

When Searching Pays Off: Option Discovered Later are Valued More

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<https://cornell.zoom.us/my/elinahur?pwd=R1VHWlpCSINGVmFhR2NZZ0lxMFNSdz09>

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

22 cents

Displayed when viewing the final option

22 cents 12 cents 16 cents 18 cents 14 cents

Best-Option-End

Displayed when viewing the first option

12 cents

Displayed when viewing the final option

12 cents 16 cents 18 cents 14 cents 22 cents

Select the first box you want to open:

(stimuli for study 1)

Studies 1 – 2: Perceived Effort Payoff

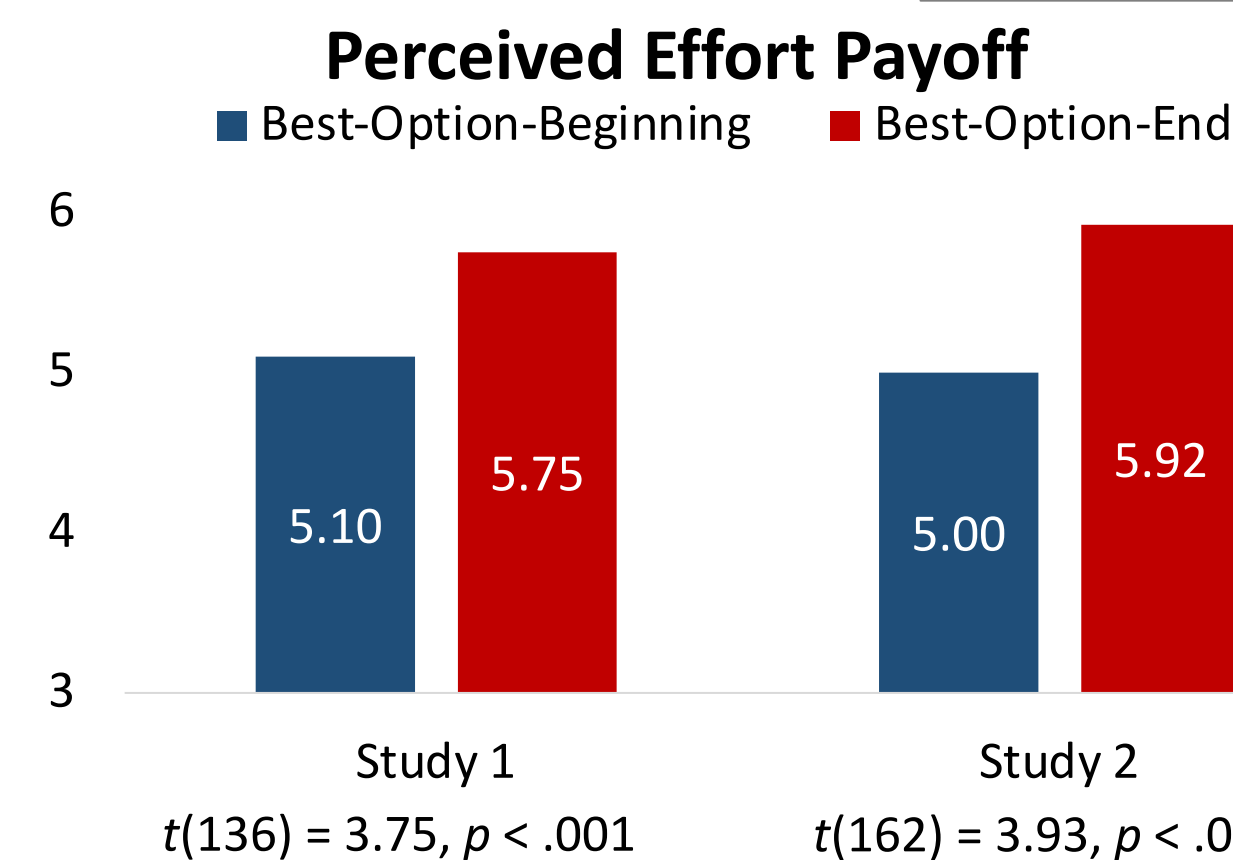
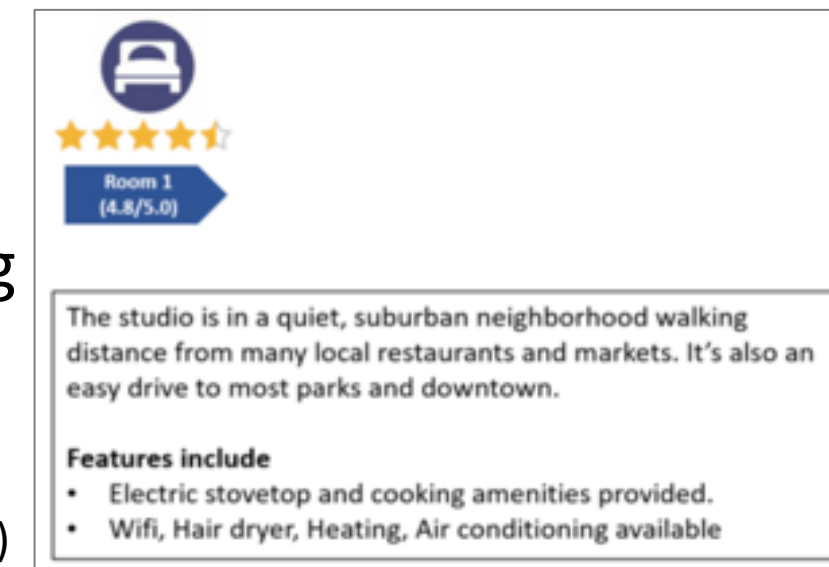
- Finding the best option at the end (vs. beginning) increases perceived effort payoff.

