

When Searching Pays Off: Option Discovered are Valued More

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Introduction

- When creating sets of options for consumers to choose from, should marketers present the objectively best option at the beginning or end of the set?
- We find that the *position* of the objectively superior option in a choice set influences consumers' inferences about their effort payoff—that is, their perceptions of whether the effort they invested in their search was worthwhile – which has consequences for valuation of their chosen option.

Methodology

- Participants searched through a limited choice set and selected five options one at a time to choose the best option.
- We manipulated the position of the best option (beginning vs. end)

Best-Option-Beginning

• Displayed when viewing the first option

• Displayed when viewing the final option

Best-Option-End

• Displayed when viewing the first option

• Displayed when viewing the final option

(stimuli for study 1)

Studies 1 – 2: Perceived Effort Payoff

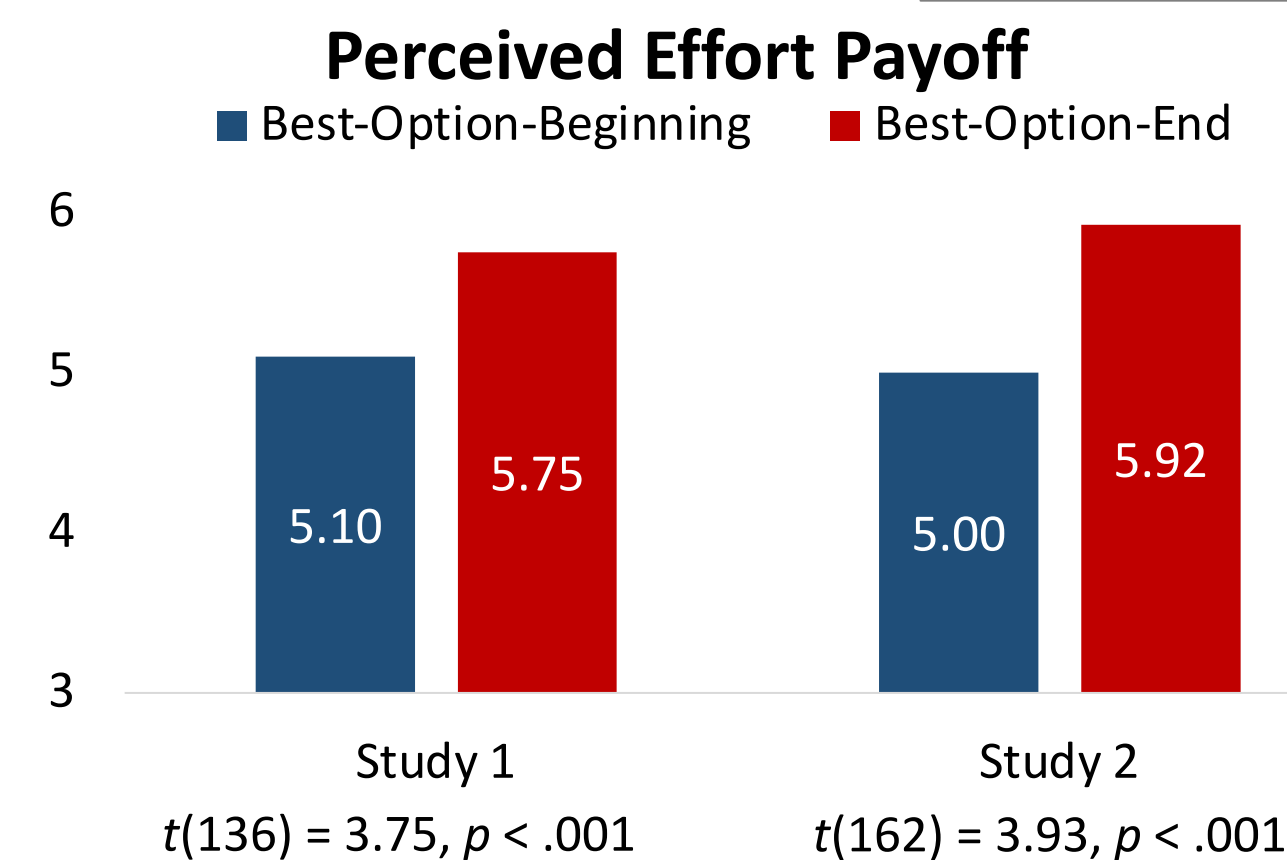
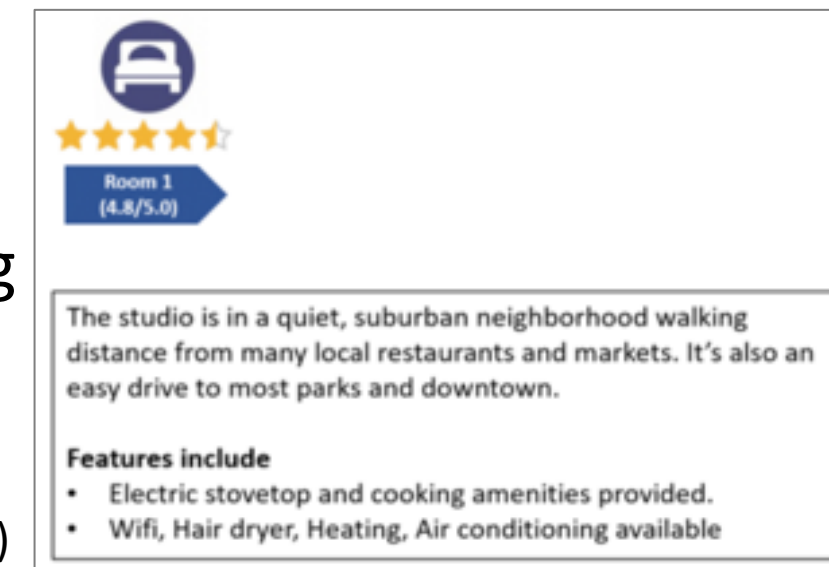
- Finding the best option at the end (vs. beginning) increases perceived effort payoff.

