

Introduction

Imagine you are at a restaurant ordering starters. You look at the menu and notice that they offer four items. For ease of exposition, let us refer to these items as A, B, C, and a combination comprising of half of item A and half of item B. Which product might you order? Now imagine if there were three instead of four items—A, B, and a combination comprising of half of item A and half of item B. Would the removal of option C from the choice set influence what you order? Why should this be the case? We posit that people will be more likely to select the combination item in both choice sets, because consumers typically value variety (Ratner, Kahn, and Kahneman 1999). However, the preference for the combination is likely to be much higher in the second choice set than in the first. This occurs because the combination item in the second set is all-inclusive which leads to the assessment that it is complete. This feeling of completeness not only increases selection of the combination but also leads to a completeness premium: consumers are willing to pay more when the combination item is all-inclusive.

Methods

6 studies (total N=1853) show a positive effect of Inclusiveness framing on Completeness ratings and Combination evaluation. Mechanical Turk participants were asked to choose (Study 1A; Study 4) or evaluate (Study 1B, 2, 3A, and 3B) combinations. Inclusive combinations were presented as containing a fraction of all options in the menu. Non-Inclusive combinations were presented as excluding one or more. Example (also see Results section):

Inclusive combination menu: A, B, AB((combination option)

Non-Inclusive combination menu: A, B, AB, and C.

Alternative explanation

Theoretical account	Where is it tested?	Unique prediction of account	How is it tested?
Completeness	3a, 3b	Inclusive combinations are perceived more complete than non-inclusive	Mediation analysis
Consideration set: Quality	3b	Higher quality excluded option NI combo should have lower value than Inclusive combo	Manipulation of excluded option's quality ratings
Consideration set: Similarity	3b	Similar quality excluded option NI combo should have lower value than Inclusive combo	Manipulation of excluded option's quality ratings
Number of items	2	Higher number of items makes combination less valuable	Manipulation of number of options included in the combination
Superior combination (more variety)	3a	Combination with all items included should further depress value of NI combo	Presentation of superior combination
Regret	2,3b	The NI combo generates higher regret for missing options	Measurement of Perceived Regret
Need for Closure	2	People with higher NFC have higher Inc-NI differences; people with lower NFC should not show difference in Inc-NI evaluation	Need for Closure scale

Results

Study 1B: choose between combination and one of two options.

Condition	Inclusive	Non-inclusive
	Price	Price
A	Prosciutto e melone \$9	A Prosciutto e melone \$9
B	Burrata \$9	B Burrata \$9
Combo	Two-plate Combo: half Prosciutto e melone, half Burrata \$10	Combo Two-plate Combo: half Prosciutto e melone, half Burrata \$10
C		C Involtini di melanzane \$9

