Choice Architecture

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• Introduction

- Defaults: Padding the Path of Least Resistance
- Expect Error
- Give Feedback
- Understanding Mapping: From Choice to Welfare
- Structure Complex Choices
- Incentives

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Option Vs Choice:

OPTION	CHOICE
Things	Decision
Fixed	Not Fixed



In the same way: House Vs Home, Education Vs Literacy etc.





Choice Architect

Who?

- A choice architect is a person who has the responsibility for organizing the context in which people make decisions.

Role?

- A good rule of thumb is to assume that "<u>everything matters.</u>"

Food Menu - Choice Architecture:

1. Arrange the food to make the students best off, all things considered.

2. Choose the food order at random.

3. Try to arrange the food to get the kids to pick the same foods they would choose on their own.

4. Maximize the sales of the items from the suppliers that are willing to offer the largest bribes.

5. Maximize profits, period.

Human's Vs Econ's

• **ECON's:** Rational behavior, logic, mental effort, economic. But does this happen really well? Do we always do it?

• **HUMAN's:** Not always logical, intuition, react automatically, emotions to decide and can commit errors.

Kettle Design:

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The DESIGN of EVERYDAY THINGS

Destrighted Material

DON NORMAN

Simple Electric Stove: Burners and Controls

Poor mapping





Door: Push - Pull Architecture



Stroop Test:

Who?

- John Ridley Stroop - American psychologist

Why?



- To Study reaction time in individuals under different scenarios

What?

- Stroop Test (short & simple test - easily show how quick someone's reaction time)

Stroop test board:

TRYING THE STROOP EFFECT YOURSELF

blue orange green red purple^f red purple blue orange green

green red purple blue orange

red blue green orange purple

Global Circle ideology:



Which one is best choice? Why? -> How? -> What? Or What -> How? -> Why?



Your next computer is not a computer.

It's a magical piece of glass. It's so fast most PC laptops can't catch up. It has pro cameras that can transform reality. And you can use it with touch, pencil, keyboard, and now trackpad. It's the new iPad Pro.

Watch the film 🕞

Magic Keyboard coming in May

An example of Apple marketing strategy - "Everything we do, we believe in challenging the status quo. We believe in thinking differently. The way we challenge the status quo is by making our products beautifully designed, simple to use and user friendly. We happen to make great computers. Want to buy one? This explains that - people don't buy "what" you do it, But people always buy "why" you do it?.

ATM Machine:



facebook News feed:





Shutdown Process in Windows 8

Start







#58 Wheelchair Escape Route





27. Venn Diagram: Has there ever been such a clear case of doing it wrong?



30. Take a step into the unknown.





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Defaults: Padding the Path of Least Resistance

- Principle of least efforts (Path of Least Resistance)
 - People will take whatever options requires the least effort
- Default option
 - \circ $\,$ $\,$ An option that will obtain if the chooser does nothing
- Associated Rule
 - Determines what happens to the decision maker if she does nothing







Visual Studio

Community 2015 with Updates

Choose your installation location

C:\Program Files (x86)\Microsoft Visual Studio 14.0

Setup requires up to 8 GB across all drives.

Choose the type of installation

- Default Includes C#/VB, Web and Desktop features
- Custom
 Allows you to customize features for your installation

You can add or remove additional features at any time after setup via Programs and Features in the Control Panel.

By clicking the "Next" button, I acknowledge that I accept the <u>License</u> <u>Terms</u> and <u>Privacy Statement</u>.

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Next

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Double-sided printing as the default option

Defaults are ubiquitous, powerful and unavoidable!

The choice of the default can also be quite controversial.

- Opt-in to Opt-out Agreements in Washington State \bullet
 - Drivers are charged state park fees unless they ask not to pay it. 0

FEES

The Washington State Parks operating budget is primarily funded by fees and revenues collected from park visitors. The following fees paid by visitors (except for the Discover Pass) are used exclusively to support the state parks system.

Opt-in and Opt-out policies in the Department of Defense and the School Districts CIECHE Sexuality Information and Education

a scolence					
2002-2003	E	agle High School			5/1/2003
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Parent/guardian M/M A Abee	Area/Telephone Father:	s Work Extn Moth	ers Work Extn Nar) 555-2204	ne/Addr Ver	
Mailing Address 229 Ave Barcelona	City Eagle Rock	State Zipcode/Extn	GridCd Interdis	st Transfer / District	
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SIECUS Council of the Uni	ted States
POLICY BRIEF - Sex Ed & Parental Cor	isent
Opt-In vs. Opt-Out	
wroom is one of the only places where young people can gain the smooth is one of the only places where young people can gain the init is wry which is structured, age appropriate, and accurate. All each the structured is an experimentation of the second each and wellbeing now and for the rest of their lives. It is a structure of the second provide the second acting garenetic consent. These laws can include providents that rent to appli on or gard of an execution interaction for their structure of an execution interaction for their second acting garenetic consent. These laws can include providents that rent to appli on or gard of an execution interaction for their second second second second second second second second second acting the second sec	Opt-In Schools require written permission from a parent or guardian before a student can attend sex education class.
Under an opt-the policy, teachers need written permission from a parent/guential prior to a student attending a so extraction data. Discussion of the student districts to send written monification to gravent/guentians before sea dwatten lessons and the student priormation on what is being taught and have will be teaching the data. Network of the responsibility of parent/guentians to inform the school district is writing if they do not want the individual to stand data teasma.	Opt-Out Schools enroll all students in sex educatio class and allow parents or guardians to remove their children from instruction without penalty.
tes and school districts currently rely on opt-out policies. These po of young people receive the benefits of sex education. These inclus to be able to make healthy decisions, learning how to communic phealthy and unhealthy relationships, and understanding sex and	licles ensure that a larger de: receiving the tools e about boundaries, I sexuality in the context of

