Why Less Will Help You Sell More

Would more product options help or hinder prospects in making a buying decision? This was the question that two behavioral scientists, Sheena Iyengar from Columbia University and Mark Lepper from Stanford University sought to answer.[1] Iyengar and Lepper conducted numerous scientific experiments regarding how the quantity of information influences the decision to purchase. One of their most well-known experiments occurred at an upscale grocery store in Melo Park, California. For numerous weeks the researchers set up a tasting booth that allowed consumers to sample an assortment of jams. The first week, 24 different jams were exhibited for the patrons to taste. In spite of the fact that many people tried the jams, only 3% purchased any. The following week the researchers went back to the store, but this time they offered only six jams to the shoppers. The result was that by limiting the choice of jams, sales skyrocketed by 900%. The conclusion of this and the other experiments that Iyengar and Lepper organized was that limiting the amount of selections increased buying behavior.

Why would fewer products improve the likelihood of a buying decision? Extensive research in the fields of cognitive psychology and cognitive neuroscience has provided definitive answers to this significant question. These scientific studies have revealed how the human brain achieves cognition. One such example comes from social psychologist George Miller in his famous article, "The magical number seven, plus or minus two: some limits of our capacity for processing information" which was published in the *Psychological Review*.[2] Miller wrote, "the span of immediate memory impose severe limitations on the amount of information that we are able to receive, process, and remember." As neuroscientist John Medina confirms, "The typical brain can only hold about seven pieces of information for less than 30 seconds."[3] This is the reason that telephone numbers are only seven digits long. If phone numbers, excluding area codes, were more than seven numerals they would be forgotten with far greater frequency.

This is extremely relevant for sales people because science has verified that prospects have the mental capacity to process only a small amount of information at once. When this threshold is surpassed prospects become overwhelmed and confused. Psychologist Barry Schwartz affirms this scientific principle as his extensive research had demonstrated that too many possibilities cause people to become bewildered rather than empowered.[4] Likewise, many sales people frequently thwart their selling efforts by engulfing their prospects in a plethora of options. They mistakenly believe that more data will help their prospects make better choices. Yet, contrary to this popular belief, science has conclusively proven that when people are given too much information it obstructs the brain's capacity to arrive at a positive buying decision. This fact has been so well established that even mass retailers are changing how they present products to consumers. Wal-Mart eliminated two brands of peanut butter and their peanut butter sales rose. Proctor & Gamble also reduced the range of skin care products at some of their retail outlets and the sales of those products still on the shelves skyrocketed.[5]

It is important to remember that prospects are universally afraid of making the wrong decision. Your prospects would rather make no decision than one that they do not have confidence in. This reality is seen through some enlightening research published in the *Journal of Personality and Social Psychology*

that analyzed what influenced the participation of nearly eight hundred thousand employees in their company sponsored 401k plans.[6] The study disclosed that when a company provided an abundance of investment options an alarming amount of employees declined to participate in the company's 401k program. One company who participated in the assessment only gave its employees 2 mutual funds to choose to invest in. In spite of this restriction, the company had an impressive 75% of its employees choose to participate in their 401k program. In contrast, another organization which offered its employees 59 different mutual funds to choose from had a participation rate of only 60%. The analysis of the participation rate for each company revealed that for every 10 investment opportunities, employee participation declined by 2%.

Consequently, resolve to only provide your prospects with the information necessary for them to confidently make a positive buying decision. Adopting this approach will increase both your effectiveness and sales production because when it comes to the brain's ability to process information, less really will help you sell more.

About the Author

David Hoffeld is CEO of the Hoffeld Group, a research based sales training, coaching and consulting firm that is the leader in the integration of proven science and sales. The Hoffeld Group takes the repeatable and predictable principles, which science has proven to create and enable influence, out of the laboratory and academic journals and apply them to selling. For a deeper look at the Hoffeld Group's groundbreaking research and innovative sales strategies visit HoffeldGroup.com.

Notes

1. Sheena Iyengar and Mark Lepper. "When Choice is Demotivating: Can One Desire Too Much of a Good Thing." *Journal of Personality and Social Psychology*, vol. 79, 2000. p. 995 – 1006.

2. G. A. Miller. "The magical number seven, plus or minus two: some limits of our capacity for processing information." *Psychological Review*, 63, 1956. p. 81 – 97.

3. John Medina. *Brain Rules*. (Seattle: Pear Press, 2008). p. 130.

4. Barry Schwartz. "Self-Determination: The Tyranny of Freedom." *American Psychologist*, vol. 55, no. 1, January, 2000. p. 86.

5. Marina Strauss, "In Store Isles, Less Is More but Customers Can Still Be Particular." *Globe and Mail*, May 18, 2010

6. Shenna Iyengar, G. Huberman and W. Jiang. "How Much Choice Is Too Much? Contributions to 401 (k) Retirement Plans." in O.S. Mitchell and S. Utkus (eds.), *Pension Design and Structure: New Lessons from Behavioral Finance*. (Oxford: Oxford University Press, 2004). p. 83 – 97.

