

"If it's labeled, it must be good!"

Consumer Preference for Products with Non-evaluable Label Claims

Jiaqi Yu* and Oleg Urminsky

SUMMARY

Discretionary disclosures of quantitative product attributes often vary across products. For example, one brand of milk may feature their protein content on the package label, while the other does not. How would such asymmetric disclosures affect consumer choices?

We predict that consumers will be sensitive to the mere presence of a quantified claim, preferring a product making an attribute disclosure regardless of the substance (e.g., high vs. low value of the attribute).

Across five pre-registered studies, we find a robust mere-presence effect, in which consumers judge products more favorably when a quantitative quality-relevant attribute is disclosed, even when the quantitative information is not evaluable and does not affect choices.

Results suggest that consumers fail to recognize the lack of evaluability and edit out the attribute, instead seemingly relying on an "if it's disclosed, it must be good" heuristic. Our findings demonstrate that information disclosure may impede, rather than facilitate, consumers' judgments of product quality.

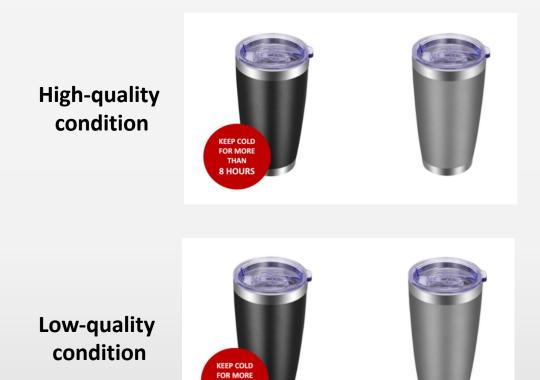
RESEARCH QUESTIONS

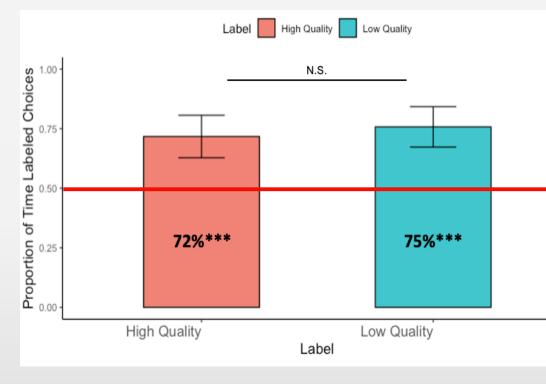
How is consumer choice influenced by the presentation of quantifiable attribute?

How do asymmetric disclosures affect consumer choices?

METHODS

Study 1a (Real stimuli, consequential choice)

