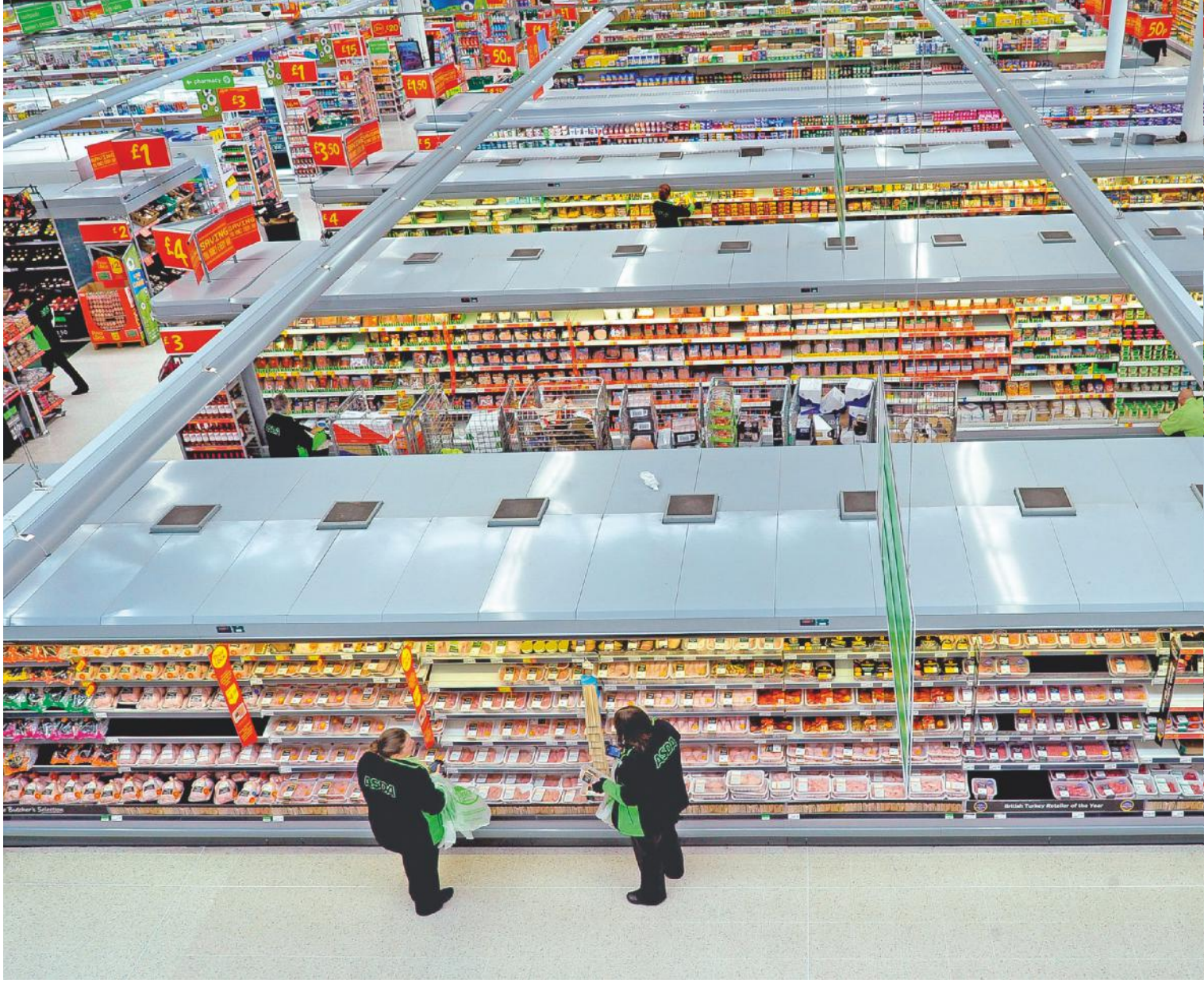

Being choosier about choice

Often assumed to be good for business and customers, choice can be bewildering and destructive when handled wrongly. We get picky with **Simona Botti**

Report by **Emily Cloney**

Choice is great. You can work out what you need or want, match it with what's on offer and create the perfect life. Choice makes you the master of your destiny. More choice gives you more freedom – and the more freedom you have, the happier you are.

Or does it? Sometimes the amount of choosing we do seems overwhelming. For example, which pension plan is best? Does that email need an immediate reply? Face cream for anti-ageing or combination skin? Accept that LinkedIn request? Jeans with button fly or zip? Live together or marry? Apply for a promotion? Have a baby now or later?

In his book *The Paradox of Choice: Why more is less* (New York, 2004), Barry Schwartz highlights how choosing has infiltrated every aspect of our lives: work, finances, shopping, even our identity. Instead of being liberating, the breadth and frequency of choice in everyday life feels like enslavement. Too often, he suggests, we ignore its negative effects.

