

The Paradox of Choice

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Have you ever sat down for dinner in a restaurant and, despite the wide range of delicious options on the menu, found it impossible to choose one and instead ended up ordering the same thing you might always order?

Or perhaps you have considered changing mobile phone plans but found the range of potential alternatives so overwhelming that you simply gave up and chose to stay with your current provider, even if you are sure it is more expensive than other options?

If you can relate to any of these examples you might have been the victim of what the American psychologist Barry Schwartz labelled the Paradox of Choice.

While an abundance of choice might superficially seem like an inherently good thing, the problem is, as Carlin Flora warns: “People faced with too many options are likely to throw their hands and not bother—even when a lot is at stake.” In other words, an excess of options and choices might lead to paralysis and indecision – paralysis by analysis, if you will.

Yet more than just relating to how we make day-to-day decisions such as what to order for dinner or which mobile phone plan to choose, the paradox of choice also highlights a key reason why the absence of constraints or limits can actually block creative thinking and the emergence of new and innovative solutions.

Having too many choices may sound like a luxury; but being spoilt for choice can make it harder to choose. Iyengar and Lepper’s seminal research into consumer behaviour found that “although having more choices might appear desirable, it may sometimes have detrimental consequences for human motivation”

So how then does an excess of choices impact on decision making and, consequently, creativity and innovation?

To find out let’s consider a real life example of how the paradox of choice can work

To do this we setup an experiment which involved asking volunteer participants to choose a snack that they might like, from first a small selection and second a much larger selection, so what did we find?

Participant 1: I'm going to go for a smartie.

Laurie Knell: Very good and why did you choose the smarties?

Participant 1: Erm, I just fancy eating a smartie.

Laurie Knell: OK

Participant 1: I think.

Participant 2: I might choose that though, can I change?

Laurie Knell: You can change

Participant 2: Yeah I want that one.

Laurie Knell: OK

Participant 2: Not that satisfied. I probably would have nothing to be honest.

Perhaps not surprisingly when people were asked to choose from the small selection they were able to make a choice much more rapidly than when they were asked to select from the larger selection.

With the smaller selection participants in our experiment took on average 5.7 seconds to make a choice, compared to 14.5 seconds on average for the larger selection.

Interestingly however while the theory of the paradox of choice might suggest a larger range of options might also lead to lower levels of satisfaction with the final decision, this is not quite what we found. In fact the majority of participants in our experiment actually reported slightly higher levels of satisfaction with their choice from the larger selection of snacks.

When asked why? They typically responded that the larger selection allowed them to make a more specific choice and personalised choice.

Participant 3: (Laughs) That's a lot of choice, maybe about a 6 or... Yeah probably about a 6. So not overly satisfied!

Laurie Knell: OK

Participant 3: It's too much choice!

Participant 1: Oh wow! OK

Participant 2: Oh MY God! There's so many, oh there's so many. Oh pickled onion Monster Munch.

Laurie Knell: OK. Pickled onion Monster Munch.

Returning to the underlining theory, Chernev, Böckenholt and Goodman identified four factors which are most important for predicting how an excess of choice might impact on decision making. Specifically:

The difficulty of the task and the number of constraints

The complexity of the choices available

Decision-maker uncertainty about benefits of the various options

And the overall aims of the decision-making process.

The thing is, neither boundless freedom nor boundless choice are conducive to effectively decision making or – critically, creativity and innovation – but can in fact have the opposite effect. As we found in our small experiment, an excess of choices can make decision making more complex and time consuming.

So in order for worthwhile innovation to thrive, we might need to consciously look at limiting the choices available to us. Doing this can help frame our thinking in more effective ways, improve the quality of our decisions and ensure we avoid the paradox of choice!