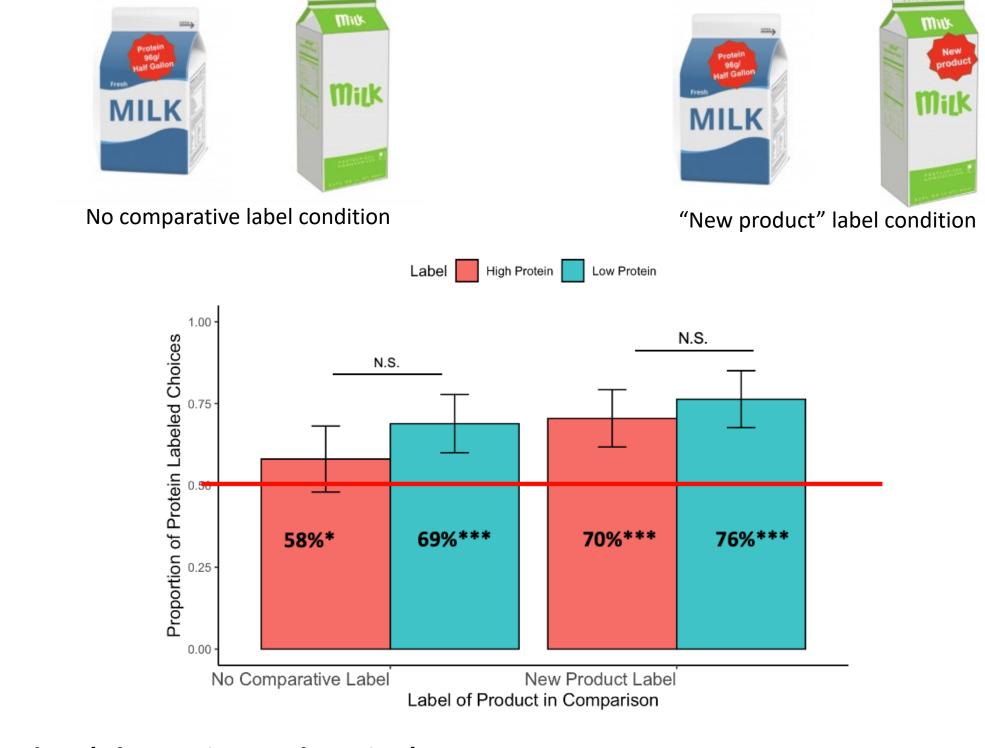




Study 1b (Real stimuli, consequential choice) High-quality condition Low-quality condition Low-quality condition Low-quality condition Low-quality condition

Study 2 (Alternative explanation)

Attention ("New product" label vs. No comparative label)



Study 3 (Alternative explanation)

Information source (Third-party vs. Product Manufacturer)

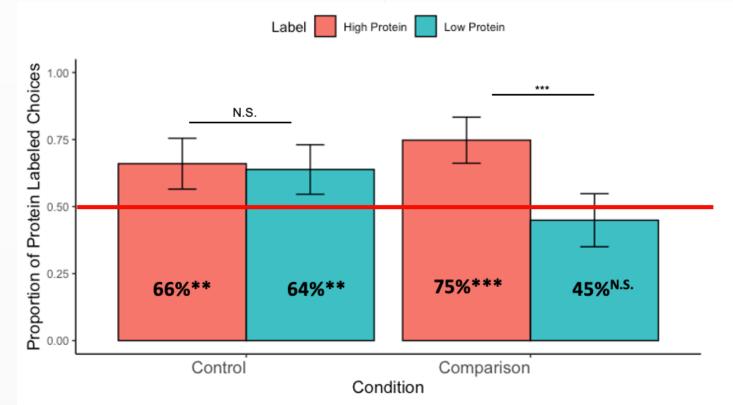
Study 4 ("Debiasing": Information-based comparison)

Milk is a nutrient-rich liquid food. As an agricultural product, dairy milk is collected from farm animals. Throughout the world, more than six billion people consume milk and milk products. On average, there are around 65 grams of protein in half gallon of milk.

Based on the introduction above, how much protein (in grams) is there in half gallon of milk on average? Please enter a number below:

★ Average protein content (in grams) in half gallon of milk:

Study 4 (Continued)



Study 5 (Multi-attribute trade-off)

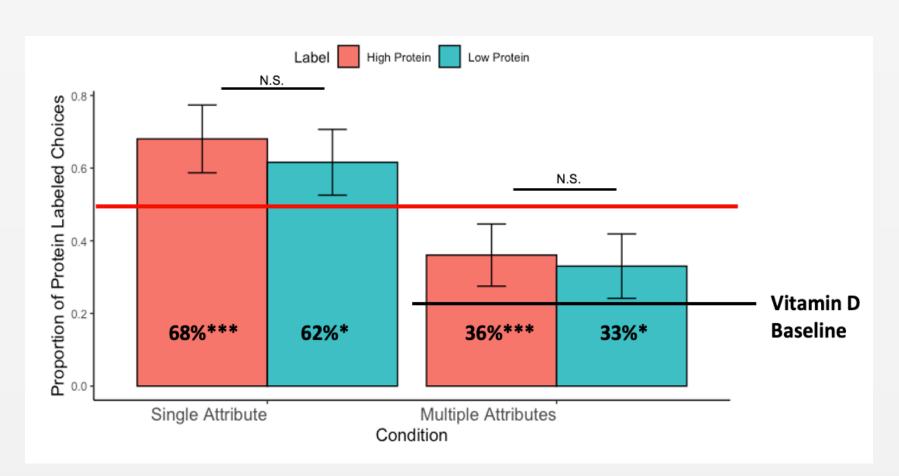
Vitamin D information disclosed on both products
A low value on the protein-present product and a high value on the protein-absent product

2 (Multiple vs. Single) *3 (High quality vs. Low quality vs. Baseline)



Single-attribute condition

Multi-attribute condition



Please direct your comments and questions to Jiaqi at <u>Jiaqi.yu@chicagobooth.edu</u>.