

An Economic Formulation of Maximization Tendency: Maximizing and Choice Complexity

Austin M. Miller, School of Economic Sciences, Washington State University
 Joyce Ehrlinger, Social Cognition Lab, Washington State University

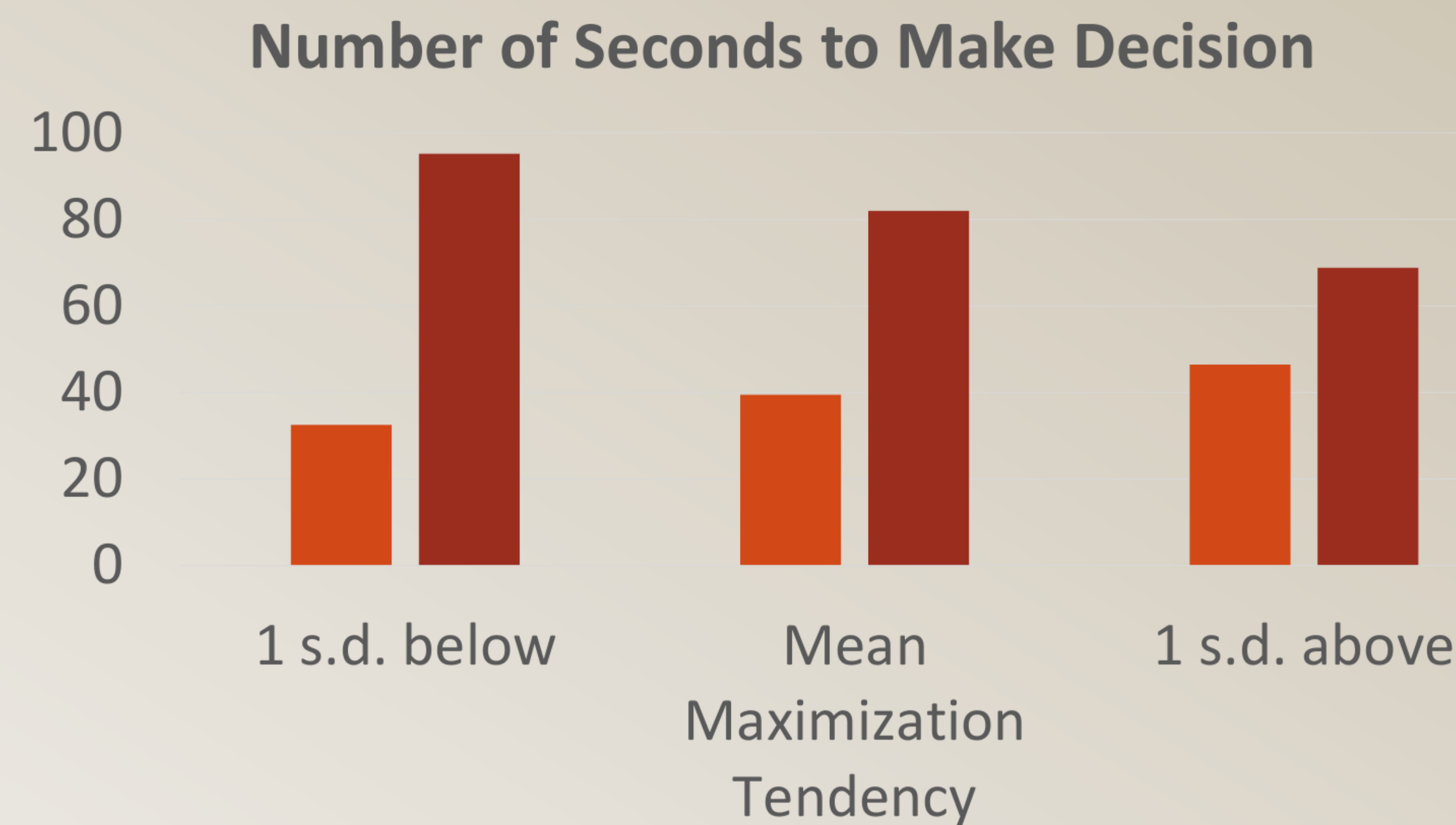


Motivation

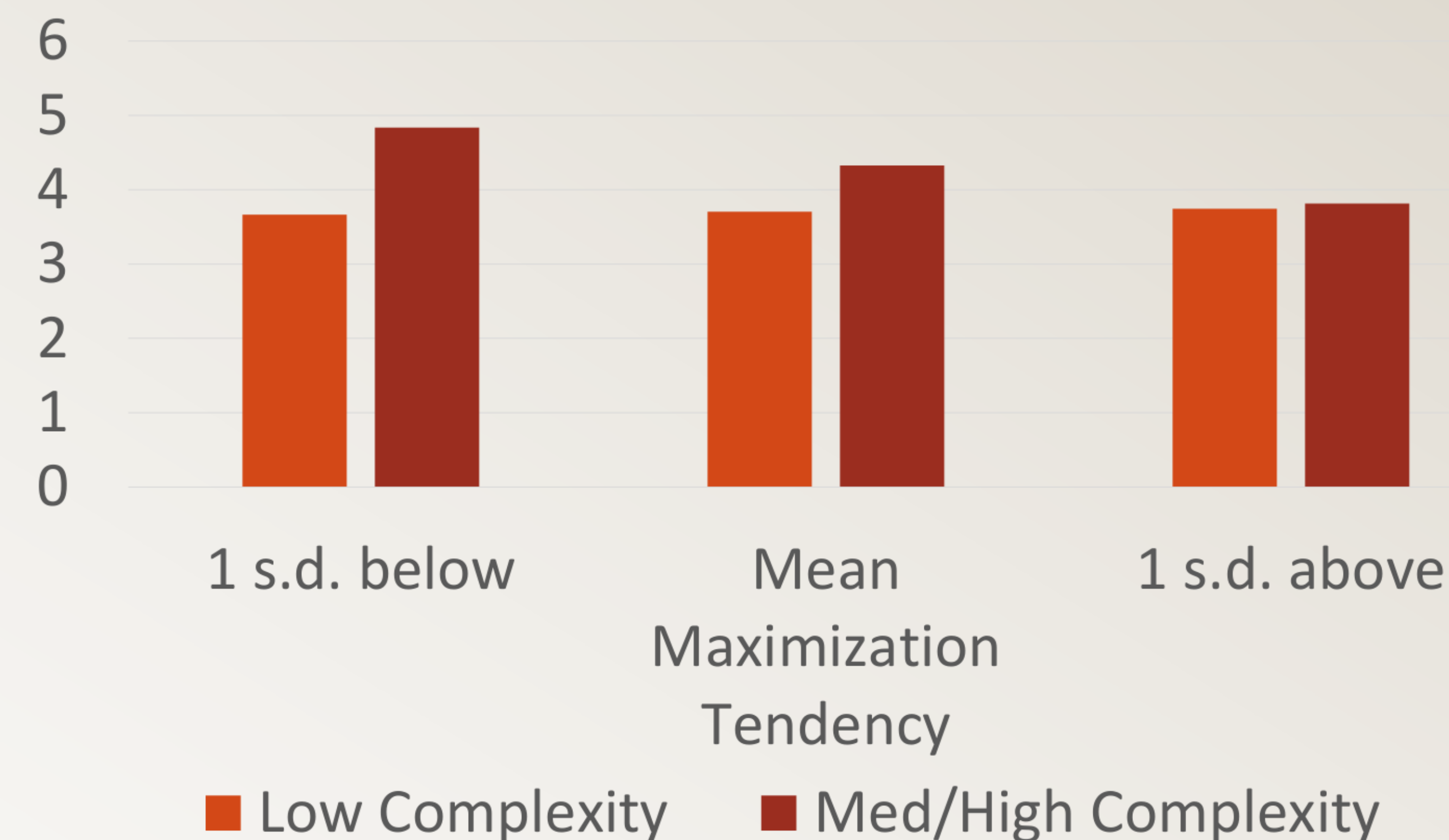
- This study is part of a larger work on the role of Maximizing Tendency in decision making.
- Maximizing tendency is defined in terms of a simple economic search model as a relative preference for unconstrained optima despite the existence of constraints such as search costs.
- This definition fits with modern psychological definitions of wanting the best and searching alternatives more thoroughly.
- Past research has predicted and verified a positive relationship with maximizing tendency and brand loyalty.
- We now evaluate whether maximizers' loyalty to a brand translates to the use of brand as a heuristic to simplify the decision-making process.**

