

sage on the bottle (and the quiz cover) as well as the price was arguably more powerful than the beverage inside.

ARE WE DOOMED, then, to get lower benefits every time we get a discount? If we rely on our irrational instincts, we will. If we see a discounted item, we will instinctively assume that its quality is less than that of a full-price item—and then in fact we will make it so. What's the remedy? If we stop and rationally consider the product versus the price, will we be able to break free of the unconscious urge to discount quality along with price?

We tried this in a series of experiments, and found that consumers who stop to reflect about the relationship between price and quality are far less likely to assume that a discounted drink is less effective (and, consequently, they don't perform as poorly on word puzzles as they would if they did assume it). These results not only suggest a way to overcome the relationship between price and the placebo effect but also suggest that the effect of discounts is largely an unconscious reaction to lower prices.

SO WE'VE SEEN how pricing drives the efficacy of placebo, painkillers, and energy drinks. But here's another thought. If placebos can make us feel better, should we simply sit back and enjoy them? Or are placebos patently bad—shams that should be discarded, whether they make us feel good or not? Before you answer this question, let me raise the ante. Suppose you found a placebo substance or a placebo procedure that not only made you feel better but actually made you physically better. Would you still use it? What if you were a