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Psychological and Behavioral Effects of Price Order

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Resumo

Two different studies identify that logical price order exhibition improves consumer decision-making process. Study 1 finds in a field experiment that logical price order exhibition could increase sales in a retail hardware store. Next, study 2 finds in a large online study that the number of options available affects easiness of choice, and that logical price order indeed helped consumers to make a choice, making the decision-making process easier. Moreover, logical price order exhibition made choice easier even when assortment size was greater, when compared to illogical price order. This is quite an illogical result of the effects of logical price order: the wider the products set was, the easier it was to choose. A discussion of implications for retailers and product managers follows.