

Ep 121 - How e-commerce brands use behavioral science to increase perceived value

MichaelAaron Flicker: [00:00:00] Welcome back to Behavioral Science for Brands, a podcast where we bridge the gap between academics and practical marketing. Every week, we sit down and go deep behind the science that powers great marketing today. I'm MichaelAaron Flicker.

Richard Shotton: And I'm Richard Shotton.

MichaelAaron Flicker: And in today's episode, we're discussing the behavioral science behind successful e-commerce.

Let's get into it. So Richard, we've lightly touched on this, but my day job outside of the CBL is that I've started and scaled a number of successful D2C e-commerce brands. And s- a lot of the passion that I started to learn behavioral science on a more corporate side, I've really gotten to bring and use in the brands that we've been scaling.

And so it struck me as we were preparing for this [00:01:00] episode just how much the game has changed in e-commerce over the last 10 to 15 years. And in the old days, if you wanted to grow, you could largely solve your growth problems by bringing more traffic in. Better ads, more spending on Meta and Google, and you could almost hide a lot of the inefficiencies in a brand.

And that's much harder in 2026 than it's ever been before. And so we have a real commercial challenge for D2C e-commerce brands today, but really for anyone who's selling online. It's not just how do we drive traffic, but it's how do we really convince and convert when they get there? And so I found e-commerce to be one of the most interesting applications of behavioral science.

And as you and I have talked about, D2C websites are like these large field experiment laboratories. The entire field of conversion [00:02:00] rate optimization are these small changes that you can make when you want to improve conversion. So we've set up today not to reveal ti- tips or tricks or hacks, but to really show how e-commerce reveals a lot about how people think and buy, and how e-commerce brands have made it their business to reduce friction, overcome objections, make decisions feel a lot easier.

And so that's what we-- That's our setup for what we're gonna get into today.

Richard Shotton: Yeah. And it's I think it's a great topic. Small tweaks at the point of purchase on a website. Doesn't cost the owner of that website anything to apply the principles we'll talk about, but it should see some nice positive results.

MichaelAaron Flicker: So maybe we should start on maybe for an e-commerce brand, one of the most important pages is when you get to the product page and you start to read the reviews. Maybe that's a [00:03:00] interesting- Yeah ... fertile place to start our conversation today.

Richard Shotton: So there's lots of work about reviews. We know from previous episodes that humans are a social species.

We're deeply influenced by what others do. So creating an impression that lots of people buy your products is a very powerful thing to do. But people can always push these things too far, and some unscrupulous websites might only show positive reviews.

MichaelAaron Flicker: Yes.

Richard Shotton: And that can potentially backfire. So there's a 2015 study from the Spiegel Research Center at Northwestern University, and they looked at 111,460 product reviews, and all of these reviews were on a one to five scale or a zero to five scale.

And they looked at 22 different categories, and then they linked the review with the probability of buying. [00:04:00] So did someone-- after reading a review, did they click on it and go and buy the product? Now, to begin with, the results are pretty intuitive. As reviews got better on this zero to five scale, as the reviews got better, people became more likely to purchase.

Makes sense. Yeah, exactly. I know behavioral science can be counterintuitive, but it's not that counterintuitive. But there was-- for each of the categories they looked at, there was a tipping point. So at some stage bef- and this was always before five, somewhere between 4.2 and 4.5 out of 5, that's when purchasing peaked, and then if reviews got even better than that, likelihood of purchasing declined.

And the argument the psychologist made is that a small number, and we want to emphasize small number here, a small number of negative reviews

establishes trust. If you go on a website and it's all [00:05:00] five-star reviews, people are skeptical. They understand a product can't be all things to all people, so they know that the negatives have been airbrushed.

If there's a couple of negative reviews there, it gives people belief in the remaining positive ones. So I think one of the first studies from behavioral science is don't, as a business, fall prey to Machiavellian instincts. Don't try and airbrush or massage your reviews. A few negative ones actually make the others a bit more believable.

