

Research Review

# Choice overload: A conceptual review and meta-analysis

Alexander Chernev<sup>a,\*</sup>, Ulf Böckenholt<sup>a</sup>, Joseph Goodman<sup>b</sup>

<sup>a</sup> Kellogg School of Management, Northwestern University, USA

<sup>b</sup> Compass Lexecon, Chicago, USA

Received 5 October 2012; received in revised form 18 August 2014; accepted 23 August 2014

Available online 29 August 2014

## Abstract

Despite the voluminous evidence in support of the paradoxical finding that providing individuals with more options can be detrimental to choice, the question of whether and when large assortments impede choice remains open. Even though extant research has identified a variety of antecedents and consequences of choice overload, the findings of the individual studies fail to come together into a cohesive understanding of when large assortments can benefit choice and when they can be detrimental to choice. In a meta-analysis of 99 observations ( $N = 7202$ ) reported by prior research, we identify four key factors—choice set complexity, decision task difficulty, preference uncertainty, and decision goal—that moderate the impact of assortment size on choice overload. We further show that each of these four factors has a reliable and significant impact on choice overload, whereby higher levels of decision task difficulty, greater choice set complexity, higher preference uncertainty, and a more prominent, effort-minimizing goal facilitate choice overload. We also find that four of the measures of choice overload used in prior research—satisfaction/confidence, regret, choice deferral, and switching likelihood—are equally powerful measures of choice overload and can be used interchangeably. Finally, we document that when moderating variables are taken into account the overall effect of assortment size on choice overload is significant—a finding counter to the data reported by prior meta-analytic research.

© 2014 Society for Consumer Psychology. Published by Elsevier Inc. All rights reserved.

**Keywords:** Choice overload; Assortment; Decision complexity; Meta-analysis

## Contents

Introduction . . . . .	334
The pros and cons of large assortments . . . . .	334
Choice overload in consumer decision making . . . . .	335
Choice overload in individual decision making . . . . .	335
Conceptualizing the impact of assortment size on choice overload . . . . .	336
Decision task difficulty . . . . .	337
Choice set complexity . . . . .	337
Preference uncertainty . . . . .	338
Decision goal . . . . .	339
Method . . . . .	339
The data . . . . .	339
The model . . . . .	340
Results . . . . .	344
Model fit . . . . .	344
Effects of the specific moderators of choice overload . . . . .	344

\* Corresponding author. Fax: +1 847 491 2498.

E-mail address: [ach@kellogg.northwestern.edu](mailto:ach@kellogg.northwestern.edu) (A. Chernev).

The mean effect of assortment size on choice overload . . . . .	346
The effect of assortment size across individual experiments . . . . .	348
Publication bias . . . . .	350
Discussion . . . . .	351
Key findings . . . . .	351
Prior meta-analytic research . . . . .	352
Future research . . . . .	353
Appendix A. Overview of the analyzed studies . . . . .	354
Appendix B. Reanalyzing the data from prior meta-analytic research . . . . .	356
References . . . . .	357

## Introduction

The importance of assortment decisions for both retailers and manufacturers has been underscored by numerous research articles, marketing textbooks, and the popular press (Iyengar, 2010; Levy & Weitz, 2006; Schwartz, 2003). Because of its importance, the topic of how product assortment influences consumer choice has generated a substantial amount of interest across different research domains, including economics, analytical and empirical modeling, individual and group decision making, and social psychology (Broniarczyk, 2008; Chernev, 2012; Kahn, 1999; Kahn, Weingarten, & Townsend, 2013; Lancaster, 1990; Lehmann, 1998; Simonson, 1999).

Within assortment research, the topic of the negative consequences of large assortments has attracted a disproportionate amount of interest among researchers. This interest can be attributed largely to the paradoxical finding that variety can be detrimental to choice, which challenged the conventional wisdom that providing consumers with more options always facilitates choice (Iyengar & Lepper, 2000; Reibstein, Youngblood, & Fromkin, 1975). Building on these findings, recent research has moved beyond simply documenting choice overload to identifying its antecedents and boundary conditions. In doing so, researchers have identified a number of important moderators of choice overload, such as attribute alignability (Gourville & Soman, 2005), consumer expectations (Diehl & Poynor, 2010), availability of an ideal point (Chernev, 2003b), personality traits and cultural norms (Iyengar, Wells, & Schwartz, 2006), option attractiveness (Chernev & Hamilton, 2009), decision focus (Chernev, 2006), construal level (Goodman & Malkoc, 2012), time pressure (Haynes, 2009), product type (Sela, Berger, & Liu, 2009), consumer expertise (Mogilner, Rudnick, & Iyengar, 2008), and variety seeking (Oppewal & Koelemeijer, 2005).

Despite the voluminous evidence that large assortments can lead to choice overload, the question of whether and when large assortments are detrimental to choice remains open. Indeed, even though extant research has identified a variety of antecedents and consequences of choice overload, the individual studies use diverse independent and dependent variables. As a result, the findings of these studies fail to come together in a cohesive understanding of whether and when assortment size is likely to lead to choice overload. The goal of our research, therefore, is to identify factors that reliably moderate the impact of assortment size on choice overload and generalize them into an overarching conceptual framework. To achieve this goal, we abstract from the

specific variables and manipulations reported in the individual studies to identify the key drivers of choice overload, quantify the effect sizes associated with these factors, and evaluate their impact on choice overload.

Our analysis is organized as follows. First, we discuss the pros and cons of large assortments, focusing on how assortment size influences individual decision processes. This is followed by a conceptual analysis of the antecedents of choice overload, in which we identify four key drivers that are likely to influence the impact of assortment size on choice overload. We then present our methodology in more detail, followed by a summary of our key findings. This research concludes with a discussion in which we highlight our theoretical contributions, discuss the managerial implications, and outline directions for future research.

## The pros and cons of large assortments

Offering consumers a large variety of options to choose from can have a two-pronged impact on choice: It can both benefit and hinder choice. The most intuitive benefit, featured prominently in economics research, is that the greater the number of options in the choice set, the higher the likelihood that consumers can find a close match to their purchase goals (Baumol & Ide, 1956; Hotelling, 1929). A related economic explanation of consumer preference for larger assortments involves the greater efficiency of time and effort involved in identifying the available alternatives in the case of one-stop shopping associated with retailers offering larger assortments (Betancourt & Gautschi, 1990; Messinger & Narasimhan, 1997).

It has also been proposed that larger assortments might lead to stronger preferences because they offer option value (Reibstein et al., 1975), allow consumers to maintain flexibility in light of uncertainty about future tastes (Kahn & Lehmann, 1991; Kahneman & Snell, 1992; Kreps, 1979), and accommodate consumers' future variety-seeking behavior (Inman, 2001; Kahn, 1995; Levav & Zhu, 2009; Ratner, Kahn, & Kahneman, 1999; Van Herpen & Pieters, 2002). It has further been argued that consumers might experience additional utility simply from having multiple items in the choice set because it creates the perception of freedom of choice (Kahn, Moore, & Glazer, 1987), enhances the enjoyment of shopping (Babin, Darden, & Griffin, 1994), and strengthens overall choice satisfaction (Botti & Iyengar, 2004).

Finally, it has been proposed that larger assortments influence consumer preferences by reducing the uncertainty of whether the

Download English Version:

<https://daneshyari.com/en/article/882171>

Download Persian Version:

<https://daneshyari.com/article/882171>

[Daneshyari.com](https://daneshyari.com)