

I read these offers one at a time. The first offer—the Internet subscription for \$59—seemed reasonable. The second option—the \$125 print subscription—seemed a bit expensive, but still reasonable.

But then I read the third option: a print *and* Internet subscription for \$125. I read it twice before my eye ran back to the previous options. Who would want to buy the print option alone, I wondered, when both the Internet and the print subscriptions were offered for the same price? Now, the print-only option may have been a typographical error, but I suspect that the clever people at the *Economist*'s London offices (and they are clever—and quite mischievous in a British sort of way) were actually manipulating me. I am pretty certain that they wanted me to skip the Internet-only option (which they assumed would be my choice, since I was reading the advertisement on the Web) and jump to the more expensive option: Internet and print.

But how could they manipulate me? I suspect it's because the *Economist*'s marketing wizards (and I could just picture them in their school ties and blazers) knew something important about human behavior: humans rarely choose things in absolute terms. We don't have an internal value meter that tells us how much things are worth. Rather, we focus on the relative advantage of one thing over another, and estimate value accordingly. (For instance, we don't know how much a six-cylinder car is worth, but we can assume it's more expensive than the four-cylinder model.)

In the case of the *Economist*, I may not have known whether the Internet-only subscription at \$59 was a better deal than the print-only option at \$125. But I certainly knew that the print-and-Internet option for \$125 was better than the print-only option at \$125. In fact, you could reasonably deduce that in the combination package, the Internet subscription is free! "It's