MichaelAaron Flicker: It's not unlike the pratfall effect which we've hit before, which is that a minor flub, a minor flaw can make you feel more relatable, can make you feel more believable. I- it's in the same space as that insight because what we're saying here is airbrushed perfect, only five-star reviews just don't feel as believable as they [00:06:00] as what reality must be.

Richard Shotton: Yeah you're absolutely right. There's a-- It's definitely in the same ballpark. But when we've previously talked about the pratfall effect, and we covered it in the Guinness chapter of Hacking the Human Mind we've often focused on the kind of the overall strategy of a brand.

Guinness, good things come to those who wait. In Britain we had Stella, reassuringly expensive. Now, it's it's often about brands admitting in their copy- Yes ... to a chosen flaw. And this study is just a very specific interpretation of that, which is when it comes to reviews, five out of five i- is too good to be believable.

It's a lovely one when the evidence for effectiveness and the right moral thing to do, they overlap, overlap. They overlap.

MichaelAaron Flicker: Yeah. How nice when that occurs.

Richard Shotton: Yes. Yeah.

MichaelAaron Flicker: A- and the [00:07:00] other element here, In America, it was very common to see on furniture websites, just broadly, there was never anything other than four or five-star reviews for a nationwide furniture retailer, or nine five-star reviews.

That was just very common in the last few years. And you just kind of-- It lacked the credibility that it was trustable. And you go to that same product now on Amazon or Home Depot, a national reseller, and lots more reviews and a lot

more mixed reviews. You have this believability at the first blush, but you also have the problem that unless your product is only available at one point of purchase, there's people talking about your product anyway.

Maybe your product's not big enough for its own subreddit threads, but there's product reviews and people doing explainer videos, and other resellers [00:08:00] with review web components. Trying to hide this or airbrush this it's not only Machiavelli it's impractical.

Richard Shotton: Yeah.

Ex-exactly. That's a really nice way of putting it. And that, I think, leads into this related bias to the Pratfall Effect, which is the Stolen Thunder Effect- Which essentially argues Kiplinger and Willings did the first of those back in 1993. There's actually some-- I've only come across it quite recently, some much more realistic studies by Bob Fennies at the University of Groningen, which show that if an audience is gonna find out bad information, much better that the brand discloses it than an external party.

So yeah, absolutely. If you've got your website that a small proportion of people go to, and they might go to Amazon as well, they go to your website and it's all five-star reviews, then on Amazon it's a 4.1, you just look dubious, you look dodgy. Better to have been open across all those channels.[00:09:00]

MichaelAaron Flicker: Okay. So that gives us a first insight that overly polishing, overly curating reviews c- has a double negative effect. A, it's not really seen as credible and trustworthy, and B, at a certain too high of a number, it's not believable. Okay. So that gives us our first insight here. What else did we wanna bring up?

Richard Shotton: Sticking with reviews for a bit, and I think it's worth emphasizing 'cause sometimes people can hear these studies and think, "Oh this is super tactical. It's only a tiny little tweak." yes, this next one I think is a super tactical one. But there are hundreds of these studies. You can get these incremental gains by not just applying this single study about reviews that I'm gonna take you through next.

There are dozens o- of others out there. Just think of this almost in an example of a very small change that can have a nice positive effect on your, on, on your website. So this isn't a very [00:10:00] well-known study. It's by Anneka Abel at the University of Tennessee, and it's quite a recent one. It's 2024.

And she was interested in what is the best format for reviews, and she tested two options, a number. So everything she tested was on a five-point scale. A number would be showing people 3.5 out of five. The alternative were people were shown symbols. So I think the classic example of this is there are five transparent stars, and if it, a product is rated a 3.5, there's three that have been colored fully, let's say yellow or gold, and one's been half colored yellow and gold.

So i- it was a visual representation of the number. You don't know how long I've struggled to put that into words, and if people think that was inarticulate, they should have heard me about an hour ago. I found this very hard to explain. She basically [00:11:00] then randomizes her participants. Some see the numbered review, some see the symbol review, and what she finds is that when people judge the quality of the products, there is a significant difference.

