

HELP, WHAT SHOULD I DO WITH MY CARDS?

It's up to you!

Try using them to familiarize yourself with different concepts in behavioral economics. Next, you can use them to remind yourself of tools at hand when problem-solving and generating new ideas!

The cards are powerful. Use this power only for good.

And, of course, let us know if you come up with any great ideas!



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ABOUT

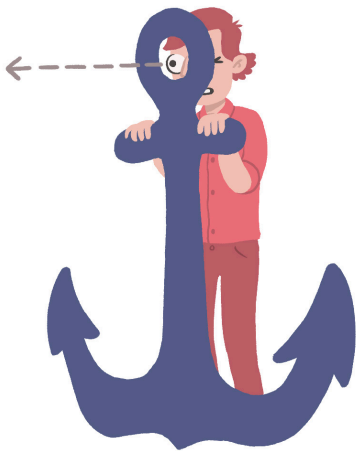
The Center for Advanced Hindsight studies, designs, tests, and implements behavioral interventions that help people be happier, healthier and wealthier.

Learn more about us at:
advanced-hindsight.com

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ANCHORING

The first fact, number, or figure a person hears will bias their judgements and decisions down the line.



ANCHORING





AVAILABILITY BIAS

People give undue weight to what easily comes to mind: often vivid memories or recent events.



AVAILABILITY BIAS





CONFIRMATION BIAS

People analyze and search for information in ways that support their current ideas.



CONFIRMATION BIAS





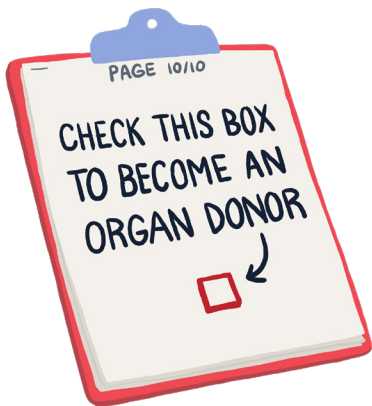
DECISION PARALYSIS

When given many options, people make the easiest choice, which is often no choice at all.



DECISION PARALYSIS





DEFAULT BIAS

People pick the easiest option to avoid complex decisions. Defaults provide a cognitive shortcut and signal what people are supposed to do.



DEFAULT BIAS





DISPOSITION EFFECT

People have a habit of holding on to poor investments too long and selling good investments too soon.



DISPOSITION EFFECT





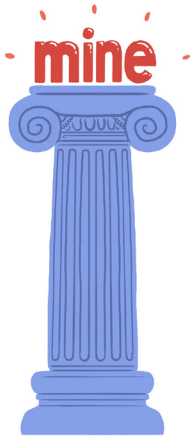
EGO DEPLETION

The ability to make good decisions is a limited resource that can be drained by both decision overload and external fatigue.



EGO DEPLETION





NOT mine

ENDOWMENT EFFECT

People overvalue what they own.



ENDOWMENT EFFECT





GAMIFICATION

People like to play games!
They will go to great lengths
playing a game even if all
they get are points.



GAMIFICATION





GOAL GRADIENT

People will work harder
to achieve a goal as the
goal gets closer.



GOAL GRADIENT





HERDING

People tend to do what others are doing.



HERDING





HYPERBOLIC DISCOUNTING

People put an unrealistically high value on the here and now and an unrealistically low value on the future.



HYPERBOLIC DISCOUNTING





IMPLEMENTATION INTENTIONS

People are more likely to do something when they specify how, when, and where they will do it.



IMPLEMENTATION INTENTIONS





LACK OF SELF-CONTROL

People have a hard time
delaying gratification.



LACK OF SELF-CONTROL





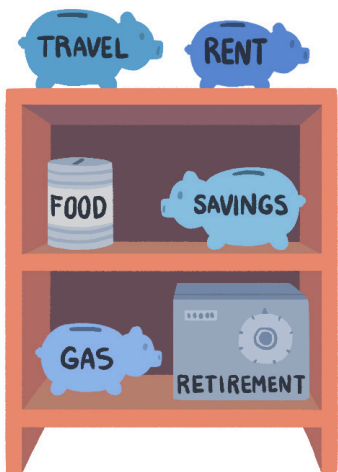
LOSS AVERSION

People react to losses more strongly than gains and they try to prevent losses more than they try to make gains.



LOSS AVERSION





MENTAL ACCOUNTING

People categorize and spend money differently depending on where it came from and where it is going.



MENTAL ACCOUNTING



\$3.69?!
BUT MILK
USED TO
BE ONE
DOLLAR!!



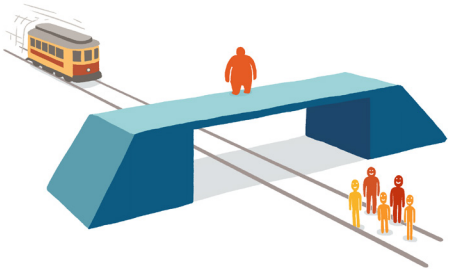
MONEY ILLUSION

People confuse actual dollar amounts with the buying power of dollars.



MONEY ILLUSION





OMISSION BIAS

People consider harmful actions as worse than equally harmful inactions.



OMISSION BIAS





OPPORTUNITY COST NEGLECT

People tend to ignore what they give up when they make decisions.