Study 1: Searching for a Monetary Prize

- N = 138
- Design: 2 (best option at the beginning vs. end) between-subjects
- Incentive compatible: Participants could claim one of the prizes they found as a bonus payment at the end of the study.

Study 2: Airbnb Rental Search

- N = 199
- Design: 2 (best option at the beginning vs. end) between-subjects
- Controlled for actual effort perception (best option stimuli for study 2)

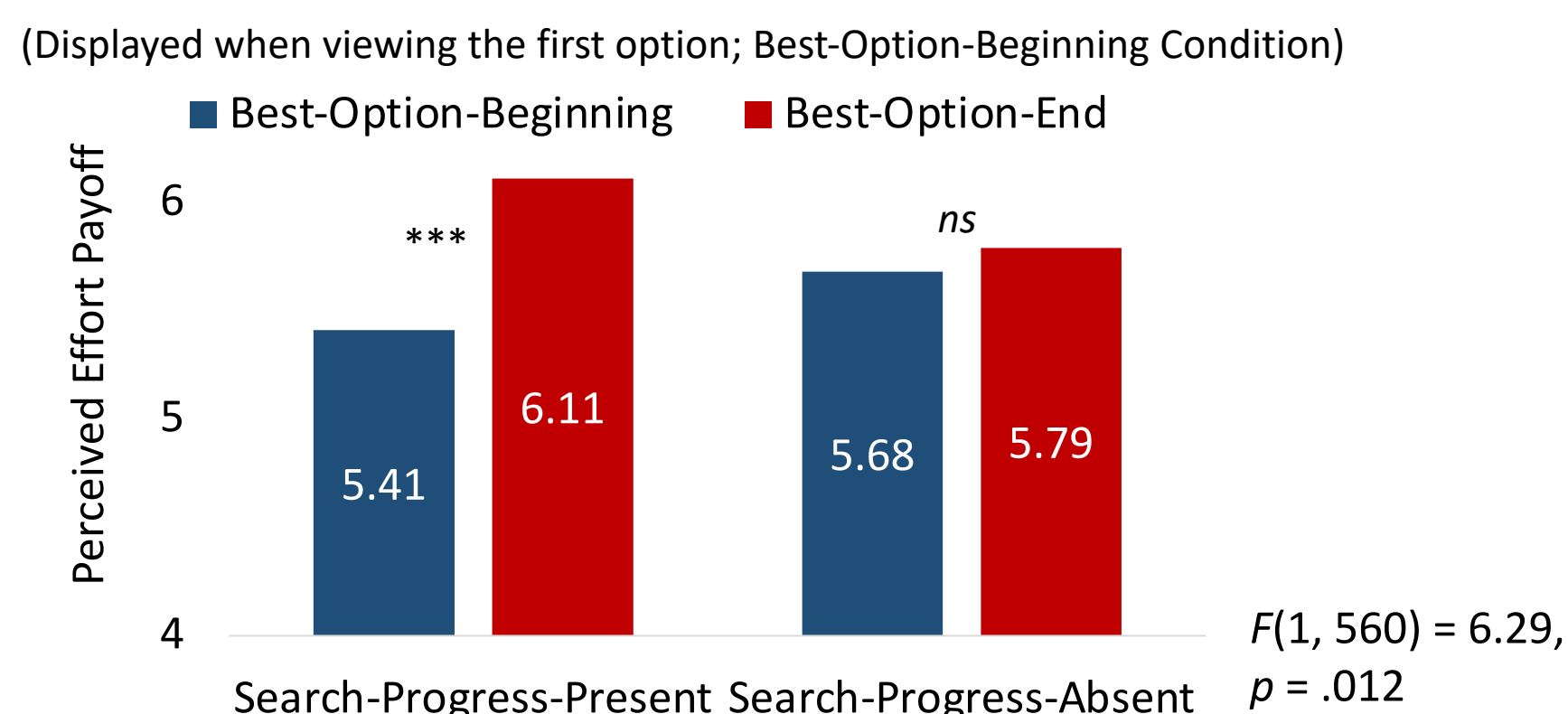


Study 3: Search Progress Underlies the Effect

- Searching for an apartment
- N = 600
- Design: 2 (best option at the beginning vs. end) × 2 (search progress: present vs. absent) between-subjects

