects the satisfaction function. They show that satisfaction when choosing from any given set is diminished if people are made aware of the existence of other choice sets. Finally, they provide new insight into the role of individual differences in choice satisfaction in relation to gender and culture.

Keep it simple, focus on attributes

In a series of experiments carried out with men and women from a variety of cultures, the authors asked participants to choose between gift boxes presented in different set sizes. They found that, indeed, the greatest level of satisfaction, both with the final choice and with the decision-making process, was reached when people chose from an intermediate number of alternatives (10 or 15) as opposed to large (30 items) or small (six items) choice sets.

Choice satisfaction is also based on the visual aspect of the choices, i.e., whether items are presented in different colors or shapes. Experts argue that people are more satisfied with choices from large sets when alternatives differ in color as opposed to shape.

For the purposes of this study, the authors focused on the tasks involved in making the choice, rather than solely on perceptions about the choices themselves. They also conceptualized the costs and benefits of the choice from a situational perspective (i.e., the amount of time it takes the person to make the decision) as well as from a psychological perspective (i.e., the cognitive costs of making a decision among different size sets). In this way, the study focused on what value the decision maker attributed to having more alternatives. At the same time, they noted differences in cost/benefit perceptions according to differences in gender and culture.

After conducting these experiments, the authors realized that when women chose from the different sets of gift boxes, on all levels, they were more satisfied than the men. The authors also found that Eastern Europeans were happier with choices from larger choice sets than Western Europeans. The complexity of the items in the sets was also reflected in satisfaction levels. For example, participants facing simple sets of choices (where items differed on one attribute only) were more satisfied, both with the gift box and with the decision process, than those encountering complex choice sets (where choices differed on two attributes).

All this is not to say that large choice sets put off consumers. But rather than offering a large

variety to consumers, retailers should present a large variety in a smart way, so that consumers enjoy the benefits of having a large variety without losing satisfaction.

Color and satisfaction

Plotting satisfaction as the function of variety reveals there is a fine line between too few and too many. On both sides of the inverted U, satisfaction falls, either from too few choices or from entirely too many choices. This leads to the question of whether there is a surefire number of choices that will lead decision makers to an optimal satisfied state.

"It is important to note, however, that the peak of the function, or the highest satisfaction level, may not be a single point, but a range of alternatives," state the authors.

Using the same gift sets, the authors placed alternatives of different colors to test the consumer's visual preference. "People experience higher satisfaction when the alternatives in large choice sets differ in color as opposed to shape." Therefore, when items in large sets differ in color as opposed to shape, people can deal with greater variety without losing satisfaction.

These findings have practical implications for people offering many choices to customers, consumers or employees. By presenting alternatives that differ in color within large sets of choices, businesses can create "comfortable" visual environments leading to improved satisfaction. Thus, the peak of satisfaction can be influenced by the visual presentation of the choices.

The balance between perceived costs and benefits is essential to understanding where people derive satisfaction after making a decision. When a decision becomes more serious, one would expect people to want to see more choices. Yet choices of magnitude induce greater psychological costs, as people become more concerned about knowing the preferences, along with the potential regret of making errors.

Luckily, choosing a flavor of ice cream is not a matter of life or death. But determining how much choice is too much is certainly one Rocky Road.

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