



An Chomhairle Náisiúnta Eacnamaíoch agus Shóisialta  
National Economic & Social Council

# Behavioural Insights for Policy Communications

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*Government Communications Network Meeting*

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# Overview

- ▶ Introduction - Behavioural Insights (BI) from a ‘user’ perspective
- ▶ GCN already know that how you present information matters
- ▶ BI an empirical approach to further understanding why
- ▶ BI can help:
  - ▶ Inform your choices about how/when to present information
  - ▶ Your audience engage with and understand information
  - ▶ Improve public policy design, communication, and outcomes
- ▶ BI not the exclusive purview of behavioural scientists/economists
- ▶ Applying BI not dependent running experiments
- ▶ Caution required when selecting sources and findings
- ▶ Behavioural science must be influenced by policy and comms practitioners
- ▶ Applying BI brings consideration of responsibilities, values, and ethics
- ▶ BI: Part of the solution to almost any problem. Not the solution to any problem
- ▶ BI do not remove the need to do the basics of good policy and comms



# What are BI?

- ▶ **Behavioural Insights:** an approach that combines insights from psychology, cognitive science, and social science with empirically tested results to discover how humans actually make choices (OECD, 2020)
- ▶ Challenge normative theory of how people (should) make decisions:
  - ▶ Decision-makers are fully rational;
  - ▶ Make decisions on the basis of full information;
  - ▶ Accurately weigh up the costs and benefits of potential options;
  - ▶ Act on a preference which maximises their utility.
- ▶ Assumptions not borne out in experience or experiments
  - ▶ Poor decisions on health, savings/pensions, purchasing etc.
- ▶ BI provide a ‘descriptive’ versus a ‘normative’ framework
- ▶ Based on lessons from behavioural science



# Five Lessons from Behavioural Science

- ▶ Bounded rationality (Simon; 1957)
  1. Limited capacity of the human mind to formulate and solve complex problems
  
- ▶ ‘Irrationality’ (Kahneman and Tversky; 1974, 1979, 1981, and 1984)
  - ▶ Systematic, predictable, non-random departure from assumptions
    2. Human emotions impact our ability to make purely rational decisions (decision-making biases)
    3. People rely on mental short-cuts (heuristic thinking)
    4. People place more weight on a loss than on a gain of equivalent size (loss/gain asymmetry)
    5. People’s choices are impacted by seemingly inconsequential variation in the presentation of options (framing effects)



# So what?

- ▶ Government Communications Network
- ▶ Daily opportunity to present information to the public, senior officials, and political decision-makers
  - ▶ Press releases
  - ▶ Consultation processes
  - ▶ Scheme/programme design
  - ▶ Internal briefing material for meetings, interviews
  - ▶ Speeches
  - ▶ Discussion papers
  - ▶ Organisation's publications (SOS, annual reports, websites, social media)
- ▶ BI helps further explain why your choices matter
- ▶ BI might help you make those choices
- ▶ Look at the five factors in turn...

# Bounded Rationality: Example

## ▶ Buying/renewing a mobile phone and service? Simple!

- Handset model
- Handset functionality
- Price
- Talk/text/data options
  - None, some, all 'unlimited'
- Tariff type: Pay-monthly or Pay-as-you-go
- Contract type:
  - Single contract (handset and airtime)
  - Two contracts at the same time
  - SIM-only

## ▶ Variety offers a lot of choice for customers, but...

## ▶ Consumers likely to make costly mistakes when descriptions of products force them to think about too many things at once (ESRI PRICE LAB; 2016)

## ▶ >3 factors a problem. 6 above. Complexity can lead to 'default'.

## ▶ 1.4 million UK customers would save money if they switched; collectively overpaying around £182m a year (Ofcom, 2019)

## ▶ Comms impact: Ambiguity; decision-fatigue...



# Bounded Rationality and Policy

- ▶ 2012: Dire need to stem drift to long-term unemployment
- ▶ State incentive schemes underperforming despite value
  - ▶ Revenue Job Assist Programme: tax refund, in arrears
  - ▶ Employer PRSI Exemption Scheme: exempt employers from share of PRSI
- ▶ Impact of bounded rationality
  - ▶ Difficult-to-calculate benefit, delivered one year from now, or in the form of money you did not have to pay, following complex application and assessment process
- ▶ *JobsPlus Scheme* (Action Plan for Jobs; 2013)
  - ▶ Monthly cash payment to employer
  - ▶ €7,500 if person 12-24 months UE; €10,000 if LTU (2 years +)
- ▶ 'Worth less' but take-up doubled