Products that have the symbol review, they're rated 26% better than products that got the numerical review. So that is a very small minor tweak, but it is something that is completely costless to a business. And there are a number of other studies like this that I think if you draw on all of them, they compound to a meaningful impact

MichaelAaron Flicker: And the difference in the rating was pretty meaningful. Did we hit the number, Richard? Did we say it was 26% higher in the visual than in the- We did ... w- in the numbers?

Richard Shotton: We did. We did. I'm pretty sure we did. It's been a long day, but I'm pretty sure, yeah, tw- e- [00:12:00] definitely 26%.

MichaelAaron Flicker: And so we've got this insight that we're using that the visual makes a bigger impact than the number.

Is this relating to a left-hand digit bias that we think that people are really rounding down because of, because they're seeing numbers versus a visual?

Richard Shotton: I think there could be two explanations, and often what a study i- is categorical about is the impact.

MichaelAaron Flicker: Yeah.

Richard Shotton: The explanation of the impact does have an element of subjectivity.

So one argument would be the left-hand digit bias. So that is the finding that has been shown again and again, that people put too much emphasis, especially in Western cultures, obviously Arabic's different, but in Western cultures where we lead, read left to if we see a price like £1.73, what people often do is just [00:13:00] remember it as £1 something.

Yes. So we almost forget about the right digits. We think of it for simplicity just as one something. Now, the argument here could be if you tell people your product's three and a half out of five, they just think it's three something. Visual representation actually embeds that half a mark much more.

There's no kind of rounding. It just gives you the vague impression. It looks like 70% of the the stars have been filled up and that, I think, is one of the reasons why this could be more powerful.

MichaelAaron Flicker: My mind went to almost the last thing that you said, that by showing three full stars and a half of a fourth you're showing 70% complete.

It just feels bigger than the numerical equivalency. So by the brain processing, "Okay, there's five stars. This got almost all the way [00:14:00] to four," like your brain processes it as more close to the goal of five stars than looking at a 3.5. So that's-- It's a complementary point to the left-hand digit bias, but I think there's a lot of insight in that.

Richard Shotton: Yeah. Yeah, d- definitely. This might not reflect very well on my math skills, but when I did three out of five and then was thinking, "Oh, that's the kind of conversion 70%," I thought, " no, 70%, that's a much better score than three and a half." That's higher. I literally just read the bloody paper, and I'm falling for this error.

Yes. So yeah, I absolutely think it it is an important one. But I think you're right to maybe unpick a second reason, which is almost that there is a difference between an abstract idea and a concrete visualizable thing. Now, we've talked about some amazing studies by people like Ian Begg, which show that humans are awful at remembering abstract ideas.

They're brilliant at remembering concrete physical [00:15:00] items. So his study back in 1972, when he was at the University of Western Ontario, he read out lists of phrases to people, and he didn't mention it, but half the phrases he read out were abstract basic fact or subtle truth and when he says abstract, he means you can't visualize it very easily.

Half the phrases he read out were concrete, like white horse or square door physical things that you can easily visualize. And what Beg found was that on average, when he reads these lists out, if he went later on to people and asked them what they could remember, on average, people remember 9% of the abstractions, but 36% of the concrete phrases.

So vision's the most powerful of our senses. It-- we are much more likely to stick in our mind if we use visualizable language. And I think there is a link here with again and again, there is a power in turning an abstract idea into a simple visualization. Now, for most of evolutionary history, we dealt with [00:16:00] visualizable things.

It's only recently that we've entered a world of maths and statistics and abstract concepts. It, it's that fundamental visualization that often influences us.

Michael Aaron Flicker: And so as marketers, when we look to practically implement this, I think the very direct recommendation is visual star formats like this are more concrete, they're quicker to perceive, and they avoid that left-hand digit bias that might come when you show a number.

A build on this is you can be very creative how you combine these ideas together. You can take advantage of charm pricing. It should be \$2.99 for your item or 29.99 for your item, so you're getting the benefit of the left-hand digit bias, and you can combine that with the concreteness of 3.8 stars and [00:17:00] not showing the number.

