## Why Shopping at Costco is So Enjoyable

My wife and I find going to Costco strangely relaxing-even if it usually results in a larger-than-planned bill by the end of our shopping trips.

The primary reason why?
We live in a society that prizes freedom, and that usually identifies freedom with "choice." As such, we value giving people (i.e. "consumers") as many options as possible to satisfy their wants and needs.

I think that my wife and I like Costco precisely because it cuts down on our choices. For many categories of products they only offer one or two options, eliminating the need to continually pause in the aisles and ponder which of several different brands to select.

Apparently we're not alone in this desire to cut back on the number of choices we face on a day-to-day basis.

In his bestselling book The Paradox of Choice, Barry Schwartz claims that too many choices often has a paralyzing effect on people, and can contribute to stress, anxiety, bad decisions, and depression:
"When people have no choice, life is almost unbearable. As the number of available choices increases, as it has in our consumer culture, the autonomy, control, and liberation this variety brings are powerful and positive. But as the number of choices keeps growing, negative aspects of having a multitude of options begin to appear. As the number of choices grows further, the negatives escalate until we become overloaded. At this point, choice no longer liberates, but debilitates. It might even be said to tyrannize."

Like many in my age group, I rarely go in "regular" grocery stores anymore. And if $I$ do find myself in one, I become periodically frozen when trying to select from the sheer number of options available to me. (Picture Jeremy Renner in the cereal aisle in The Hurt Locker.)

Statistically speaking, these regular grocery stores-such as Kroger, for instance-have between 30,000 and 50,000 individual products, or stock keeping units (SKUs). A Walmart has about 100,000 SKUs. A typical Costco, on the other hand, has only about 3,800. And the increasingly popular Aldi cuts down on choice even more by carrying only about 1,400 SKUs.

And apparently, I'm not alone in making this connection between Costco and their recognition of the "paradox of choice." In a CNBC piece titled "The Costco Craze," marketing consultant Pam Danziger sees it as a big reason behind Costco's success:

Narrator: "Danziger says Costco's limited selection is deliberate and counterintuitive."

Host Carl Quintanilla: "You can hear it in your head: a retail commercial that says 'best selection.' But that's not a selling point here."

Danziger: "Right. There's a study that, if you offer people 24 different types of jellies and jams on a [sample] table, you're not going to sell as many than if you offer them only six, because making people decide "Do I want this one? That one?", that causes confusion and then they ultimately decide to walk away."

Indeed, it appears that reducing the number of choices can be not only a formula for business success, but individual success, as well. It's the main reason behind the minimalist wardrobes of Steve Jobs, Mark Zuckerberg, and Barack Obama-they want to reduce the number of unimportant decisions
they make during the day so as to focus on the important ones. Those of us who shop at Costco can sympathize.