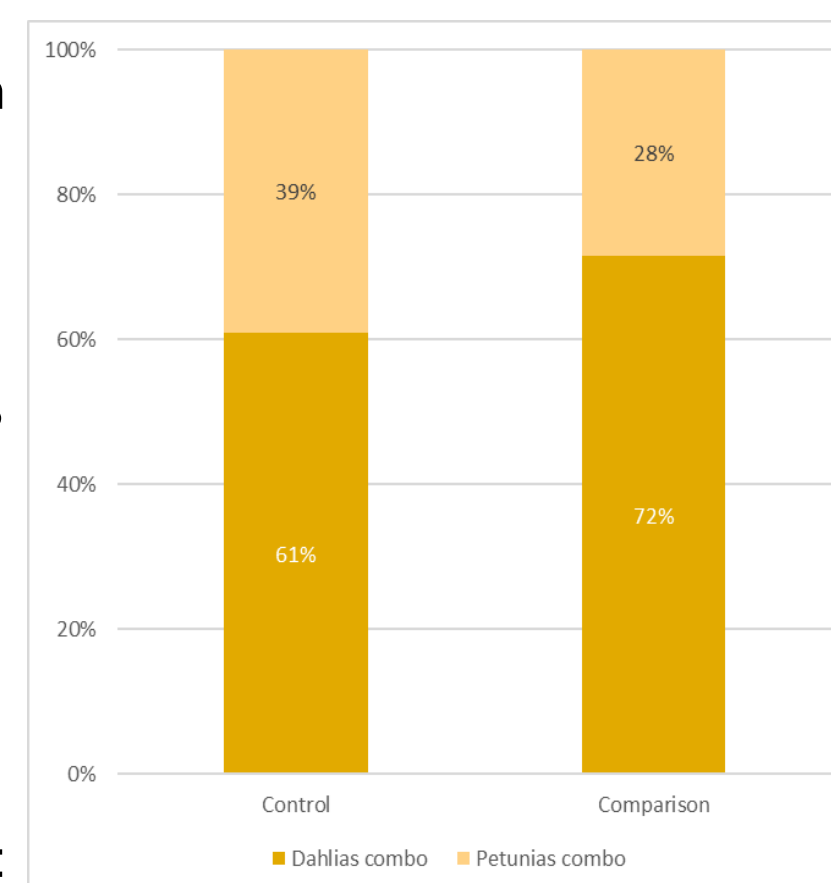
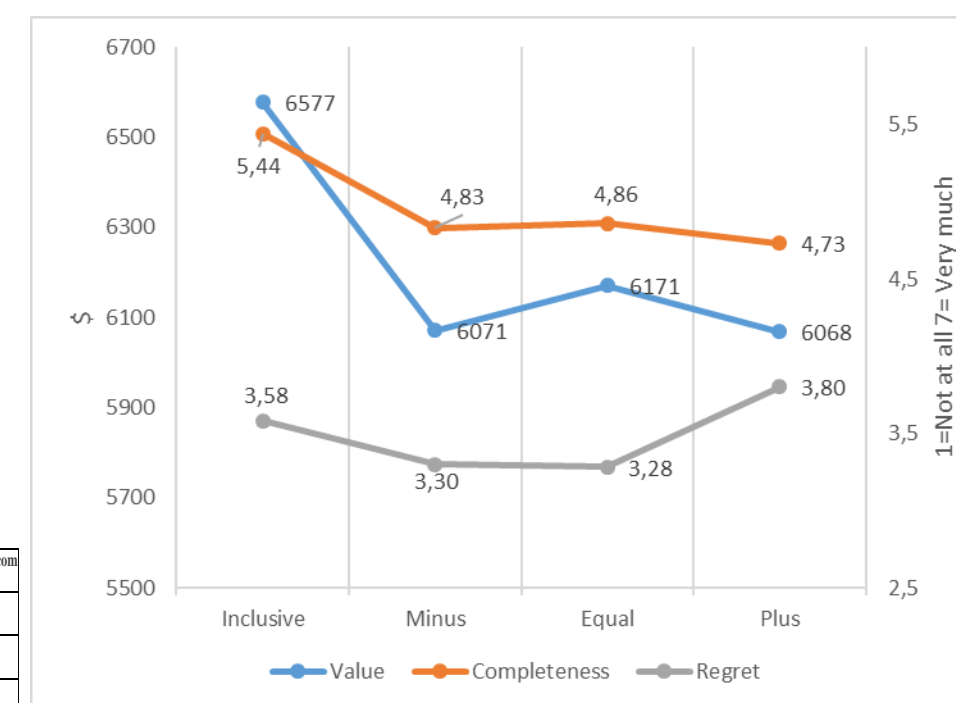
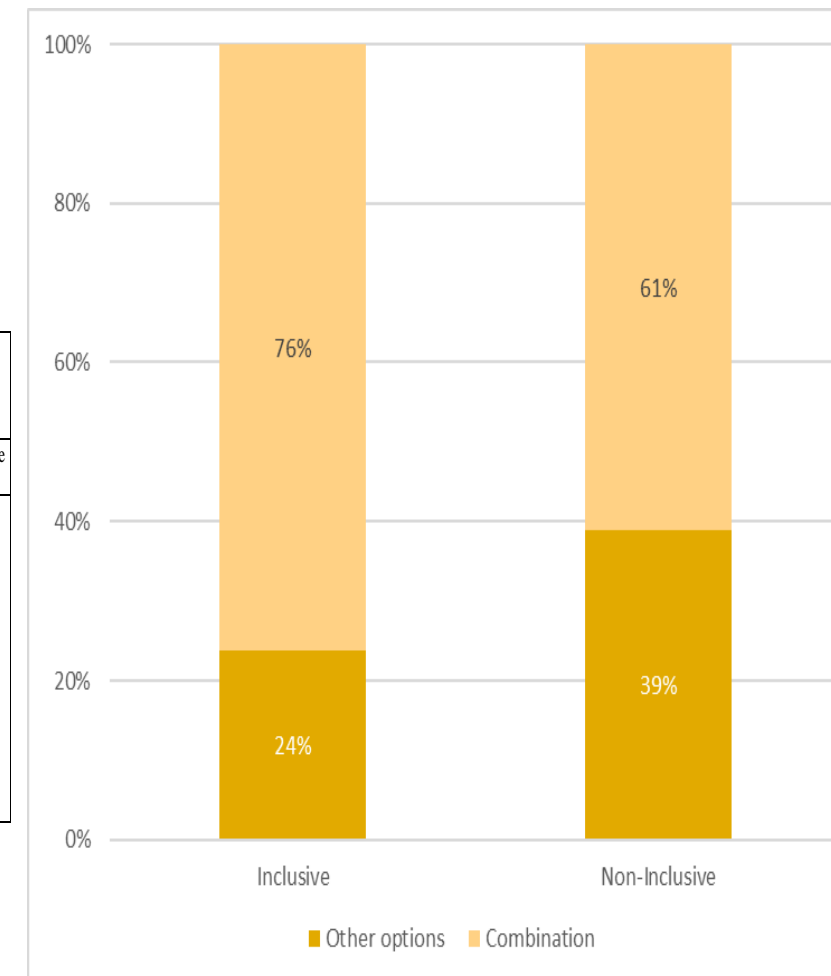
Study 3B: varying quality of the excluded option (less, equal, or more than included ones). PLUS condition in the example below.

