Which one would you choose? In this case, Sam knows that customers find it difficult to compute the value of different options. (Who really knows if the Panasonic at $690 is a better deal than the Philips at $1,480?) But Sam also knows that given three choices, most people will take the middle choice (as in landing your plane between the runway lights). So guess which television Sam prices as the middle option? That's right—the one he wants to sell!

Of course, Sam is not alone in his cleverness. The *New York Times* ran a story recently about Gregg Rapp, a restaurant consultant, who gets paid to work out the pricing for menus. He knows, for instance, how lamb sold this year as opposed to last year; whether lamb did better paired with squash or with risotto; and whether orders decreased when the price of the main course was hiked from $39 to $41.

One thing Rapp has learned is that high-priced entrées on the menu boost revenue for the restaurant—even if no one buys them. Why? Because even though people generally won't buy the most expensive dish on the menu, they will order the second most expensive dish. Thus, by creating an expensive dish, a restaurateur can lure customers into ordering the second most expensive choice (which can be cleverly engineered to deliver a higher profit margin).[1]

So let's run through the *Economist*'s sleight of hand in slow motion.

As you recall, the choices were:

1. Internet-only subscription for $59.
2. Print-only subscription for $125.
3. Print-and-Internet subscription for $125.