

## Nudging to the Choir

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Behavioral economics is a broad discipline that includes both neo-behaviorism as well as cognitive decision theories that describe the economic behavior of what are essentially, irrational humans. In their seminal book, *Nudge: Improving Decisions about Health, Wealth, and Happiness*, as the title suggests, Thaler and Sunstein brought behavioral economic framework to a broader understanding of behavior change. It is through this far narrower prism that the *Nudge* came to represent behavioral economics in its application to public policy and health promotion. There is plenty of evidence that the “nudge” is in vogue, both in the EU and US, as the platform for social and behavioral change<sup>12</sup>.

One of the seductions of the nudge is that it proclaims that substantive changes in human behavior can occur with only slight, but clever manipulations of the decision space in order to favor promoted behaviors without prohibiting any alternatives or changing the incentive structure. Thus, the goal of a nudge is to make engagement in the desired behaviors less effortful than the alternative, more salient and, in fact, almost unconscious or “automatic.” In fact, we experience these nudges in our daily lives in relatively mundane situations. For example, in the workplace signing up for a retirement plan is the default option to increase saving rates (requiring an employee to take extra steps to opt-out); “smart lunchroom” approaches make healthy sides the default meal option (therefore forcing one to ask for greasy French fries); and at the register, healthy snacks are displayed more prominently than unhealthy ones. Moreover, to increase physical activity certain building designs feature staircases that are more attractive than elevators, and elevators display reminders to take the stairs. Famously, pictures of flies were put in urinals as the reminder nudge to reduce “spillage.”

This decision space engineering approach is often contrasted with population-based regulatory approaches which nudge proponents termed “Nannyism.”<sup>3</sup> This “Libertarian paternalism” as endorsed by Thaler and Sunstein, which does not ban or restrict any behavior in principle, is offered as an alternative. The Nudge is also contrasted with Social Marketing<sup>4</sup>. Nudging is advocated as a cheaper and more effective alternative to more intensive efforts such as media campaigns that rely on changing attitudes as a prerequisite to behavior change. Some proponents of behavioral economics in fact claim that behavior change can occur without changing minds<sup>5</sup>.

However, before we pen a requiem for Social Marketing as we know it, we should take a closer look at the behaviors given as examples of successful nudging, such as savings, recycling, healthy eating or increasing physical activity. One thing becomes apparent: most of us endorse all of these are behaviors, at least in principle. So, what happens when audiences do not endorse the behavior? In one case, low-income taxpayers did not default to saving when a tax

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<sup>1</sup> <http://swampland.time.com/2013/08/09/nudge-back-in-fashion-at-white-house/>

<sup>2</sup> [http://www.nytimes.com/2013/12/08/business/international/britains-ministry-of-nudges.html?pagewanted=all&\\_r=0](http://www.nytimes.com/2013/12/08/business/international/britains-ministry-of-nudges.html?pagewanted=all&_r=0)

<sup>3</sup> Bovens, L. (2012). Read nudge. *European journal of risk regulation*, 2012(1), p 43-46

<sup>4</sup> Young, S., & Caisey, V. (2014). Behavioural Economics and Social Marketing: Points of contact? In D.Stewart (Ed.), *Handbook of Persuasion and Social Marketing*. London: Praeger.

<sup>5</sup> Dolan, P., M. Hallsworth, D. Halpern, D. King, R. Metcalfe, and I. Vlaev. "Influencing Behaviour: The Mindspace Way." *Journal of Economic Psychology* 33.1 (2012): 264-77.

return was defaulted to US saving bonds<sup>6</sup>. The reason offered by the authors is that the low-income taxpayers already allocated their returns to specific expenditures; saving the tax return was not something on their agenda. Similarly, opt-out approaches for organ donations are not universally effective, with some countries that utilize opt-out schemes (i.e., presumed consent unless one specifically opts out) having the same rates as those with opt-in options (i.e., active consent)<sup>7</sup>. Cultural differences in the acceptance of organ donations are likely to be a factor regardless of the opt-in or opt-out defaults.