Combo name	Price	Online rating on Cruise.com
Scandinavian Coast Cruise	\$5000	75/100
Baltic Coast Cruise	\$5000	75/100
Two-Coast Cruise: Baltic and Scandinavian		
Coast		
British Coast Cruise	\$5000	85/100

Study 4: choose one of two combination with or without Inclusiveness cues.

Control condition:
A) 3 Red Dahlias and 3 Black Dahlias, \$25 value
B) 3 Red Petunias and 3 Black Petunias, \$30 value

Comparison condition:
Dahlias: Red Dahlias (bunch of 3) and Black Dahlias (bunch of 3)
Petunias: Red Petunias (bunch of 3), Black Petunias (bunch of 3), and Yellow Petunias (bunch of 3)



Please pick one:

A) 3 Red Dahlias and 3 Black Dahlias, \$25 value
B) 3 Red Petunias and 3 Black Petunias, \$30 value

Study (N)	DV type	Effect size	Singleto n price	Additional factors	Unsupported alternative explanation
1A (261)	Choice	16% (d=.32)	\$9	-	-
1B (261)	Value	\$745 (d=.44)	\$5,000	-	-
2 (305)	Value	\$1.00 (d=.30)	\$9	Size; (NFC - regret)	Number of options; NFC; Regret
3A (300)	Value	\$984 (d=.35)	\$7,500	Superior Inclusive combination	Presentation of superior Inclusive combination
3B (642)	Value	\$473 (d=.25)	\$5,000	Varying quality of excluded option	Quality concerns; generation of consideration set from combination; Regret
4 (345)	Choice	11% (d=.26)	\$25	-	-

Conclusion and contribution

Combinations have been sparsely studied in consumer behavior and in judgment and decision-making (Chernev and Gal, 2010; Brough and Chernov, 2012). We build on this research and extend the understanding on how consumers perceive and evaluate **combinations**.

This work contributes to the understanding of **completeness** as a consumer concept and applies it to a novel situation. Adding a non-included option to a menu that contains a combination lowers the completeness evaluation of the combination and subsequently its value.

It is possible to change the evaluation of the same combination, composed by the same proportion of the same items, by **framing** it as complete or incomplete through the menu composition.

References

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