So I think you can get very creative about how you can use these insights, on the one hand, to get more concreteness on your stars and on the other hand, to get a lower v- a perceived price of using the left-hand digit bias. Yeah. So they're not either/or, they're how do you combine them together?

Richard Shotton: I think absolutely. It's almost like you get these descriptions of that there are thousands of biases, but most of them cluster into families where they're interlinked. And that idea of the fact that vision's the most powerful of our senses begs specific recommendation was use language people can visualize.

Say Red Bull gives you wings, you can picture a wing. Don't say Red Bull gives you energy, you can't picture energy. He had a specific recommendation. But you can take that finding and apply it in all sorts of ways. There's a related idea called the picture superiority effect, and it's an amazing study.

I always forget the academic's name. It's either Daniel Marro or Daniel [00:18:00] Yarro. We will get it right in the show notes. We'll get it right in the show notes. We will put it in the show notes, yes.

MichaelAaron Flicker: Yes.

Richard Shotton: Yeah. And he shows people or he gives people the first lot, the control, they get a description at completely ver- written down how many pills they should take at different times of the day.

It is a very simple instruction, but when he asks people later on to describe when they should take their medication, 81% get it right. Vast majority, but there's still 19% of people who don't. Second group of participants, he gives them exactly the same description, but then on the top he just puts this really simple visualization of when the sh- pill should be taken with a sun and a kind of moon and things to, to indicate day and night.

And when he questions that group later, I think it's of the order of 91% of people get- Wow ... the medication timings- Yeah ... So go from 82% to 91%. And the thing to stress here is [00:19:00] of, on, on first glance that doesn't sound much, but if you flip it the other way around, it's gone from 18% of people making a mistake to 9%.

Suddenly now that feels- Massive ... quite serious.

MichaelAaron Flicker: Yeah.

Richard Shotton: And we should double down on the fact that the des- the description the written information was not complex, but people skim read. They don't pay full attention. The combination of text and visual really made something much, much easier to comprehend.

So I think that point interlinks here. That's something else that you could build on. Don't assume written instructions will be properly comprehended. Combine writing and imagery it... to get that highest level of comprehension.

MichaelAaron Flicker: And for e-commerce experiences, you can really see how that plays out on the homepage of the website, on a product detail page.

It's not just long narrative descriptions, it's where can you use infographics, it's where can you put information in the [00:20:00] product images. That's a very common tactic on Amazon. You show the product image for the first four

images, but product image five and product image six have information about the product or information about the choices that you're going to be choosing between, because people look to learn information in different places and in different ways.

And I think a operator's takeaway here is that every page of the web experience is a chance to build a point of view for the buyer, and so it all works together as one system. Every time they click, they're look- they're receiving new information all at once. And so the stacking, the prioritization of information, how imagery, concrete, in Ian Begg's terms, concrete inf- information versus numbers and data and narrative all play together to, to make a higher converting website.

But, and, but what we really care about is a more [00:21:00] effective communication tool.

Richard Shotton: Yeah. Yeah.

MichaelAaron Flicker: Yeah. Okay What is a third bias- Yeah ... that we can apply-

Richard Shotton: So- ...

MichaelAaron Flicker: for e-commerce brands?

Richard Shotton: Moving on from reviews, and then there's plenty of other stuff we could do around that. But moving on from reviews to some of the language in your website.

There's a brilliant study by Robert Peterson, who's at University of Texas, and he does this study in 2017, and he's interested in how people respond to the irritation of a product not being there when you want to buy it. So you've gone to a website, you're excited about buying some compression socks maybe, they're not available.

Thank

MichaelAaron Flicker: you very much.

Richard Shotton: How do you minimize irritation? So the methodology, Peterson gets 1,117 people. They go to a website, they're [00:22:00] trying to put something into the basket, and it's not there. Now, the twist in the

experiment is sometimes the product is labeled unavailable, sometimes out of stock, sometimes sold out. People then are all questioned as to how disappointed they are with the brand and the retailer.