Most sta number **identifyin** today's society and culture. These skills have been shown to further benefit the lives of young people by improving academic success and reducing rates of unintended pregnancies and STIR.¹

Why Opt-In is Harmful

information sexuality young p sexual h When di laws reg allow pa children

> he overwhelming majority of people agree that parents and families should be a young person first resource for sex education. However, not all young people have parents/guardians who are willing or able to have these necessary conversations. Regardless of the resources a young person does or does not have at home, many barriers remain that can easily restrict their access to qualit ex education - and one example is opt-in legislation

> Opt-in policies create unnecessary hurdles that prevent students from accessing the sex education they have a right to receive. They are designed to make accessing sex education in schools mor difficult, overlooking the fact that parents/guardians have a say under both opt-in and opt-out ies. For some young people, school-based sex education is their only opports Information, and opt-in policies risk eliminating it completely. Furthermore, these policies as against the wishes of parents/guardians-as they, along with young people and the rest of the general public, overwhelmingly support access to sex education in schools.

- Required Choice (Mandated Choice)
 - The choice architect can force the choosers to make their own choice.
 - Presumed consent for organ donation
 - Mandated choice: Do you wish to be an organ donor?
 - 60% sign-up rate in Illinois
 - National average of 38%



- Humans will often consider required choice to be a nuisance or worse and would much prefer to have a good default.
- Required choosing is generally more appropriate for simple yes-or-no decisions than for more complex choices.



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Expect Error

• A well designed system expects its users to err and is as forgiving as possible.





• Post-completion error

- Byrne and Bovair, 1997
- Once the main task is finished, people tend to forget things relating to previous steps
- Forcing Function
 - In order to accomplish a desire, another step must first be taken.





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VectorStock*

VectorStock.com/1857322

mail.google.com says:

altina

It seems like you forgot to attach a file.

You wrote "find attached" in your message, but there are no files attached. Send anyway?



×





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Give Feedback

• Well designed systems tell people when they are doing well and when they are making mistakes.





• Warning

- Things are going wrong
- Things are about to go wrong
- Avoid "boy who cried wolf"
- Feedback can be improved in many activities





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Understanding Mapping

- Mapping is defined as the relation between choice and welfare
- Users choice of options is affected by the choice architect in:
 - What attributes are presented for each choice
 - In which order they are presented
 - Framing of options
 - Incentive for the architect

Examples of Mapping

• Easy choices









Issues of Mapping

• Complex factors for credit card choice

- \circ Annual Fee
- \circ Interest Rate
- Late payment fee
- Currency conversion
- \circ Indirect Fee



RECAP

• To address the problem of complex schemes and non-transparent policies

• Government regulation: RECAP

- Record, Evaluate, and Compare Alternate Prices
- Regulates Disclosure Practice : Easy to read disclosures
- Detailed usage report (Transparency)

• Third party helping in evaluating choices: Removing vested interest

RECAP: Example

Cell Phone Provider

• Disclosure: List all costs in a user readable format

Usage Disclosure: Send detailed customer usage
 Allows customer to evaluate choices





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Structure Complex Choices

Too many choices

 Unable to comprehend all option

• Final choice might be suboptimal



Traditional Strategy: Compensatory

• Look into all choices

• List all the attributes of the choices

• Select the best option

Elimination by Aspects

• List the aspects by importance

• Create a threshold for each aspect

• Eliminate Choices to few finalists

• Switch to Compensatory

Elimination by Aspects

• How does bounded rationality affect our strategy for complex choices

• How does scarcity affect the prioritization of aspects

Elimination by Aspect: Paint Store Example

Choices of colour for painting house:

 There are more than 2000 choices
 Names are uninformative (e.g. Kansas Grain)

• Using Paint Wheel for initial filtering



Role of Modern Technology in Selection

- Provides Graphics to see how would the choice look like
- Collaborative Filtering
 - Aggregates choices from customers with similar preferences and provide recommendation
 - Saves cognitive resources and provides feedback based on others experience
 - Might not allow users to learn new information



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Incentives

- Traditional economic forces are important in choice architecture.
- Questions for choice architects
 - Who uses?
 - \circ Who chooses?
 - |○ Who pays?
 - \circ Who profits?

Salience in Incentives

• Are choosers aware of the incentives they face?

- In free market : YES
- Always? NO

• Effect of user behaviour:

- People underweight some salient features
- And overweight some more visible features

Study of Incentives: Buying a car

• Two choices:



v/s

• Features considered:

- Gas prices, insurance bill
- Features ignored:
 - \circ Opportunity cost of car price
 - \circ Depreciation





How Incentives influence behaviour?

- How badges affect our priority for features?
 - Social Influence
 - Position Bias
 - Reputation Bias

Critique of the Paper?

• Pros

• Cons

- Provides a general overview of choice
- Explains different aspect of choice architecture crisply
- Very articulate examples

- The concepts of incentives are not properly explained
- How does framing effect complex decision making