OPPORTUNITY COST NEGLECT





OSTRICH EFFECT

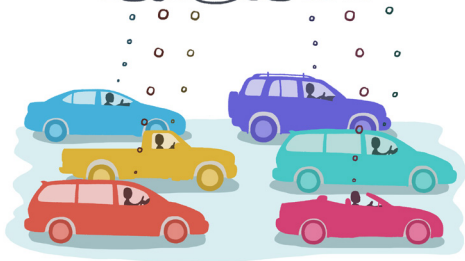
People who are worried
they have fallen off track
don't want to know how
they're doing.



OSTRICH EFFECT



I'M ONE OF THE
BEST DRIVERS ON THE
ROAD TODAY!



OVERCONFIDENCE

Everyone believes they are
right and everyone believes
they are above average.



OVERCONFIDENCE





PAIN OF PAYING

Some purchases – such as incremental payments or paying with cash – are more painful than others, so people will avoid them.



PAIN OF PAYING



THIS IS A REALLY
TOUGH ONE!



THIS WILL
BE A JIFFY!



PAYMENT FOR EFFORT

People place a greater value on services and products if they can see the amount of effort put into them.



PAYMENT FOR EFFORT





PLANNING FALLACY

When planning, people underestimate the resources needed to meet their goals (such as time or level of commitment).



PLANNING FALLACY





14¢



FREE

POWER OF FREE

A price of zero is psychologically much more attractive than any other price, no matter how low.



POWER OF FREE





RECIPROCITY

People have an inherent desire to help those who have helped them in some way.



RECIPROCITY





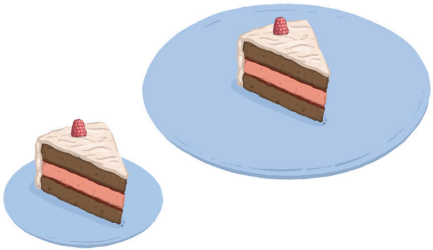
REGRET & COUNTERFACTUALS

Satisfaction depends both on actual outcomes and ideas about what could have happened.



REGRET & COUNTERFACTUALS





RELATIVITY

People evaluate options by comparing them to what else is around.



RELATIVITY





REWARD SUBSTITUTION

Immediate rewards, which appeal to people's impulsive nature, can be used to motivate behaviors that are beneficial in the long run.



REWARD SUBSTITUTION





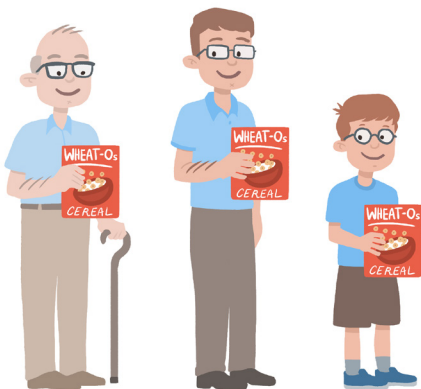
SCARCITY MINDSET

People who lack a resource, such as money, time or calories, tend to tunnel in on the scarce resource and carry a larger cognitive load.



SCARCITY MINDSET





STATUS QUO BIAS

People are very committed
to keeping things the way
that they are.



STATUS QUO BIAS





TUNNELING

When faced with an emergency, people can only focus on the emergency.



TUNNELING





PRE-COMMITMENT

When people actively commit to a goal, they are more likely to achieve it.



PRE-COMMITMENT





WHAT-THE-HELL EFFECT

People give up on their goal once they've fallen off track.



WHAT-THE-HELL EFFECT



**JUST 129
MORE STEPS!**



YOU ARE WHAT YOU MEASURE

People repeat behaviors
that are rewarded,
regardless of whether those
behaviors lead to success.



YOU ARE WHAT YOU MEASURE





OPTIMISM BIAS

We overestimate the probability of "things going right for us" and underestimate the probability of "things going wrong for us."



OPTIMISM BIAS





SUBSTITUTION

It is easier for people to substitute a similar behavior than to eliminate an entrenched one.



SUBSTITUTION





SOCIAL PROOF

People want to be like everyone else and are heavily influenced by what they perceive everyone else is doing.



SOCIAL PROOF





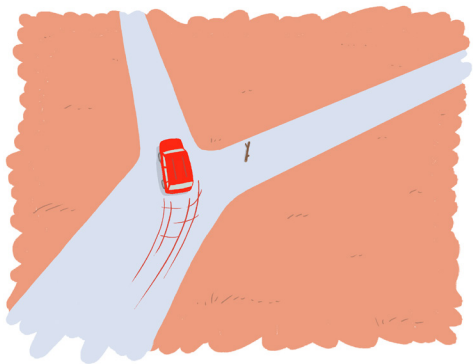
IDENTIFIABLE VICTIM EFFECT

One identifiable individual, who is described in great detail, evokes deeper emotions and sympathy than does a large group of anonymous individuals.



IDENTIFIABLE VICTIM EFFECT





FRICTION COSTS

People can be deterred from taking action by seemingly small barriers.



FRICTION COSTS





SELF-SIGNALING

People behave in ways that reinforce the type of person they believe themselves to be, even if no one else is around to witness it.



SELF-SIGNALING





SELF-HERDING

People make decisions by asking themselves what they did last time and assume that what they already did must have been a good idea.



SELF-HERDING