And Peterson sees a very clear pattern that if the product is labeled unavailable or out of stock, irritation is higher to the tune of about 15%, than if the product is labeled sold out.

Now, Peterson's argument is this is all about the subtle cues that language convey. If, as a retailer, you say unavailable, if you say out of stock, you are steering people towards the conclusion that you're a bit inept, that you didn't get your supply chain right, that you made a mistake in c- terms of logistics.

You as a provider mucked up. But if you say something is sold out, [00:23:00] there is a subtle implication that the product was highly demanded. And if you imply something's highly demanded, you're harnessing social proof, this idea that we want what other people want, and you make the product that little bit more desirable if we think there was a clamor from a crowd to, to get to it.

So again it's a lovely study because you have to label a product that, that isn't there in one way or another. It doesn't cost you any more to use the psychologically powerful way than the poor way. So to me, it's one of those amazing studies which all brands could apply completely costlessly, and then you can just recoup some of the benefit when you get in that awkward situation.

Michael Aaron Flicker: So to-- if you take nothing else from th- this part of the talk, please don't use unavailable on your- Yeah. ... e-commerce websites. Please use sold out. You will see a 15% reduction in frustration based on this study, and that would [00:24:00] be what we would call the literal application. Take what the study told us and use it.

But there's a lot of lateral application for how this psychology can lead to some really good outcomes for brands. You and I did a episode a long time ago on Amazon Fresh, and they used this, and they said "So good, it's gone." What a positive framing for the brand to use to not just inform that it's not buyable, but to reinforce the appeal and the desirability of that product.

Yeah. So they turn a negative moment into a positive signal of success and demand.

Richard Shotton: Yeah. And interestingly, they do that in the physical stores. So you know, you've got a shelf, and the products aren't there towards the end of

the day. There's a little sign saying, "So good it's gone." Absolutely. I think there's- learnings you can take from e-commerce and [00:25:00] apply them to the physical environment to e-commerce.

And exactly your point of just because Peterson tested sold out versus out of stock. Now he's almost trying to keep things quite pedestrian and- Yes ... and mundane because he just wants to test one variable. Get your copywriting team, get your creative team, think about all the different ways they could draw attention to the fact that something was popular, and that's why it's not there.

You don't have to rigidly stick to it the exact language that was used in the test.

MichaelAaron Flicker: It hadn't struck me until we're having this conversation now that one of the other tactics often used by e-commerce brands is campaigns when things are back in stock, saying, "So successful, it sold out in X number of hours or days.

Finally back by popular demand." That's a lot more forgivable in the e-commerce environment than you would be if [00:26:00] you drove to a store and looked for something on the shelf, and you see over and over in the e-commerce world that tactic of using social proof, but this time when it's back in stock, has proven over and over again to be successful.

So it's taking that same-- it's making a marketing moment, not just about when it's out of stock and it can be a moment of frustration, but when it's back in stock and it can be a moment of promotion.

Richard Shotton: Yeah. That, that, that's a, that is a lovely build. Yeah. Don't just see it as a minimization of the downside.

Flip it onto its head and really drive home when things return because they, yeah, th- I think there, there's a real upside there. That's a, yeah lovely example.

MichaelAaron Flicker: So let's go on to our final bias that we've brought to today's chat, and this time we're gonna discuss purchase limit scarcity.

Richard Shotton: Yes. So we [00:27:00] regularly reference, and we've talked about it today, the idea that behavioral science should all these studies that academics have done, they should inspire marketers to go out and test them on their own websites. And I want to emphasize with this final experiment that we do this as well, and this is a study that we both did when we were researching Hacking the Human Mind, and the reason that we ran this study was the original

academic work was part into purchase limit scarcity, was partly done by Brian Wansink, who was eventually, I think, let go by Cornell because of some kind of naughtiness with his interpretation of data.