The possibility of nudges failing when trying to facilitate behaviors that may be inconsistent with our sentiments or goals would, in fact, be expected under Kahneman's dual system decision model that underlies most of behavioral economics. System 1 is fast, habitual, heuristic and mostly unconscious. System 2 is conscious, slow and deliberate. Thus, if System 1 leads us down the path of least resistance, it is System 2 that keeps us on the straight and narrow. Encountering a nudge for a behavior which is not consistent with our goals, likes, or aspirations is likely to be noticed by System 2, leading us to invest more of effort into the decision regarding behavior. This is exactly what the low-income taxpayers did, or what a person opposed to donating one's organs on religious or cultural grounds would do.

Whereas, some inconsistent nudges may involve the wrath of System 2 by trying to sneak past the monitoring function in one's subconscious, others may in fact structure the decision space to make information more salient and hence more accessible to System 2. For instance, if we assume that most food decisions are habitual or influenced by subconscious triggers, manipulations of the decision space such as posting calorie information on restaurant menu boards may encourage healthier choices by interrupting the mindless ordering of the usual menu items.<sup>8</sup> In other words, seeing a calorie count for a double bacon cheeseburger may evoke the, "OMG, do I really want to spend most of my daily calorie allocation on THAT?!" response. Yet, making the information more salient (and hence invoking the System 2 processing) may not necessarily lead to the desired results. The inconsistent findings regarding providing calorie information in fast food establishments<sup>9</sup> may be explained by the possibility that some customers are not particularly concerned with the calories they consume. Just because the information is there, it does not mean that it will be used in decision making. Same can be said of reminders, another type of nudge in the behavior change arsenal. For example, "forgetting to get a flu shot" is the most frequently reported reason for not getting a flu shot among individuals with already favorable predispositions toward seasonal flu vaccination<sup>10</sup>. It follows that reminders from physicians or point of sale signs at retail establishments advertising

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<sup>6</sup> Bronchetti, E.T., Dee, T.S., Huffman, D.B., Magenheimer, E. (2011). When a nudge isn't enough: Defaults and savings among low-income tax filers. National Bureau of Economic Research, Working Paper 16887, [www.nber.org/papers/w16887](http://www.nber.org/papers/w16887)

<sup>7</sup> [http://www.organdonation.nhs.uk/newsroom/statements\\_and\\_stances/statements/opt\\_in\\_or\\_out.asp](http://www.organdonation.nhs.uk/newsroom/statements_and_stances/statements/opt_in_or_out.asp)

<sup>8</sup> Downs, J. S., Loewenstein, G., & Wisdom, J. (2009). Strategies for Promoting Healthier Food Choices. *The American Economic Review*, 159-164.

<sup>9</sup> <http://www.rwjf.org/content/dam/farm/reports/reports/2013/rwjf406357>

<sup>10</sup> Carter, W. B., L, R, Beach, Inui, S., Kirscht, J.P. & Prodzinski, J.C.(1986). Developing and testing a decision model for predicting influenza vaccination compliance. *Health Services Research*, 20, 897-932.

availability of the flu shots are likely to fall on deaf ears among those not favorably predisposed to get one.

By no means should this analysis be construed as the outright negation of behavioral economics or the nudge itself. The decision theories underlying the nudge have a lot to contribute to persuasion as well, especially in terms of how information is framed and processed and how these cognitive processes may lead to attitudinal as well as behavior change. In public health, behavioral economic framework can equally contribute to the understanding of behavior by emphasizing incentives and disincentives for given behaviors beyond the emphasis on health as the individual goal.<sup>11</sup> Elsewhere, I have argued that the decision theory underlying behavioral economics in fact offers a better cognitive conceptualization of attitude and behavior change than the value expectancy models that often underlie social marketing approaches.<sup>12</sup> Yet, the claimed effectiveness of the Nudge as the clever population-based intervention and as an alternative to more comprehensive marketing efforts is overrated. Surely, nudges work, but only when they are consistent with the attitudes and goals of those being nudged. To paraphrase Kenny Rogers, “we gotta know when to nudge’ em.” Otherwise, we may have to change minds.

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<sup>11</sup> Cawley, J (2004). An economic framework for understanding physical activity and eating behavior. *American Journal of Preventive Medicine*, 27, 117-125

<sup>12</sup> Ulasevich, A. (2015). Behavioral Economics and Social Marketing: Toward Integrated Approaches To Behavior Change. In DW Evans (ed.) *Social Marketing: Global Perspectives, Strategies and Effects on Consumer Behavior*, Nova Science Publishers