

nary students. But do you remember how the existence of a colonial-style house needing a new roof might push you to choose a perfect colonial over a contemporary house—simply because the decoy colonial would give you something against which to compare the regular colonial? And in the *Economist*'s ad, didn't the print-only option for \$125 push people to take the print-and-Internet option for \$125? Similarly, would the existence of a less perfect person (–A or –B) push people to choose the perfect one (A or B), simply because the decoy option served as a point of comparison?

It did. Whenever I handed out a sheet that had a regular picture, its inferior version, and another regular picture, the participants said they would prefer to date the “regular” person—the one who was similar, but clearly superior, to the distorted version—over the other, undistorted person on the sheet. This was not just a close call—it happened 75 percent of the time.

To explain the decoy effect further, let me tell you something about bread-making machines. When Williams-Sonoma first introduced a home “bread bakery” machine (for \$275), most consumers were not interested. What was a home bread-making machine, anyway? Was it good or bad? Did one really need home-baked bread? Why not just buy a fancy coffee-maker sitting nearby instead? Flustered by poor sales, the manufacturer of the bread machine brought in a marketing research firm, which suggested a fix: introduce an additional model of the bread maker, one that was not only larger but priced about 50 percent higher than the initial machine.

Now sales began to rise (along with many loaves of bread), though it was not the large bread maker that was being sold. Why? Simply because consumers now had two models of bread makers to choose from. Since one was clearly larger and much