Results

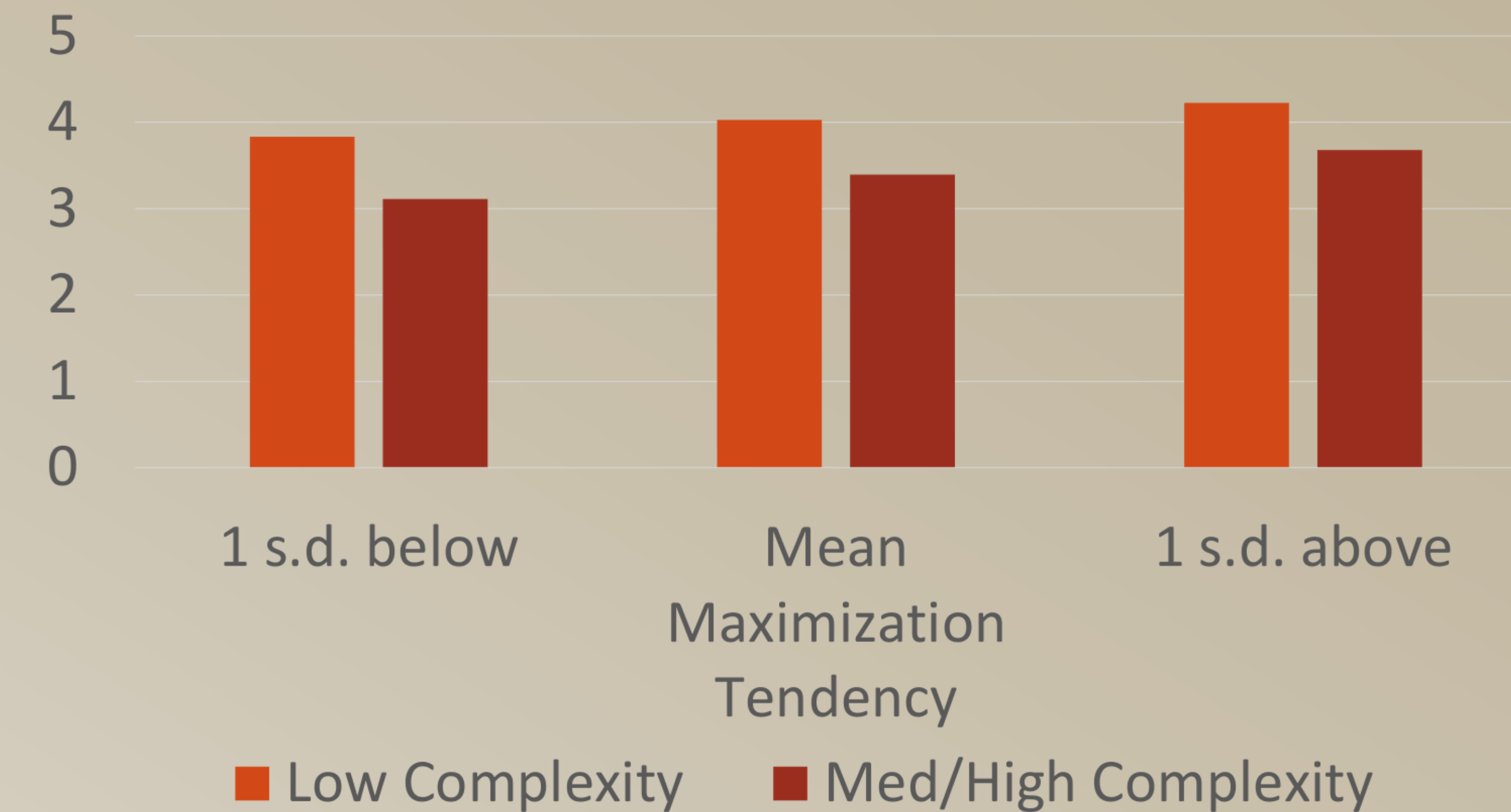
Effect of Complexity on Decision Variables, by Maximizing Tendency



