

#### How Freedom of Choice Influences Well-being

#### **#LSEChoices**

#### **Professor Simona Botti**

Professor of Marketing at the London Business School

**Chair: Dr Barbara Fasolo** 

Associate Professor of Behavioural Science at LSE's Department of Management

Hosted by LSE Department of Management





## London Business School

# How Freedom of Choice Influences Well-being

Simona Botti

**London School of Economics** 

**Public Lecture** 

28 November 2019







your health, your choices

"Giving patients more choice about how, when and where they receive treatment is one cornerstone of the Government's health strategy" (http://www.dh.gov.uk)



"Many students would like more choice in their courses: fewer core and more electives"

#### **Experiments: Why and when**

Specific, simple hypothesis
Causality

## **Undesirable options**





**Tasty options**: Mint, Cocoa, Cinnamon, Brown Sugar

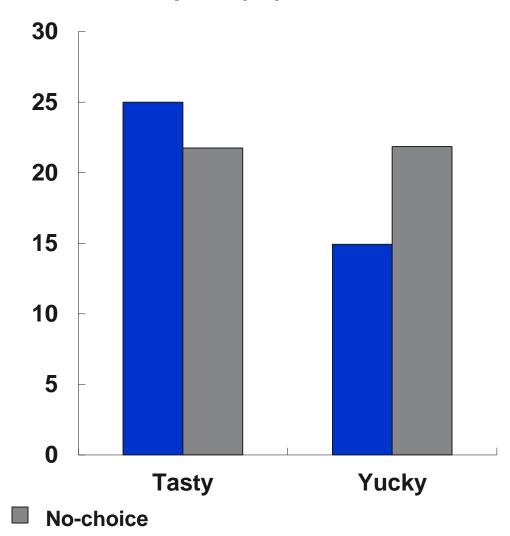
Yucky options: Sage, Chili Powder, Tarragon, Celery Seeds

--Botti and Iyengar (2004)

## **Satisfaction** 9 8 6 5 4 3 2 **Tasty** Choice

## Satisfaction and consumption





## **Experiments: Limits**

Relevance
External validity

#### **Tragic choices**



"A generation ago, patients argued for more information, more choice and more say about treatment. To a great extent that is exactly what they have received: a superabundance of information, often several treatment options and the right to choose among them. As this new responsibility dawns on patients, some embrace it with a sense of pride and furious determination. But many find the job of being a modern patient, with its slog through medical uncertainty, to be lonely, frightening and overwhelming."

#### **Americans**

"No one should even ask a mother to make such a choice. How did they get me to do that? (...) Now I live with having made the decision. I feel a strong sense that I let him down."

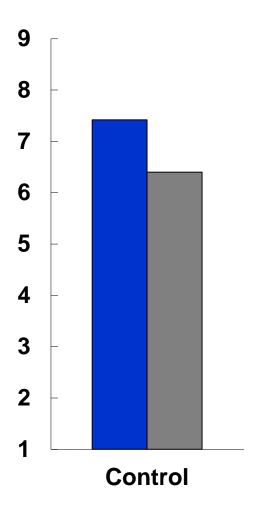
"I walk around thinking 'what if, what if'!? If the vent was not removed, he would still be alive. I have been questioning myself ever since E. died (...) They should have given me enough time to overcome my fears."

#### **French**

"No one could do anything. I never blamed myself. I don't want to hold a grudge against anyone (...) N. is gone but he brought us so much, a different perspective on life. Despite our misery, there weren't only bad moments (...)"

"I don't have all the pieces of information, the ultrasounds and so on. I have no expertise whatsoever to evaluate the real condition of my baby (...) The physicians are the ones who can evaluate the damages, who know what to do and to ask a parent to withdraw or not, that is too hard."

## Negative emotions



**■** Choice

**■ No-Choice** 

#### **Charitable giving**

The pictures on the next page are of four disadvantaged girls of about the same age who live in the same region and who are associated with Smile Train. They have already received free cleft surgery, but they still need financial help to start a new life. Which child would you sponsor?









