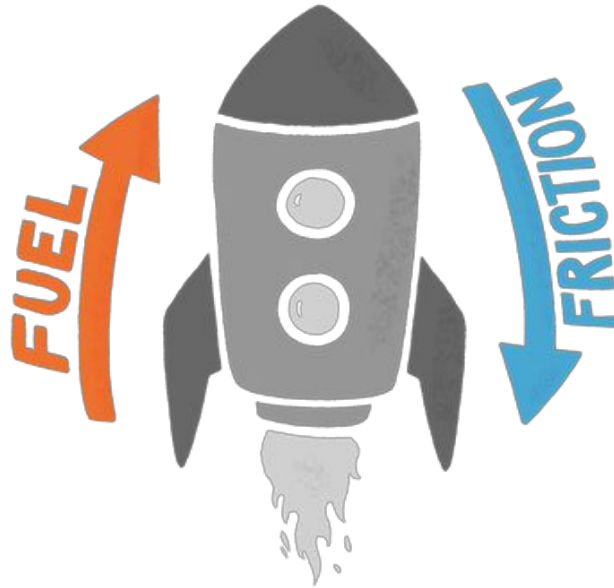
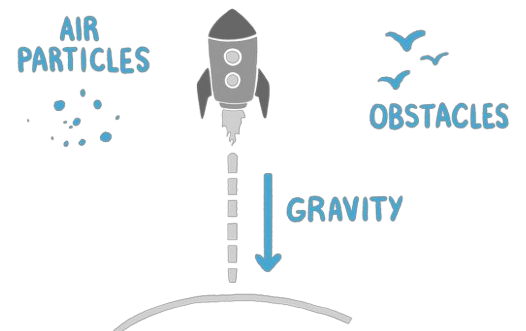


FRICITION AND FUEL FRAMEWORK

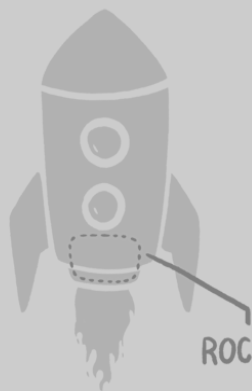


Frictions are anything that get in the way of performing that positive health behavior, from the feeling of exhaustion that always arrives when it's time to exercise to that application form you have to fill out to opt in to your health savings account.

FRICITION

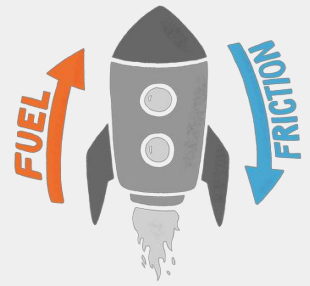


FUEL



Fuel is anything that makes a positive health behavior more appealing, from the gamification of un-fun procedures to delivering incentives contingent on good behavior.

FRICION AND FUEL COMPONENTS



FRICION

B

ias

Humans interpret the world through the brain, a subjective lens with limited resources. Thus, many of our judgments and decisions are warped in systematic ways, sometimes straying from rationality and “common sense.”

E

go

We are selfish creatures. Our ultimate reference point is ourselves: our feelings, our interests, our point of view. Thinking in terms of “me” means we put ourselves first and have a difficult time taking the perspective of others.

H

abits

It’s true: new habits are hard to make, just as old habits are hard to break. Habits occur automatically, and can be repeated outside of our conscious awareness. Habits are often made of a cue (or trigger), behavior and reward.

A

ppeal

People like pretty things. Design matters, framing goes a long way, and everything is relative. It probably doesn’t surprise you that the same wine is judged more highly when it’s priced at \$98 than when it’s only \$8.

V

isceral

Visceral, emotional decision-making is fast, intuitive, and rarely based in reason. By tearing at our heartstrings and coloring our perceptions with vivid imagery and detail, emotions can hijack our brains and make decisions for us.

FUEL

I

ncentives

There’s a reason gamification is so popular: humans are incredibly sensitive to reward and punishment, to the feeling of progress, and the sense of completion. Amazingly, non-financial incentives can be most effective!

O

thers

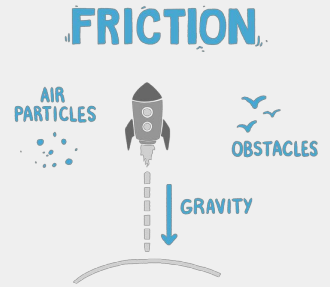
The only thing we care about more than ourselves is what other people think of us. People are social animals who respond to social norms and signaling from others. We value reciprocity, and can be motivated by competition.

