

Opportunity Neglect

Emily Prinsloo

Harvard Business School

Kate Barasz

ESADE

Leslie John

Harvard Business School

Michael Norton

Harvard Business School

Cite as:

Prinsloo Emily, Barasz Kate, John Leslie, Norton Michael (2022), Opportunity Neglect. *Proceedings of the European Marketing Academy*, 51st, (107393)

Paper from the 51st Annual EMAC Conference, Budapest, May 24-27, 2022



Opportunity Neglect

Abstract

Seven preregistered studies (N = 3189) conducted in the field, lab, and online document opportunity neglect: a tendency to reject opportunities with low probability of success, even when such opportunities have little to no objective costs. Participants rejected incentive-compatible gambles that had a low probability of winning, but positive expected value with no possibility of monetary loss, and non-trivial stakes (Studies 1, 2, and 4). They exhibited similar rejection patterns with everyday opportunities, such as applying for a competitive award (Study 5), and were even willing to incur costs to avoid taking such opportunities (Study 3). Across studies, between 18.0% to 56.4% of participants exhibited opportunity neglect. However, this behavior can be mitigated by highlighting that a very low probability is still larger than zero (Study 6 and 7).

Keywords: *Opportunity ; Risk-Taking; Gamble*

Track: Consumer Behaviour