

## Can You Offer Consumers Too Many Choices?

October 2011 newsletter

It has long been considered a basic truth in marketing that you cannot offer consumers too many choices.

Throughout the 20th century, consumers were faced with an increasing number of choices; from the start of mass marketing, when Ford made a joke about its extensive selection of Model T automobiles (available in any color "as long as it is black"), through the penultimate Burger King campaign that promised consumers they could "have it your way."

Brand proliferation has continued unabated into this century as inexpensive computing power – and an in-depth knowledge of each consumer – has resulted in mass customization that allows consumers to order products specifically built for them.

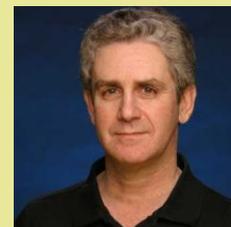
However, recent research conducted by social psychologist Roy F. Baumeister suggests that, when people are faced with too many choices, they begin to suffer from "decision-fatigue" that produces poor decisions and ultimately lower satisfaction. As Sheena Iyengar, professor at Columbia (University) Business School, puts it: "when overwhelmed by choice, choice no longer offers opportunities, but imposes constraints."

Research shows that consumers can get tired from making too many decisions and they sometimes end up making no decision at all (which is generally not a good thing when you want them to buy) or they can be manipulated to make the easy decision (such as buying based solely on price or quality).

**This is a monthly newsletter from Prell Organization.**

**Prell Organization** is a marketing research firm that uses qualitative and quantitative methods to help our clients and their agencies see their brands more clearly.

**Brand Clarity** is a process by which consumers reveal the essence of a brand to make sure that the products and services being offered are closely aligned to their needs.



While this might seem counter-intuitive, that too many choices can ever be a bad thing for consumers, consider your own behavior in one of these situations:

At a restaurant that offers 40 different entrees, you have a higher probability of choosing an inferior dish than if you are faced with only a dozen carefully selected ones;

When ordering a computer online, after choosing from a dozen important features, you are asked to choose between a dozen other features of little interest to you;

A retrospective of an artist's life's work, featuring hundreds of her creations, will have less impact on you than if 50 carefully curated objects were presented.

The word "curated" is a particularly useful metaphor because that is exactly what marketers need to do: select, from a laundry list of product benefits, only the most salient ones that make sense to their customers.

This can be achieved by simplifying your brand architecture so that consumers can quickly and easily decide – without thinking too hard about it – what they really want. The results will be less confusion, better decision-making and higher customer satisfaction.

An added bonus is that this approach is in-synch with the current economic environment that imposes limits on consumer purchases and on the resources that businesses have available to market their products.

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