Number of Mouse Clicks During Decision

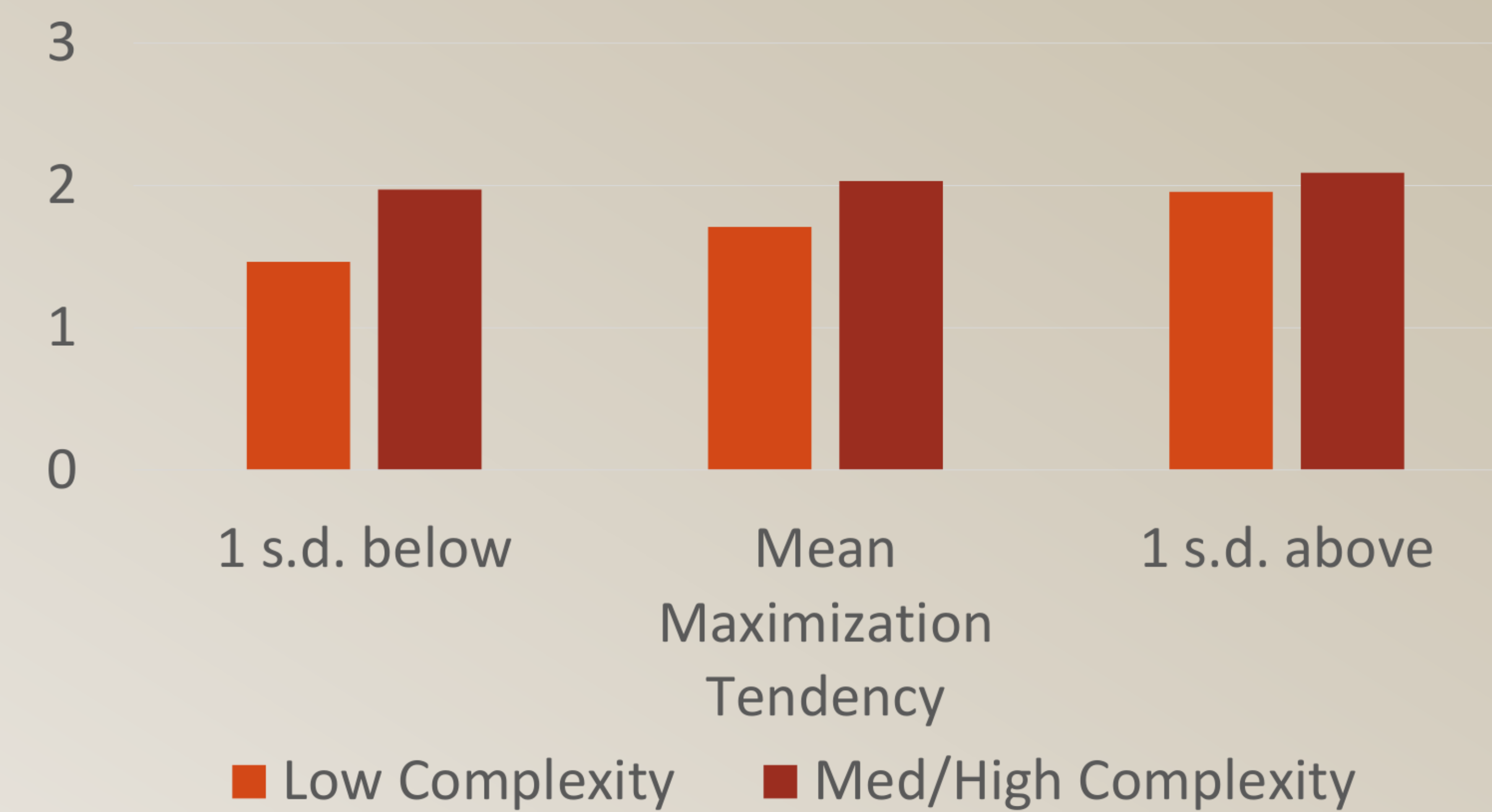


I Relied on a Familiar Brand



- Maximizers tend to rely on brand more than non-maximizers.
- As more features are available, all participants rely less on brand.

How Difficult Did You Find This Decision?



- Those with high maximizing tendency experience more decision difficulty.
- Complexity increases decision difficulty only for those with low maximizing tendency.

Research Question and Strategy

Varied Complexity Example

- Low Complexity
- Medium Complexity
- High Complexity



2015 Acura TLX
 4.1/5 stars
 Mileage: 9,535 Fuel: Gasoline
 Exterior Color: Graphite Luster Engine: Premium Unleaded V-6 3.5 L/211
 Transmission: 9-Speed Automatic with Overdrive Interior: Ebony
 Drivetype: FWD Color: Ebony

- 4-wheel ABS Brakes
- Adjustable Steering Wheel
- Aluminum Wheels
- AM/FM Stereo
- Audio controls on steering wheel
- Automatic Headlights
- Back-Up Camera
- Bluetooth Connection
- Brake Assist
- Bucket Seats
- CD Player
- Child Safety Locks
- Climate Control
- Cruise Control
- Daytime Running Lights
- Digital Audio Input
- Driver Adjustable Lumbar
- Driver Air Bag
- Driver and passenger-knee airbags
- Driver illuminated vanity mirror
- Driver seat memory
- Driver Vanity Mirror
- Dual reverse tilt mirrors
- Electrochromic rearview mirror
- Engine Immobilizer
- Floor Mats
- Front Head Air Bag
- Front Side Air Bag
- Heated driver mirror
- Heated front seat(s)
- Heated passenger mirror
- Intermittent Wipers
- Keyless Entry
- Keyless Start
- Leather Steering Wheel
- Memorized Settings including door mirror(s)
- MFP3 Player
- Multi-Zone A/C
- Passenger Air Bag Sensor
- Passenger Airbag
- Passenger Illuminated Visor Mirror