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.

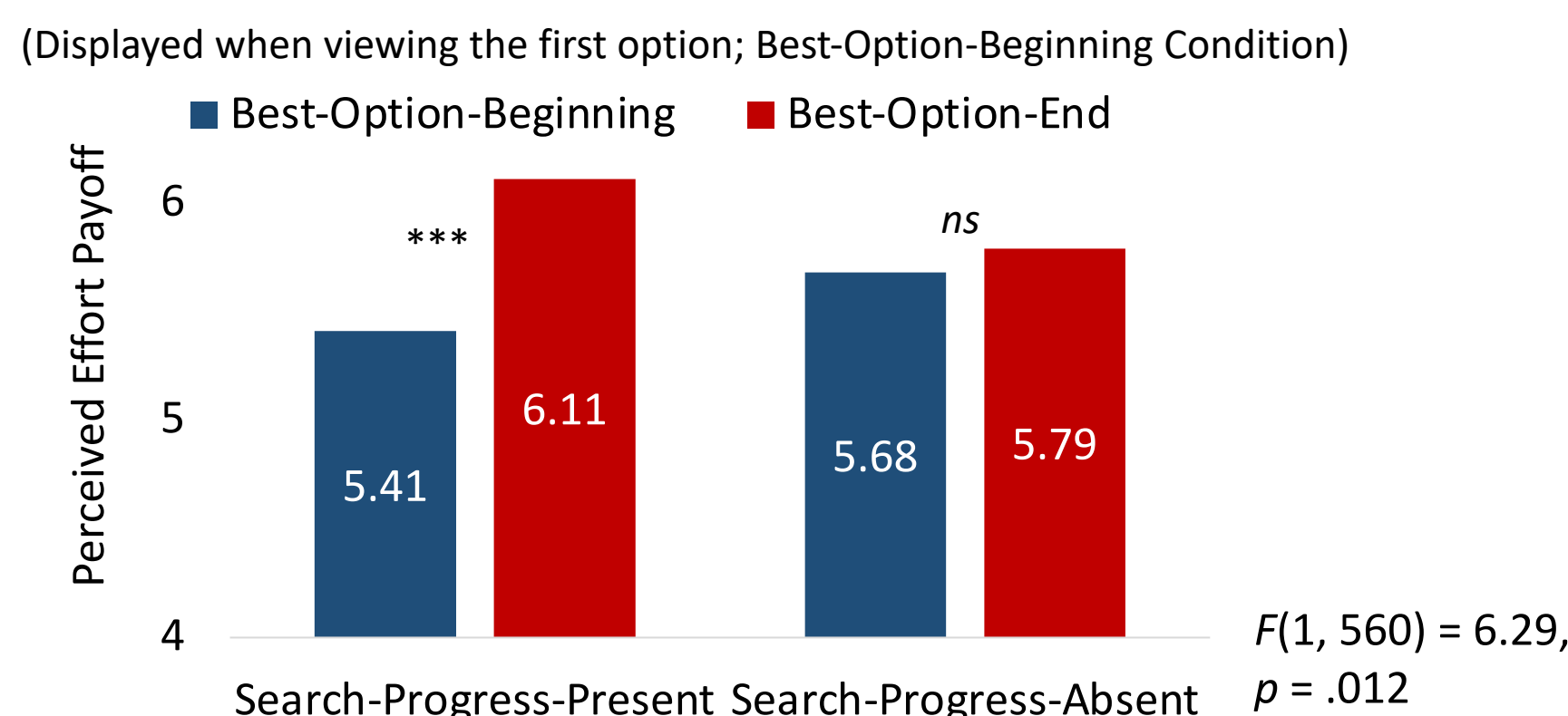
Study 2: Airbnb Rental Search