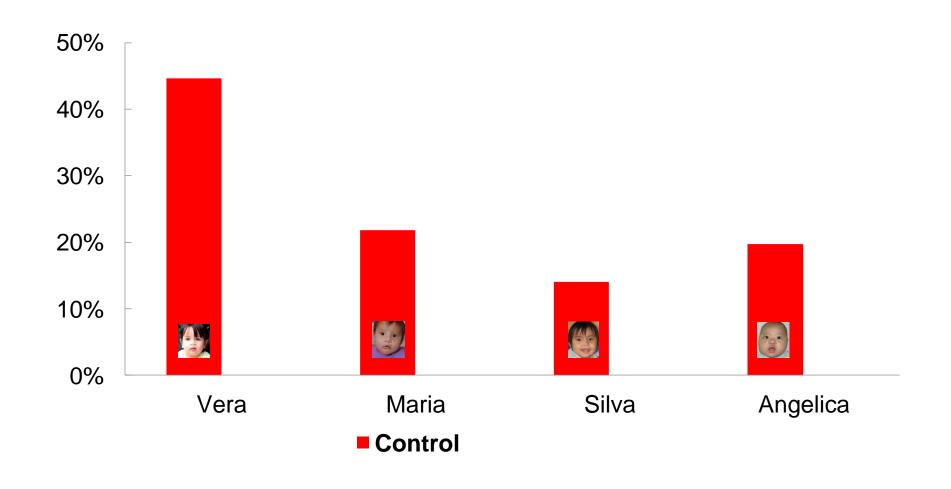
**Angelica/Control** 

Maria

Silva

Vera

## **Choice of recipient**



#### **Charitable giving**

The pictures on the next page are of four disadvantaged girls of about the same age who live in the same region and who are associated with Smile Train. They have already received free cleft surgery, but they still need financial help to start a new life. Which child would you sponsor?











**Angelica/Beauty** 

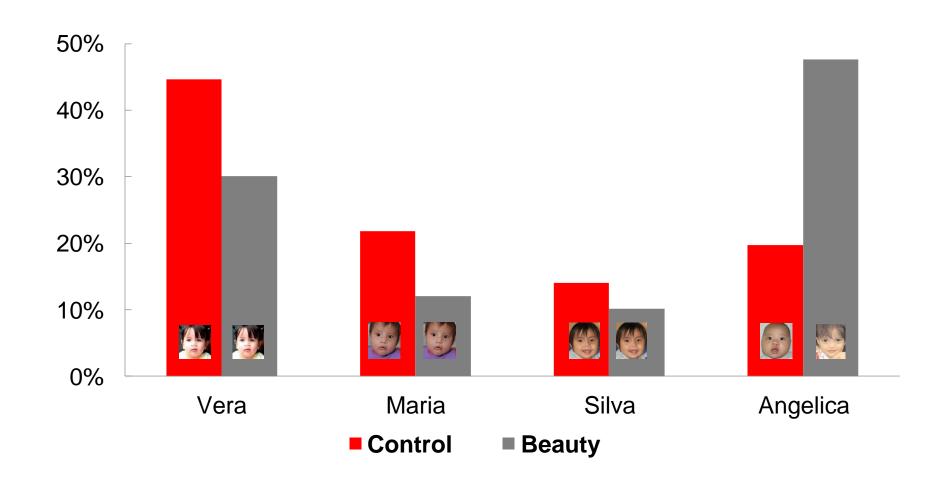
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#### **Choice of recipient**

