

Study examines how individuals distort information to make decisions

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(Medical Xpress)—Recent research from Penn State Smeal College of Business Marketing Professor Meg Meloy, along with colleagues from Georgetown University, examines how individuals distort information to make decisions.

When presented with a set of many options, individuals will rapidly select a tentatively preferred option. As individuals seek additional information to solidify their choice, past research has shown that consumers will view incoming information about their tentatively preferred option with a positive bias.

In "Biased Predecisional Processing of Leading and Non-Leading Alternatives," Meloy and her colleagues Kurt A. Carlson and Smeal doctoral graduate Simon J. Blanchard, 2011 alumnus, of Georgetown's McDonough School of Business found that consumers also distort information to disparage the remaining options. Their paper is forthcoming in *Psychological Science*, the flagship journal of the Association for Psychological Science.

"When individuals have only two choices, they'll distort information positively in favor of the one they are leaning toward buying and distort information negatively about the less preferred option, almost as if they are trying to differentiate the alternatives in their mind," said Meloy.

However, the researchers found that the process of narrowing down a larger set of choices is more complex.

"When individuals have many choices, they'll quickly pick out a tentative leader. At the same time, a back-up option also emerges. This is the option they see as the best substitute for that leader," said Meloy. "The individual will then positively bias information about the leader, continue to negatively bias information about the other trailing alternatives, but apply no bias to the back-up."

These patterns have implications for how product marketers, or even political candidates, might manage the choice environment when individuals are confronted with multiple choices.

"It's important to get the best possible information about your brand out there quickly," said Meloy. "The best case scenario is that you're the early leader. If, however, you're one of the less attractive options, you need to do everything you can to make sure you're in second place."

She continued, "If you're the second place trailer and you present stellar information about your brand close to when the final decision is being made, you might be able to switch places with the leader."

More information: Blanchard, Simon J. and Carlson, Kurt A. and Meloy, Meg, Biased Predecisional Processing of Leading and Non-Leading Alternatives (October 21, 2013). *Psychological Science*, Forthcoming; Georgetown McDonough School of Business Research Paper. Available at SSRN: ssrn.com/abstract=2343711

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