# (So many) Decision-Making Biases

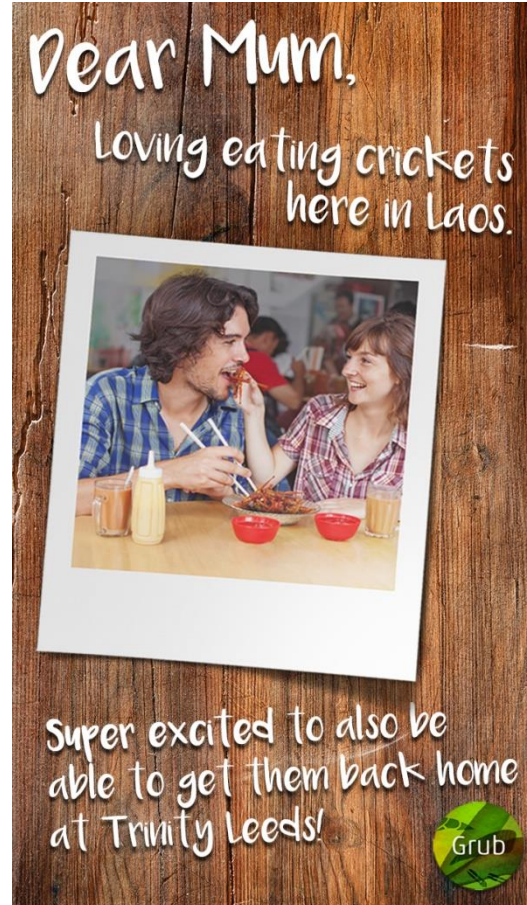
Ambiguity aversion; Anchoring or focalism; Attentional Availability heuristic; Availability cascade; Backfire effect; Base rate fallacy or base rate neglect; Belief bias; Bias blind spot; Choice-supportive bias; Clustering illusion; Confirmation bias; Congruence bias; Convergence bias; Conjunction fallacy; Conservatism or regressive bias; Conservatism (Bayesian); Contrast effect; Convergence bias; Curse of knowledge; Decoy effect; Default bias; Denomination effect; Distinction bias; Duration neglect; Endowment effect; Essentialism; Exaggerated expectation; Experimenter's or expectation bias; Extrapolation bias; False-consensus effect; Functional fixedness; FOMO; Forer effect or Barnum effect; Framing effect; Frequency illusion; Gambler's fallacy; Hard-easy effect; Hindsight bias; Hostile media effect; Hot-hand fallacy; Illusion of validity; Illusory correlation; Information bias; Irrational escalation; Just-world hypothesis; Loss aversion; Ludic fallacy; Mere exposure effect; Money illusion; Moral credential effect; Negativity bias; Neglect of probability; Normalcy bias; Observer-expectancy; Omission bias; Optimism bias; Outcome bias; Overconfidence bias; Pareidolia; Pessimism bias; Planning fallacy; Pro-innovation bias; Pseudocertainty effect Recency bias / Recency illusion; Rhyme as reason effect; Risk compensation / Peltzman effect; Salience Effects; Selective perception; Semmelweis reflex; Selection bias; Social comparison bias; Social desirability bias; Status quo bias; Stereotyping; Subadditivity effect; Subjective validation; Survivorship bias; Texas sharpshooter fallacy; Time-saving bias; Temporal discounting / Time inconsistency bias; Unit bias; Well travelled road effect; Zero-risk bias; Zero-sum heuristic...