So there was always a bit of an academic question mark about, is this a genuine finding? So what we did, recruited 282 people, and [00:28:00] half of them saw an image of a 12-pack, Sierra Nevada Pale Ale 12-pack, \$18.99. And we asked people "Is this good or bad value?" And there's a lovely little scale they could reply on.

And 40% of people thought the brand was good or very good value. We then got a second group of people, and we showed them the same brand, the same volume, the same price, but we added an extra line which said, "Maximum six packs per visit." So we put a cap on how much people could buy, and there the proportion of people who thought it was good or great value, that jumps to 22%.

So you get this 59% improvement in value perceptions for the same thing by emphasizing that people cannot buy as much of the product they want, that there is a tangible restriction on that purchasing.[00:29:00]

MichaelAaron Flicker: And so we should assume that people believe that if there were limiting purchases, the deal has to be either so good it's gonna sell out, or the retailer's taking some pain to even offer this deal in in, to the public. We covered this a little bit in Hacking the Human Mind in our chapter on KFC where we talked about their french fry promotion where they had a promotion.

I think it was it Australia where they ran? Yeah,

Richard Shotton: Australia. Yeah.

MichaelAaron Flicker: And they had a limited number of chips that they would allow, french fries in American English, chips in the rest of the world, that they said there was only a max, was it four per order? Do you remember the results of that?

Richard Shotton: So what they did, I think this was 2016, they run an experiment where they [00:30:00] test loads of different behavioral science principles on the regular deal mechanic they had, which was \$1 chips, \$1 fries. And the best performing one was absolutely, as you said, the best performer of all the techniques they tried was where they took a prior existing condition that had always been hidden very dubiously in the terms and conditions hidden in the body copy, and they took that and put it front and center of the ad and said

maximum four per peeps, and that beat all the other, I think it was 28 or so different attempts at encouraging people to buy.

And I remember there was this lovely line from the KFC market director where they said something along the lines of "It changed people's mental conversation from 'should we buy chips' to 'how many chips should we buy?'" And I think that's the power, just as you say it's the body language that's implied.

This is such a good deal, the [00:31:00] retailer won't let me take as much as I want, and I think it's a really brilliant opportunity that certainly in Britain is very rarely applied. Barely ever see this in supermarkets. It's such an open goal, I think, for people to apply.

Michael Aaron Flicker: I think the most common one Americans would come across is in grocery stores, they will limit how many cans of soup you can get, and it's an extraordinarily large number.

Ah, yeah. It-- but not so much that it seems impossible, but it's like, "We can only allow you to do eight, eight cans of Campbell's Soup or 12 cans," but you find yourself buying a lot more cans of Campbell's Soup than you otherwise would stock in. It's a very effective technique in American grocery stores.

Richard Shotton: See, that's fascinating because I don't believe American and British consumers are that different when you start getting down to these behavioral science biases. I think the-- I can count on one hand the amount of times I've seen this tactic being applied-- ... and [00:32:00] I'm 50 now. So it's amazing from one country that it's applied almost to the point of obviousness, another one it's not applied at all.

You see the exactly same thing within markets between categories. Sometimes you'll go and talk about behavioral science principle to one category, be like, "we already do that. We always do that." You go to someone else, it's "Oh no, that would never work. That's impossible." And it's like you've gone from dairy yogurts to cheese.

They're not exactly wildly different. So there is so much opportunity, I think, looking to different markets, seeing what behavioral science principles they apply or different categories and seeing what behavioral science biases they're regularly applying. And if you're not doing it, think about testing unless there's a good reason your context is wildly different.

MichaelAaron Flicker: I think that's a great watch-out or that's a great thing to investigate for all behavioral science biases. Limiting scarcity or purchase limit scarcity has another benefit that we haven't talked about. It occurs to me that it also protects quality perception. So you can [00:33:00] run a discount kind of broadly, but by giving it a limit, in my mind, you're s- you're not just discounting the product.

It feels like a timed promotion. It does not feel like the brand's just widely on sale. So s- there's something about the limit that, to me, helps increase the quality perception of the brand, or at minimum, of the promotion that you're running by giving it some, by giving it some edges to it.