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



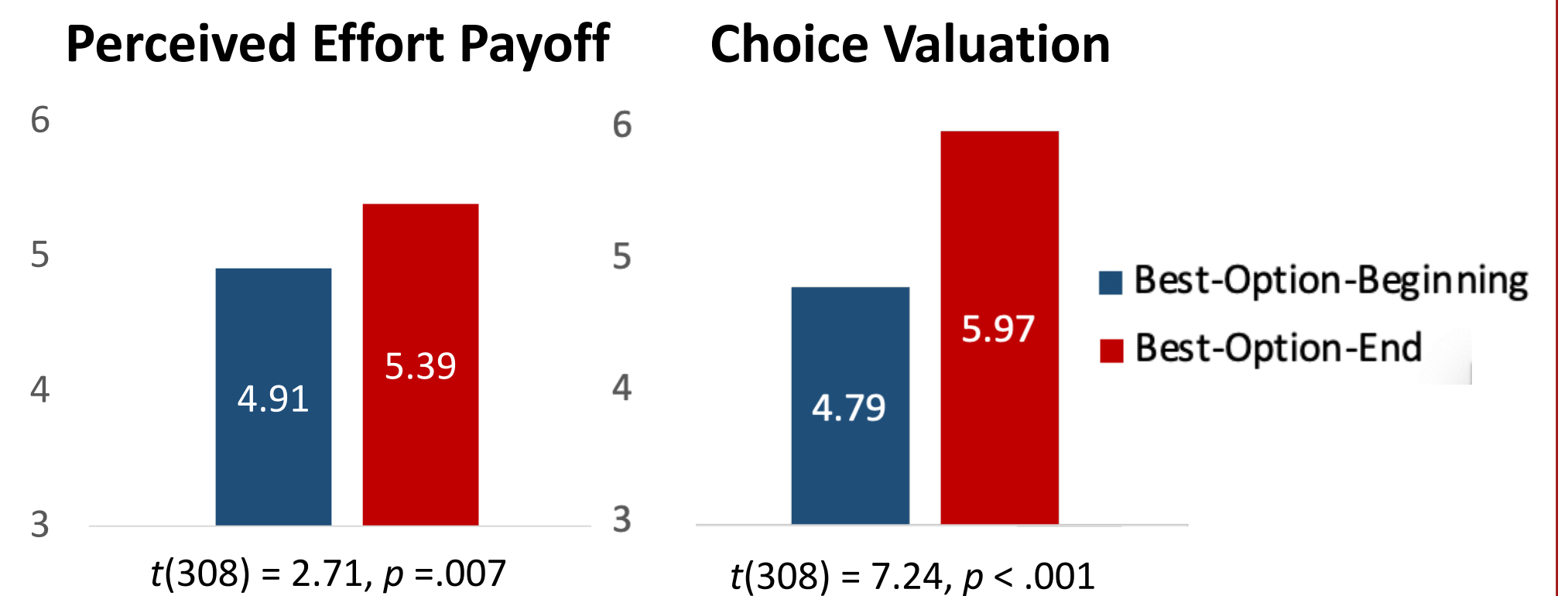
Study 3: Search Progress Underlies the Effect