- Passenger Vanity Mirror
- Pass-Through Rear Seat
- Power Door Locks
- Power Driver Seat
- Power mirror(s)
- Power Passenger Seat
- Power remote trunk release
- Power steering
- Power windows
- Premium Synthetic Seats
- Rear bench
- Rear Defrost
- Rear Head Air Bag
- Satellite Radio
- Security System
- Smart Device Integration
- Stability control
- Steering Wheel Audio Controls
- Sun/moonroof
- Tire Pressure Monitoring System
- Tires - Front Performance
- Tires - Rear Performance
- Traction Control
- Trip Computer
- Turn signal in mirrors
- Universal Garage Door Opener
- Variable Speed Intermittent Wipers
- Woodgrain Interior Trim

How Well Do Maximizers Compensate for Increased Choice Complexity?

- 197 participants from Amazon Mechanical Turk are presented with a series of three hypothetical purchasing decisions.
- Each decision is between five or six products of the same type:
 - Mobile Phones
 - Automobiles
 - Hotel Stays
- Decisions vary with respect to the number of features presented about each product.
- Order of product types and complexities is randomized across participants.
- Order of products is randomized within each decision.
- Maximization tendency is measured using variants of the Maximizing Tendency Scale and the Maximization Inventory, validated by factor analysis.

Conclusions

- Maximizers adapt better to increased complexity in terms of time spent and mouse clicks made during the decision process.
- This propensity for adaptation comes at the cost of higher difficulty, even in more simple decisions.
- Reliance on heuristics may play a role in this adaptation as maximizers tend to rely more on brands.
- More research is needed to verify explicitly how maximizers adapt.