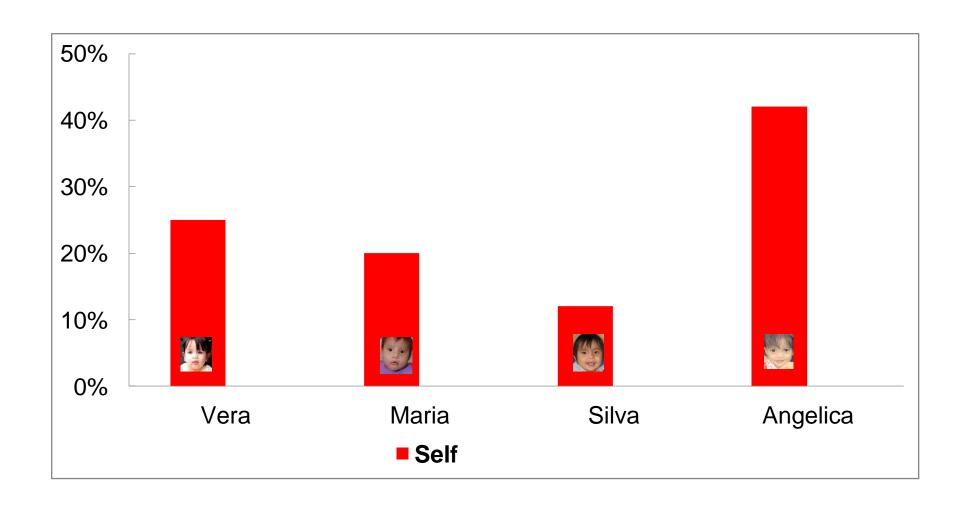


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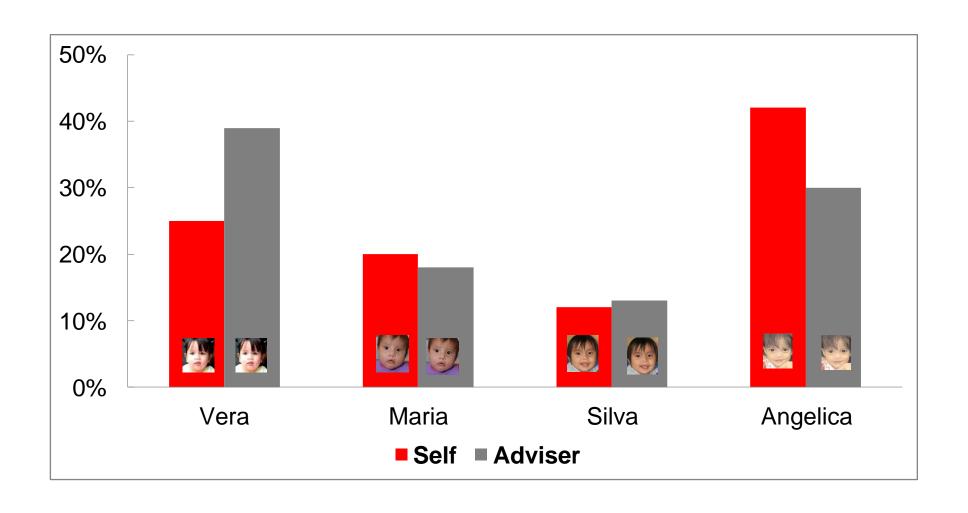


## **Replication: Real-life setting**

#### Choice of recipient: Self vs. adviser

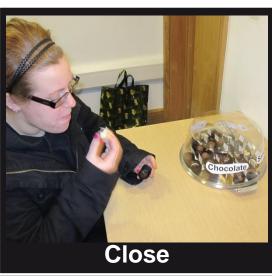


#### Choice of recipient: Self vs. adviser



#### **Choice closure**







Cupidon: An intense aromatic white chocolate ganache with roasted arabica coffee



Exotique: Passion fruit jam and caramel encased in dark chocolate



Tresor: A velvety smooth hazelnut praline covered in milk chocolate



Mystere: Coffee flavored mousse filling enrobed in white chocolate & with decorated with dark rich chocolate



Arabia: Smooth milk chocolate with a creamy & rich coffee center



Torte: Chocolate center with a dark, bittersweet chocolate shell



Comtesse: White chocolate with almond cream filling & hazelnut crocante



Mandolina: Milk chocolate with a smooth almond cream & almond crocante



Temptation: Crisp hazelnut praline covered in milk chocolate



Calice: Dark chocolate encasing a rich hazelnut cream with chopped hazelnuts



Noblesse: A dark chocolate square filled with a delicate salted caramel



Cupidon: An intense aromatic white chocolate ganache with roasted arabica coffee



Exotique: Passion fruit jam and caramel encased in dark chocolate



Tresor: A velvety smooth hazelnut praline covered in milk chocolate decorated with dark



