Anchors Alter the *Direction* of Adjustment – Not Just the Magnitude

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Abstract: When people estimate an unknown quantity after previously considering a high candidate value (or "anchor"), they estimates higher values than they would have done after considering a low candidate value. In explaining this effect, previous anchoring research has emphasized the *distance* between the anchor and the estimate. However, across 5 studies (N = 5,662), we find a directional anchoring bias: people disproportionately estimate values that are higher than high anchors and lower than low anchors, and this bias accounts for between 10% and 20% of the total anchoring effect (Study 1). The bias seems to result from participants expressing their intuitions about the estimation quantities. For example, when estimating an intuitively high quantity (such as the weight of an elephant), people tend to express their intuition that the quantity is "high" by adjusting their estimates upwards from the anchor. Thus, higher anchors lead to higher estimates. Consistent with this mechanism, we find that participants' intuitions about the stimuli moderate the directional anchoring bias (Studies 2-5). In addition, we demonstrate the adverse effects of this bias for accuracy (Study 3) and consumer choice (Studies 4 & 5).