Richard Shotton: What we definitively know is excessive discounting or excessive reductions in price does damage quality.

So there's some lovely Baba Shiv work, a famous study. You serve people the same wine on different occasions or with a slight gap, and you tell them on different occasions that the wine costs a wildly different amount. People rate that same product very differently. So y- so you're absolutely right.

There's a real danger that if you [00:34:00] discount, you over time will erode some brand perception. I haven't seen a study which proves that purchase limit scarcity gets rid of that, but I think that's a brilliant hypothesis. I think that's something that's well worth testing. I think, yeah, you're right that there is a certainly strong argument that giving people a kind of rationale about why on this occasion there's something special about the discount.

I think that could be an interesting one

MichaelAaron Flicker: It's certainly worth us testing and investigating, and I think it stands that any limit implies something. It helps, it it helps the buyer fill in it's, if everything can be 30% off, or if everything can be 50% off, what does that say? But if you imply that there's a limit to how much we can offer this, that helps end the- Yeah

The narrative in the buyer's mind.

Richard Shotton: I would be [00:35:00] flabbergasted if it damages quality. Said. I think I, I would I would I, I-

MichaelAaron Flicker: We're openly questioning-

Richard Shotton: Yeah

MichaelAaron Flicker: ... whether it improves.

Richard Shotton: I, I, yeah, no, I would, if I had to bet one way or the other, I think I would go with you. I'd put my money on it improving quality perceptions.

I think that's a fair point, yeah.

MichaelAaron Flicker: Huh. Shall we wrap up today's-

Richard Shotton: Yes ...

MichaelAaron Flicker: conversation and remind everybody- Yes ... what we've gone through today?

Richard Shotton: W- well, I think normally we cover three things. I think we might have done more than that this episode, so I'll go through them all very quickly. First one, the Northwestern University study.

People are skeptical about perfect reviews. They don't believe that products can be all things to all people. So if you say you've got 100 five-star reviews, no negative ones, you will be severely damaging your credibility. A few negative reviews are not a problem. Don't airbrush them out. Then we went to that kind of super tactical idea from Abel at University of Tennessee.

She does this brilliant, simple study. What's more effective, giving people a [00:36:00] rating as a number, three and a half out of five, or giving it as a visual representation three and a half stars out of five physical representation? And she found that the visual representation significantly outperformed the numerical one.

We then talked about product outage framing. That was the Peterson study. If your product isn't there, you've got to label it in a in one way or another. His argument is label it in a way that draws attention to the demand for the product, and talk about it being sold out, so good it's gone. Don't talk about being unavailable and out of stock, because that reminds people there's been a logistical mistake.

And then finally, fourth experiment we talked about was the one that we undertook as research in Hacking the Human Mind. Purchase limit scarcity,

same product, same price. If, as a brand y- or a retailer, you physically limit the amount people can buy on any one visit, the same product at the same price will [00:37:00] become more appealing because it conveys a very powerful body language that the retailer's either losing money otherwise, why wouldn't they encourage you to take as much as you want?

They're either losing money on this sale, or they're slightly nervous about selling out, and they might, they're nervous that might irritate later customers. So yeah a bonus fourth study that we don't normally do

MichaelAaron Flicker: What a treat for-

Richard Shotton: Yeah, what a treat

MichaelAaron Flicker: ... us and everyone listening What a treat.

Yeah. What a treat.

Richard Shotton: It's like birthday- And

MichaelAaron Flicker: with that- ...

and

Richard Shotton: Christmas rolled up into one.

MichaelAaron Flicker: Exactly. Exactly. And with that, we say thank you to everyone for joining us today on Behavioral Science for Brands. If you enjoyed today's episode, we'd ask for you to share it with anyone who would find it interesting, and comment, and follow our pages.

It helps us reach more folks just like you. Until next time, I'm MichaelAaron Flicker.

Richard Shotton: And I'm Richard Shotton. [00:38:00]

MichaelAaron Flicker: Thanks for listening

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