Reflexive Positivity: When Uncertainty Can Improve Promotions

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Consumer incentives often project varying degrees of uncertainty. For example, a consumer might be
told that she will receive a generous gift with purchase (e.g., “Buy today and receive a box of Godiva
truffles!”), or that she will receive a gift with purchase that could be either the same generous gift or a
more modest gift (e.g., “Buy today and receive either a box of Godiva truffles or two Hershey’s kisses!”).
The latter incentive is more uncertain than the former with a lower expected value for the customer.
However, we demonstrate that there are instances when such uncertain incentives may generate a
more positive consumer response than what would be justified by an expected value consideration. We
show these effects using both hypothetical scenarios and a field experiment involving actual purchases.
Further, we identify reflexive positivity, or the innate, automatic tendency to interpret uncertainty in a
positive manner, as the driving force behind these over-valuations.