R

eminders

A little nudge can go a long way. Because we overvalue the present and discount the future, reminders can bring us to the future when we need to think long-term and take an action now that will benefit our future selves.

FRICION CHEAT SHEET



Bias

Ostrich effect: when worried about having fallen off track, we ignore information about how we are doing

Confirmation bias: we seek evidence that supports our pre-existing beliefs and disregard contradictory information

Mental accounting: money is categorized and spent according to the mental accounts they are placed in

Sunk costs: we are psychologically invested in costs that have already been incurred, regardless of future costs / benefits

Omission bias: harmful actions are considered worse than equally harmful inactions, so we avoid action

Opportunity cost neglect: we tend to ignore the tradeoffs we make when making decisions

What-the-hell effect: we give up on goals after falling off track

Pain of paying: when payment is concrete and coupled with an experience, it is more painful

Disposition effect: we hold on to poor investments too long and sell good investments too soon

Money illusion: we confuse actual dollar amounts with the buying power of dollars

Payment for effort: we place a greater value on services and products when we see the effort put into them

Hedonic adaptation: something that was once new and exciting will dull over time as we get used to it

Ego

Ego depletion: humans have limited resources and are easily burdened by cognitive load

Self-signaling: people behave in ways that reinforce the type of person they believe they are

Self-herding: we defer to our previous behavior to guide current decisions

Endowment effect: we overvalue what we own

Overconfidence: we believe we are likely right and above average

Optimism: we underestimate the risk of bad things happening to us

Tunneling: when faced with emergencies, we focus on the emergency

Habits

Automaticity: much of our decisions are made with little effort or attention

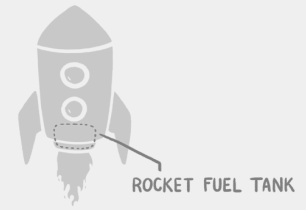
Status quo: the path of least resistance dominates; inertia causes us to rarely stray from past patterns

Defaults: Preselected options tend to remain selected because of the effort required to modify them.

The default is the course of action that occurs if nothing is specified by the decision maker.

Substitution: it is easier to substitute a similar behavior than to eliminate an entrenched one

Habits: automatic behavioral patterns that are the result of repetition and associative learning



Appeal

Framing: choices can be presented in ways that highlight certain aspects of the decision, influencing their perceived attractiveness

Relativity: options are context-dependent, evaluated in comparison to a salient reference point

Anchoring: reference points influence subsequent decisions, often unknowingly

Loss aversion: we avoid losses more than we seek gains; loss framing can be more powerful than gain framing

Goal gradient: the closer a person is to achieving their goal, the more effort they exert in an attempt to reach the goal

Salience: information that is novel or stands out is more likely to influence us

Visceral

Availability: vivid memories or recent events come to mind more readily

Identifiable victim: one identifiable individual, described in great detail, evokes greater sympathy than many anonymous individuals

Affect heuristic: we often make decisions based on emotions that are evoked by the decision

Empathy gap: when we make decisions in a “cold” (unemotional) state, we are unable to imagine how differently we would behave in a “hot” (emotional) state

Incentives

Rewards, discounts, punishments, fines, prizes and non-monetary gifts can all serve as incentives

Lotteries: effective because we overweigh small probabilities in our favor

Regret lottery: effective because our tendency to experience regret over counterfactuals, or what could have been

Gamification: games can be quite motivating, even when all they offer are points

Power of free: the price of zero is psychologically alluring

Commitment device: if-then contracts that impose penalties for failure

Reward substitution: doing something good for the wrong reason

You are what you measure: we repeat behaviors that are measured and rewarded

Others

Social norms: perceived standards of group behavior

Herdng: we follow behavior of others that signal social proof

Social support: important others can provide support and accountability

Competition: our desire to be on top makes competition a compelling force

Reciprocity: we desire to help those who have helped us

Reminders

Present focus (hyperbolic discounting): people put an unrealistic high value on the present, & undervalue the future

Implementation intentions: plans that are concrete & specific (how, when, where) are more likely to be carried out

Planning fallacy: we underestimate the resources needed to meet goals

Pre-commitment: a commitment made that takes effect in the future