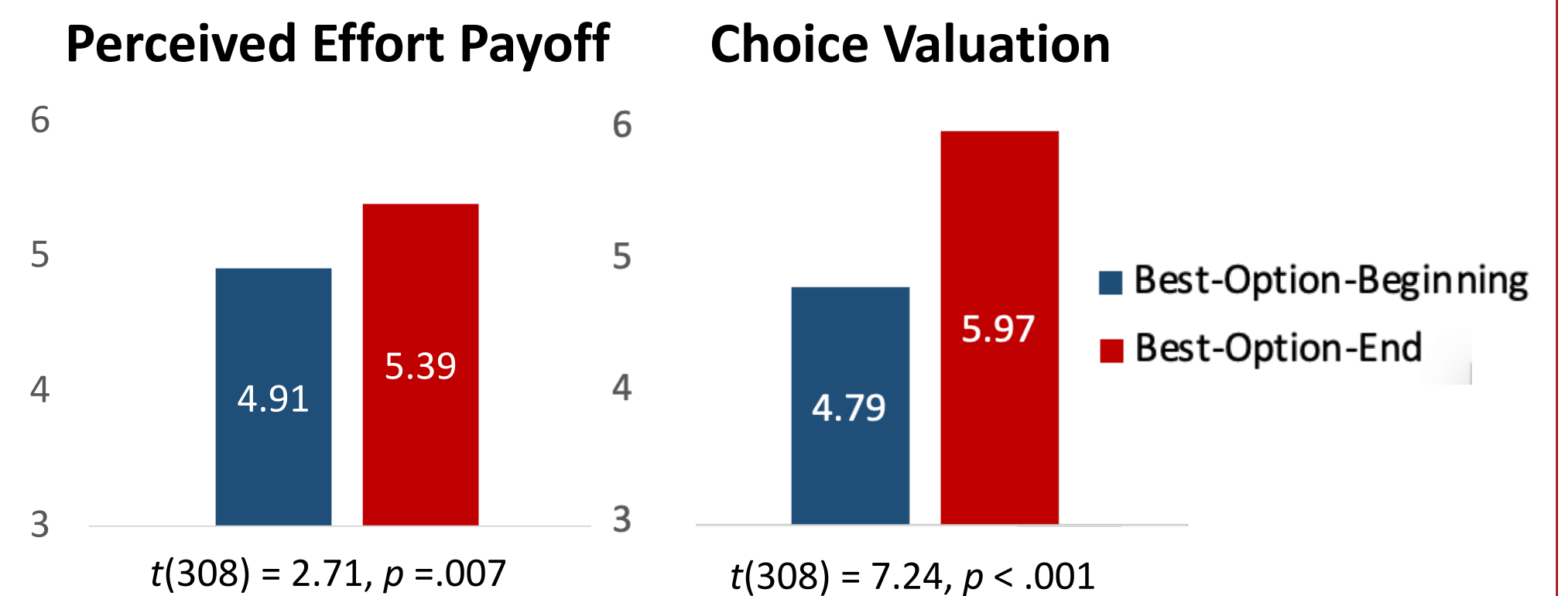
Search-Progress-Present

Search-Progress-Absent

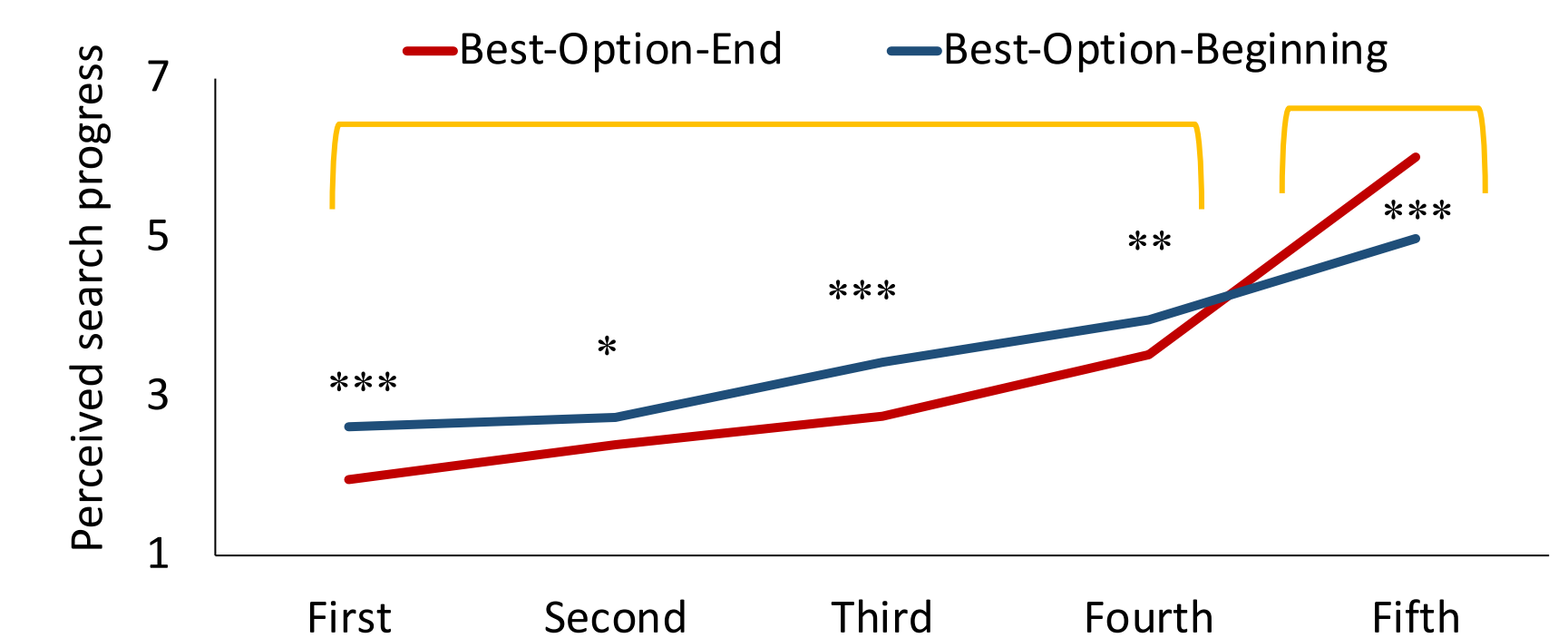


Study 4: Mediation and Choice Valuation

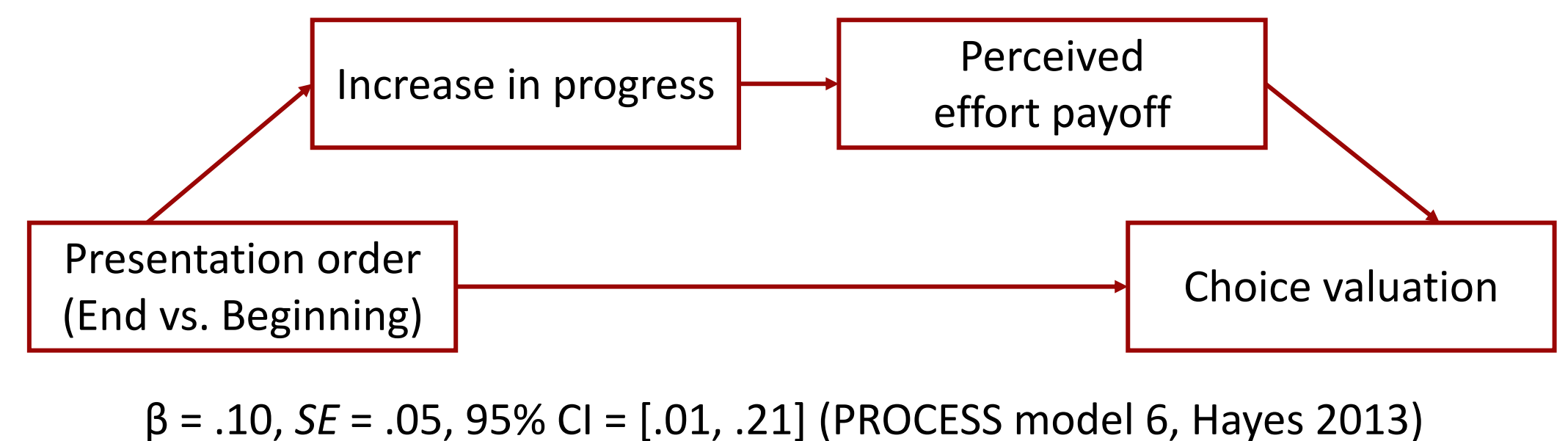
- Searching for a nonprofit organization to donate
- N = 352
- Design: 2 (best option at the beginning vs. end) between-subjects
- Measured perceived progress each time they find an option.



Perceived Progress in Search

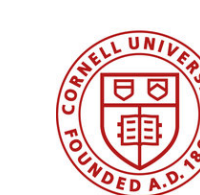


Serial Mediation



Conclusions

- Positioning the best option within a limited choice set at the end (vs. beginning) causes consumers to feel that the effort they invested into their search paid off more.
- The observed effort payoff effect has consequences for increasing consumers' valuation of their selected option; consumers are more willing to recommend, and more willing to purchase, their selected option when discovering it at the end (vs. beginning) of the choice set.



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