

Is the assumption that consumers know their tastes innocuous? This question conveys the essence of our research. In multiple situations this assumption seems unlikely to be satisfied, the most obvious being perhaps presence of a good consumer never tasted before. One might think of such scenario as being presented with a menu in a restaurant on vacations and finding a completely unknown foreign dish in there. It seems unlikely that even with some description, consumer can be certain of his taste for such good. Nevertheless economists usually assume full knowledge of tastes (or preferences). An easy explanation for such assumption is, that consumer can easily learn his tastes by simply choosing to give unknown alternatives a try. We might be born without any knowledge at all concerning our preferences, but most of those could be learned even before reaching adulthood and assumption of knowledge of tastes would be indeed innocuous.

However, in many experiments the subjects are presented with a task they never experienced. From perspective of consumer choices, it might be that subjects are asked to choose between lotteries or trade unknown, even fictional, goods between each other. Those are not the choices in which consumers usually have significant experience, and the objects between the choice is made are not very familiar too. Therefore, subjects might behave in what looks like irrational way, but in reality they might just not know their tastes well enough, i.e. for risk in situation of choice between lotteries, to pick responsibly. Assumption of known preferences might therefore be important for design of experiments, and in explanation of known paradoxical results.

Moreover, there are multiple questions to ask of the process of learning own tastes that can have significant consequences. Take example of an unknown dish in a menu. Consumer can easily just order the dish and try it, but he might risk his enjoyment of the meal. One might suspect he can pass on this opportunity if the dish description is similar to some known one which he didn't enjoy trying, or if he is satisfied enough with the tastes he knows and doesn't want to experiment any more. Knowledge of why end when consumers decide to experiment might be very important for companies that plan to introduce some new product on the market. In many situations, discussed assumption might prove to be even less innocuous. For example when choosing a movie, consumers are likely to be interested mostly in movies they haven't seen before and therefore aren't sure of their tastes for, even if sometimes they can suspect it based on similarity to known ones. It can play an important role for efficiency of personalized recommendation systems on platforms like Netflix. Another interesting example are situation in which the possibility of experimentation is somewhat restricted, as it might lead to unwanted consequences, or starkly change the situation in which choice is made. Think of the tastes for sexual partner: some experimentation in order to better understand what we look for in a partner could be beneficial in order to make informed decision on who to spend life with, however it would also likely have an unwanted consequence of causing the experimenting person to lose his current partner. On the other hand experiments with tastes for drugs or cigarettes can end up causing an addiction that starkly changes the situation.

In our research we answer the issues and questions raised up to this point, by theoretical study of how consumer learns own preferences. We consider consumer with, perhaps partially, unknown tastes that chooses, one choice at a time, what to consume. In each choice there are two contradictory motivations at play: one is an enjoyment of the choice, and the other is gaining information, that might lead to even more enjoyment in the future. We try to identify not only the situations, in which consumer decides to experiment, but also how such experimental choices are formed. Using example of menu in restaurant on holidays, there might be two unknown dishes in it, but with description specifying, that one of those is similar to some dish that consumer knows well his tastes for, while the other is a complete mystery. Choice of the first unknown dish might be a pleasant or unpleasant but rather small surprise and give some slight information on tastes, whereas the second one is a high risk scenario, but one that can potentially reveal much information on tastes. Overall, our study includes, among other: whether consumer experiments at all, if yes, then whether he experiments by choosing only somewhat unknown but safe alternative, or rather some complete mystery, why he does so, in which situations and what can it tell us about him.