

THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

Departmental Research Seminar



Heuristic Price Evaluation By

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Date : 11 May 2022 (WED)
Time : 9:30 am – 11 am
Venue : Online via Zoom

Abstract

Quantity can be described using perceptual units (e.g., bags, pieces) or standardized units (e.g., ounces, grams). Merely making perceptual units more salient in quantity description can increase perceived economic value. Even when the objective information and numerosity are kept constant, merely presenting the perceptual unit first (e.g., Lay's Chips 14 snack bags, 14 oz. of chips in snack bags of 1 oz. each) increases willingness to pay compared to presenting the standardized unit first (e.g., Lay's Chips 14 oz., 14 oz. of chips in snack bags of 1 oz. each). This occurs because perceptual units activate more experiential evaluations whereas standardized units activate more analytical evaluations. An archival study shows that retailers charge higher unit prices for products when perceptual units are salient in quantity description. Six preregistered experiments show that even when both units are available, merely increasing the attentional salience of perceptual units increases willingness to pay. The demonstration that the mere salience of experiential information can alter subjective value offers new insights into the psychology of market prices.

Prof. Manoj K. Thomas is a behavioral scientist who trains business executives to be customer-centric leaders and encourages them to build meaningful and purposeful connections with customers. Thomas has received the Apple Award and the Stephen Russell Family Teaching Award for excellence in teaching. Thomas is an expert on the psychology of price evaluations. He also studies how political identity and moral beliefs influence consumer behavior. His research has been published in marketing and psychology journals. He is the co-author of the book *Why People (Don't) Buy: GO and STOP signals*. He is an associate editor for the *Journal of Marketing Research* and the *Journal of Consumer Research*.

All interested are welcome.



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