Arabia: Smooth milk chocolate with a creamy & rich coffee center



Torte: Chocolate center with a dark, bittersweet chocolate shell



Comtesse: White chocolate with almond cream filling & hazelnut crocante



Mandolina: Milk chocolate with a smooth almond cream & almond crocante



chocolate

Temptation: Crisp hazelnut praline covered in milk Sienna: Almond pistachio filling in rich dark chocolate



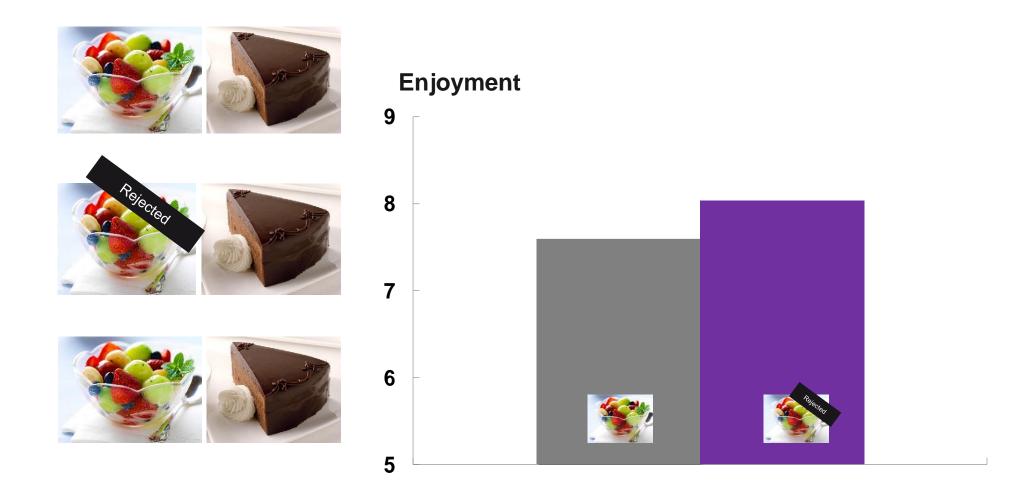
Calice: Dark chocolate encasing a rich hazelnut cream with chopped hazelnuts



Noblesse: A dark chocolate square filled with a delicate salted caramel

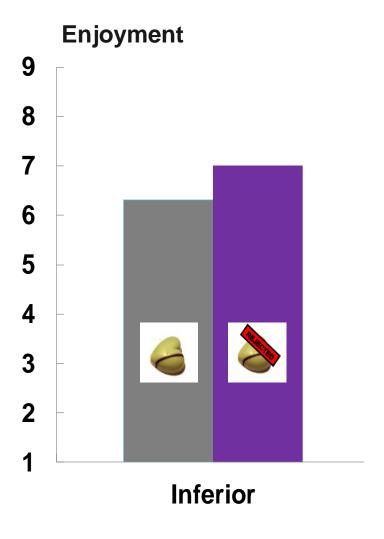


## Indulgent choices



--Gu, Klesse, Botti, and Faro (wp)

## Inferior/superior choices



#### **Conclusions: Method**

**Strive for simplicity** 

Start with a low-cost test of the hypothesis

**Include realistic experiments** 

**Consider multi-methods** 

**Build a research programme** 

Choice freedom does not always improve satisfaction with the experience

Pre-choice interventions can reduce the costs of choice freedom and improve the resulting experiences

Post-choice interventions like choice closure can help consumers take stock of past decisions and enhance the enjoyment derived from them





#### Who are we?

The Behavioural Research Lab (BRL) brings together researchers across the world by providing a platform for multidisciplinary research. We facilitate world-class behavioural research and offer newly future proofed facilities in central London with a large and inclusive participant pool and a rigorous ethical protocol.

#### How can you get involved?

- □ <u>Interested in conducting research</u>? BRL is open to researchers from across LSE and beyond. Email us at <u>brl@lse.ac.uk</u> to schedule a tour of the new facilities and talk about the research you want to conduct.
- Interested in participating in research? Participation is open to everyone (this includes members of the public). You will be paid a minimum of £5 for a 30 minute study, or £10 for anything up to an hour.
  Sign up today on one of our iPads after this event!
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