Choice can paralyse

Faced with so much variety and information it's easy to become transfixed and put off the decision. We stand gawping in supermarket aisles, deliberating between 15 different flavours of crisps or eight bottles of bathroom cleaner. Online, the possibilities seem limitless. Looking up from our screens we realise that searching for the ideal flight, laptop or hotel has swallowed up a valuable hour – and we're no nearer making a choice.

Choice can increase dissatisfaction

Even when we've made a decision, there's a niggling suspicion that one

of the options we turned down might have been better or more suitable. Regret and self blame creep in. That's bearable on the odd occasion, but a huge burden to shoulder when you consider that we make an average of 70 decisions a day.

We are suffering from choice overload. "Freedom of choice is freedom of choosing," says London Business School's Associate Professor of Marketing and prominent choice expert Simona Botti, who points out that, "It's also freedom not to choose, to decide when you do not want to choose."

New perspectives on choice

We're conditioned to think that it's always best to decide about anything that affects us, but that's not always the case. Hazel Markus, Professor of Behavioural Sciences at Stanford University, points out in *Clash: Eight cultural conflicts that make us who we are* (with Hazel Rose and Alana Conner, Penguin, New York, 2013) that viewing choice as a way of expressing individuality and independence is peculiarly Western. She contrasts it with the more collaborative Eastern view of choice as a means to create harmony and community by "relating to others, discovering similarities, adjusting yourself to expectations and the environment, rooting yourself into networks and traditions, and understanding your place in the larger whole."

A 1999 study conducted by Stanford psychologists Sheena Iyengar and Mark Lepper, called 'Rethinking the Value of Choice: A cultural perspective on intrinsic motivation', demonstrated this different attitude by giving groups of American schoolchildren anagrams to solve. Some were allowed to select the puzzles for themselves; others were told that their mother, or a teacher, had chosen a puzzle for them. Anglo-American children performed more than twice as well when they chose the anagrams themselves whereas Asian-American children did best when they thought that their mothers had chosen for them.

Let someone else drive

Adopting this less individualistic approach may well result in a better outcome. Stanford neuroeconomist Baba Shiv asked a student group to choose to drink either an energising caffeinated tea or relaxing chamomile before undertaking a series of word puzzles. A second group was given one of the two teas without being asked for their preference – and this group performed better in the puzzles. Why? Shiv says it's to do with agency. The first group questioned their choice of tea and focused on the foregone option to improve their chance of success. This reduced their confidence and they had a worse result. Sometimes, suggests Shiv, it's better to assume the passenger role and let someone else sit in the driving seat.

When you lack expertise or are vulnerable, having someone else choose for you can be a good thing. Botti, together with Sheena Iyengar and Kristina Orfali in 'Tragic Choices: Autonomy and emotional responses to medical decisions' in the *Journal of Consumer Research* (2009), interviewed French and US parents who had suffered having a child on life support with no prospect of recovery. In France the decision to turn off the machine was made by the doctors; in America by the parents. The French parents appeared to find an easier path through their grief. They were able to express positive emotions about the beneficial impact of their child's short life on their own. The US ›

Going solo: the trend for single-dish restaurants such as the UK's Chicken Shop chain is one response to the problem of 'choice overload'

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THREE WAYS TO HELP YOUR CUSTOMERS CHOOSE

Cut choice down to a manageable level
Although having a wide choice can be enticing, it may not translate into actual sales. A 2000 study conducted by Sheena Iyengar and Mark Lepper in the *Journal of Personality and Social Psychology*, called 'When Choice Is Demotivating', revealed that although grocery shoppers were more likely to stop to taste jam from a selection of 24 jars rather than just six, they were more likely to buy a jam if just six were offered. Similarly, the experience of UK supermarkets shows that sales are not directly proportionate to the number of products on offer. Last year Tesco, with over 28 per cent of the grocery market, sold 90,000 product lines of which a staggering 98 were rice, 28 were ketchups and 50 were loaves of bread. Aldi stocked around 1,350 products – just six types of rice, two ketchups and two breads – yet maintained six per cent of market share.

Iyengar recommends that businesses reduce the number of choices to consumers – and, if it's hard to decide where to wield the axe, ask your staff: "If your employees can't tell them apart, neither can your consumers." Furthermore, as Simona Botti points out in the *Journal of Consumer Research* ('When Choosing Is Not Deciding' with Ann L McGill, 2006), "Choosing between items that you can't distinguish between does not feel like a choice, and does not necessarily bring on the benefits usually associated with choice."

Simplify your business model
Not only can a simplified model increase sales, it may improve customer experience. By relieving them of the burden of choice it can encourage them to buy. Stocking a smaller range of products requires less space and fewer complicated systems, so you can respond more quickly to changing demand and possibly offer more competitive prices. It's an idea that seems to have found traction with Tesco, which is currently reducing its product lines by a third to 60,000 (although online grocery Amazon Fresh, launched in June, seems to have gone the other way with 130,000 products).