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

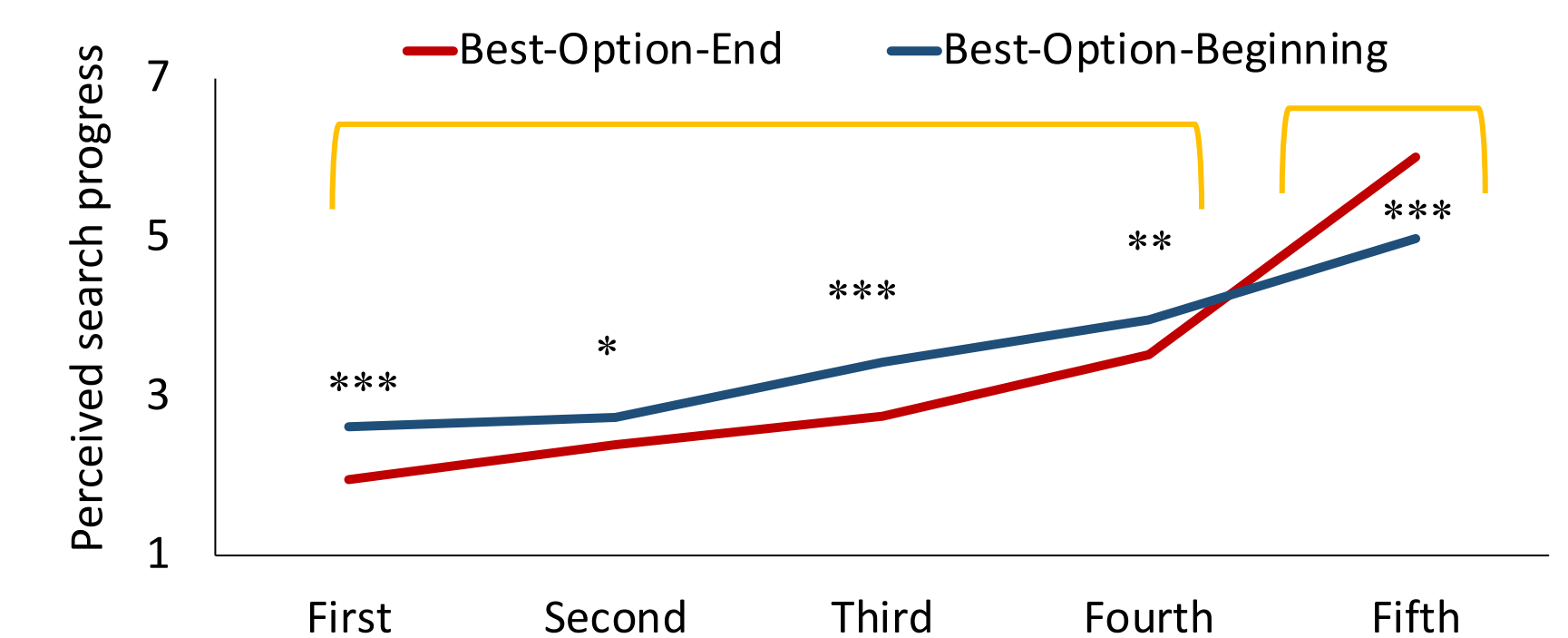


Study 4: Mediation and Choice Valuation

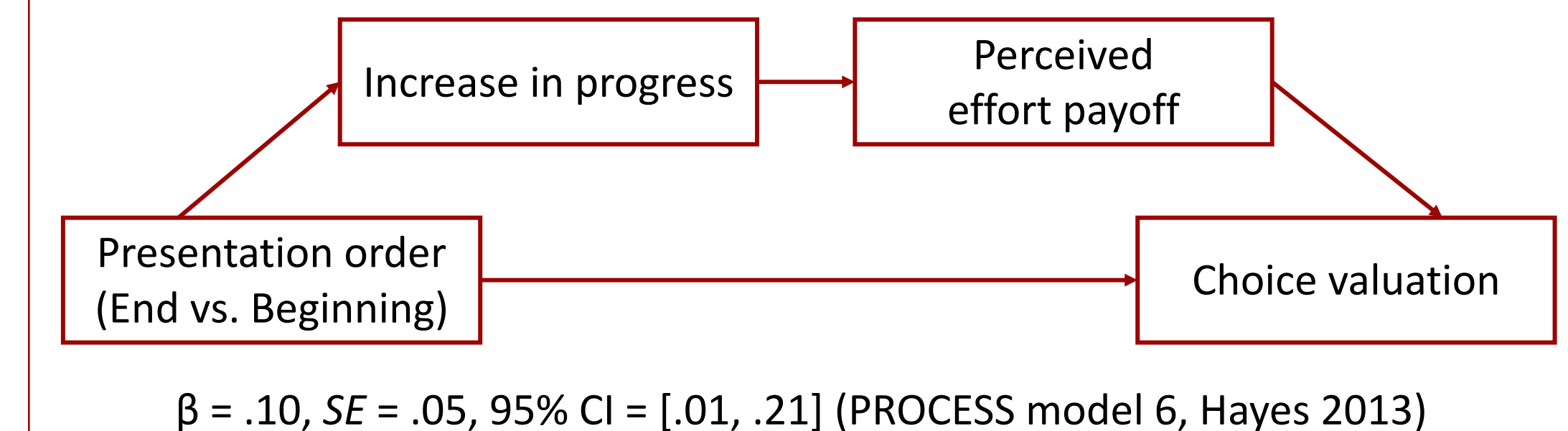
- Searching for a nonprofit organization to donate
- N = 352
- Design: 2 (best option at the beginning vs. end) between-subjects
- Measured perceived progress each time they find an option.



Perceived Progress in Search

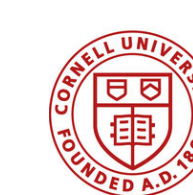


Serial Mediation



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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