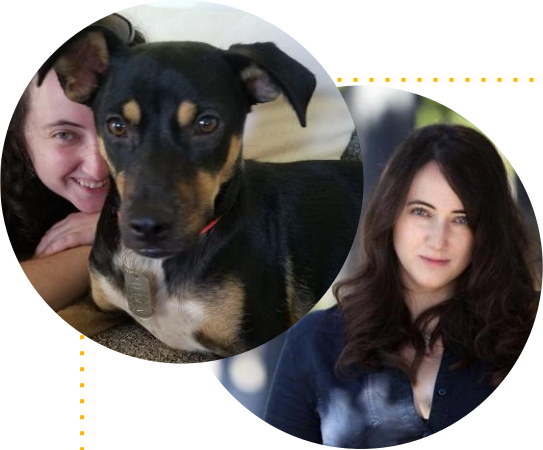# The thin line between Dark Patterns & Nudges*

Agenda

- Introduction
- Behavioral Science Basics
- Definitions + Examples
- What is morally justifiable?

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Lena Belogolova

@intellichanges

Personal

Dog mom to Tesla

Amateur musician/songwriter

Tennis/Federer enthusiast

Lost 35 lbs using behavioral science

Russian Jewish Refugee to US in 1991

Professional

Intellichanges, Inc.

Startup advisor/investor

Facebook

Startuponomics mentor

YC founder/CEO - Venuetastic

Stanford/Berkeley Researcher

Goldman Sachs

MIT + UCLA Anderson

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Weaponizing Behavioral Psychology in the Cyber Era

Behavioral Science Basics

FACT: Anna read fluently at age 4

Anna

What was her GPA in college?

Kahneman, "Thinking Fast & Slow", 2011

Now what about the following problem?

117 X 243

Kahneman, "Thinking Fast & Slow", 2011

Behavioral Science Basics

System 1

Fast / Automatic

Emotional

- Impulses / Drives
- Habits
- Beliefs

System 2

Slow / Effortful

Logical

- Reflection
- Planning
- Problem solving

Two systems (Sloman, Stanovich & West, Kahneman)

Kahneman, "Thinking Fast & Slow", 2011

Nudges*

After identifying areas where people exhibit less than perfect rationality, strategies from behavioral science like nudges, incentives, defaults that **push us** into making decisions that are in our best interest.

Dark Patterns

After identifying areas where people exhibit less than perfect rationality, strategies from behavioral science like nudges, incentives, defaults that **trick us** into making decisions that aren't in our best interest.

Definitions + Examples

Framing effect

We rely on 'frames,' which are concepts and values we've internalized, to give meaning to new information. These frames can be triggered by various communication tools - language, context, numbers, images, and videos.

Default bias

Most of the time when we're making a decision, one of our options is to do nothing/keep the status quo.. When thinking about these options, we tend to find the default = be lazy, more attractive.

Definitions + Examples

Credit Card Payments

Online and paper credit card payment always had a "Minimum Payment" option (powerful framing). Certain credit card companies used defaults to select that option as well as didn't detail why it wasn't recommended to do that.

Enter the Credit Card Act of 2009 - Bill of Rights of sorts for credit card holders, prohibiting a number of practices that are unfair or abusive and requiring explanations.
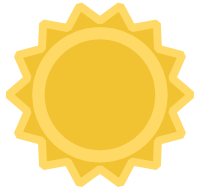
Definitions + Examples
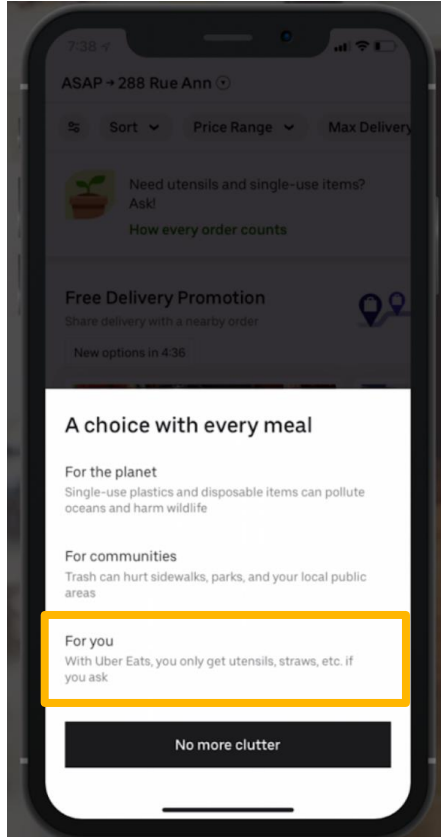
UberEats

Are they using defaults the right way? Understanding the fact that people prefer to do nothing, UberEats is using defaults/framing to save the environment and keep the community clean by defaulting to not including utensils, straws etc.
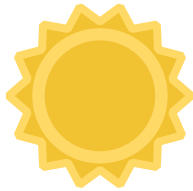
Paternalism "Light"

Goal: Enhance decision making without restricting it (acknowledging our decision making is flawed in some respects)

How: Push human behavior in more beneficial directions while minimizing coercion, maintaining individual autonomy, and maximizing choice to the greatest extent possible.

Also known as: Asymmetric/Libertarian Paternalism

Loewenstein, G., & Haisley, E. C. (2007). The economist as therapist: Methodological ramifications of 'light' paternalism. *Available at SSRN 962472*
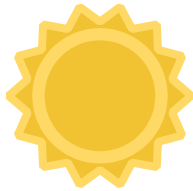
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Paternalism for good framework

Framework/Tool developed by Duke University's Center for Advanced Hindsight for understanding when a given paternalistic intervention is more likely to be seen as justifiable. They suggest a balance between the intervention's overall benefit and its influence on autonomy.

http://www.paternalismforgood.com/

What is morally justifiable?

Discussion questions

- Is even "light" paternalism good?
- Who decides what is good behavior?
- How do we make sure that even experts look very closely at their own biases before making judgements about others' limited capacity for good decision making?
- Where should policy come in (e.g. Credit Card Act?) vs. companies self-regulate (e.g. UberEats, Dark vs. White Hat Advertising)?

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Thanks!

Any questions?

You can find me at @intellichanges & lena@intellichanges.com