Sometimes streamlining choices can help. As Botti points out, we willingly pay not to have a choice in some situations – for example in a high-end restaurant with a set menu. Brands can play a similar role, both adding and reflecting value by limiting choice.

She highlights two principle benefits of cultivating strong brands: firstly, that they become decision-making short cuts, offering customers a clear pathway to a particular choice without navigating through a myriad of products. Secondly, they offer a guarantee of quality, reassuring customers that they've made a good choice, helping them to make peace with their choice.

Facilitate choice closure
Botti encourages businesses to help customers feel positive about their decisions. She suggests designing spaces or procedures to facilitate choice closure; for example, by positioning sales tills at a distance from displays, or requiring website customers to cancel items they've considered but rejected. In a recent working paper, 'Seeking and Avoiding Choice Closure' for the *Journal of Consumer Research* (with David Faro and Yangjie Gu), Botti shows that choice closure can be triggered not only by physical actions but also by visual cues, such as seeing a 'rejected' label on discarded options. This could be helpful to e-commerce companies.

And, if you help your customers to choose wisely and feel good about their choices, they'll feel more satisfied and be more likely to return. At the least they'll be grateful you freed them up to do something else – even if it's moving on to the next choice.

parents, steadfastly maintaining that the decision was theirs to make, seemed to suffer more. They felt trapped in a cycle of guilt thinking about what might have happened if they'd decided differently, adding to the heartbreak of their loss. Whether it's better to allow someone to choose for themselves or choose on their behalf is a wider moral issue. However, the varying experiences of US and French parents suggest we should question whether we benefit by being in charge of choosing.

Aim for 'choice closure'
Whether the choice is life-changing or mundane, the accompanying activity – weighing up, considering and evaluating – takes its toll. It's exhausting, time-consuming, and can feel like too much responsibility. Even after having made a choice it's often tempting to go back and look again at what we didn't choose. What we've rejected then becomes alluring – we forget why we rejected it in the first place and dream of what might have been. Foregone options creep into our minds like troublesome guests we've expelled only – inexplicably – to invite them back.

It would be helpful to make peace with our choices and convince

Mindblowing decisions: businesses should aim for 'choice closure' rather than a baffling product range. Left: Aldi offers less choice but retains strong market share

ourselves that we've made the right decision. Research undertaken by Simona Botti, together with her LBS colleague David Faro and Yangjie Gu of HEC Paris – in 'Turning the Page: The impact of choice closure on satisfaction' (*Journal of Consumer Research*, 2013) – concludes that certain external triggers can activate 'choice closure': the process where we decide we've made our choice, it's settled and shouldn't be revisited.

From a young age we create 'cognitive scaffolding' – a framework that enables us to associate abstract concepts such as emotions with concrete objects and physical sensations. Think of how worry 'weighs on your mind'; and how anger and frustration make you 'feel fed up'. Professor Botti and her colleagues did a series of studies to investigate how this type of physical to mental mapping can be used to convert a particular action into the feeling of completion and satisfaction that constitutes choice closure.

The team conducted a study in which they showed people a tray of 24 chocolates covered with a transparent lid. Each participant was asked to remove the lid and choose a chocolate. Half of the group was then instructed to replace the lid. After the test all participants ate their selected chocolate and were asked questions about how satisfied they were with their choice and whether they'd subsequently thought about the chocolates they'd passed over.

The people who had put the lid back on the tray were found to be more satisfied with the chocolate they chose, and less likely to think about the unselected chocolates – so the act of replacing the lid had triggered choice closure. A further study showed how closing a menu after deciding what to order generated a similar feeling of completion and satisfaction.

"Freedom of choice is also freedom to decide when you do not want to choose"

How should business look at choice?

The success of a business depends on consumers choosing its products or services. While many companies undertake intensive research into how their products are perceived in the marketplace, most pay scant attention to the more instinctive – and harder to quantify – behaviours of their customers.

In his book *The Business of Choice* (New Jersey, 2015), Matthew Willcox points out that marketing needs to adjust its focus not only to include products and brands, but also to examine the ways that people actually make decisions: "the nature of choice rather than just its consequences". Sometimes we make decisions efficiently and quickly – we rush in, grab and run – while on other occasions we become confused. Overwhelmed by choice, we then flounder and (potentially disastrously for sales) procrastinate or give up.

Business needs to look closely at how its customers make choices. Botti suggests that streamlining consumers' decision-making process and increasing their satisfaction with their choices will encourage them to return to you. "Maybe choice should not be considered a blanket solution for all problems," she cautions. "Instead of just pushing choice into the hands of customers, consider when the costs of choice overwhelm the benefits."

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