# Decision-Making Biases and Comms



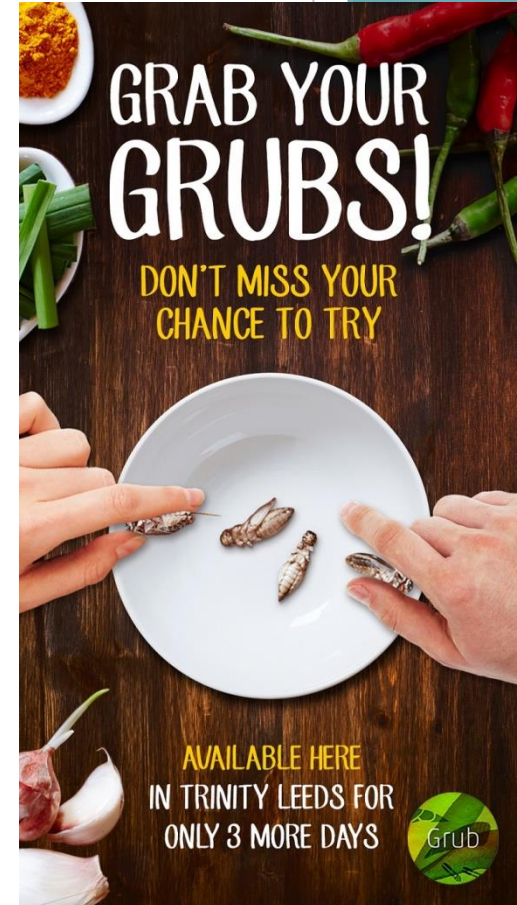
Rational message

67 purchases



Normalising message

126 purchases



FOMO message

154 purchases

# Heuristic Thinking: Example

Figure 10: Annual heart attack deaths per capita

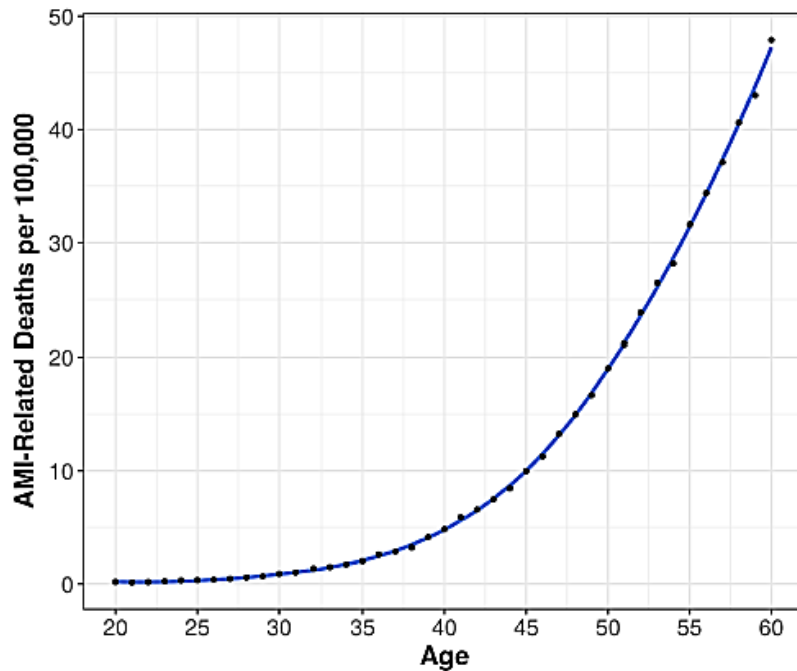
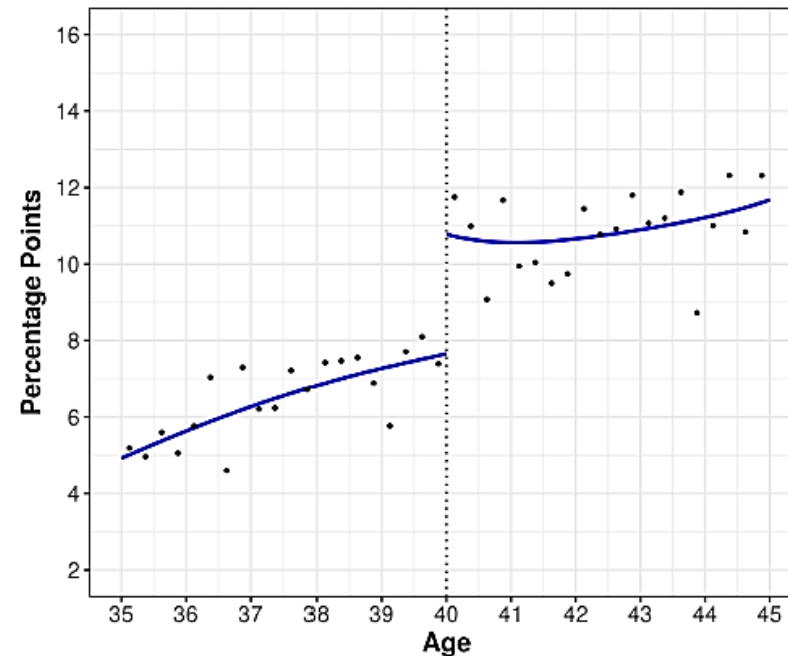


Figure 7: Proportion of patients tested for heart attack in Boston-area ED



- ▶ Incidence of heart disease increases smoothly with age
- ▶ Patients over 40 at Boston A&E
  - ▶ 10% more likely to be tested for ischemic heart disease (IHD)
  - ▶ 20% more likely to be diagnosed with IHD
- ▶ Suggests representativeness heuristic among highly trained professionals (Kahneman and Tversky;1972)
- ▶ Patients in their 30s less representative of the prototypical heart attack patient than patients in their 40s.



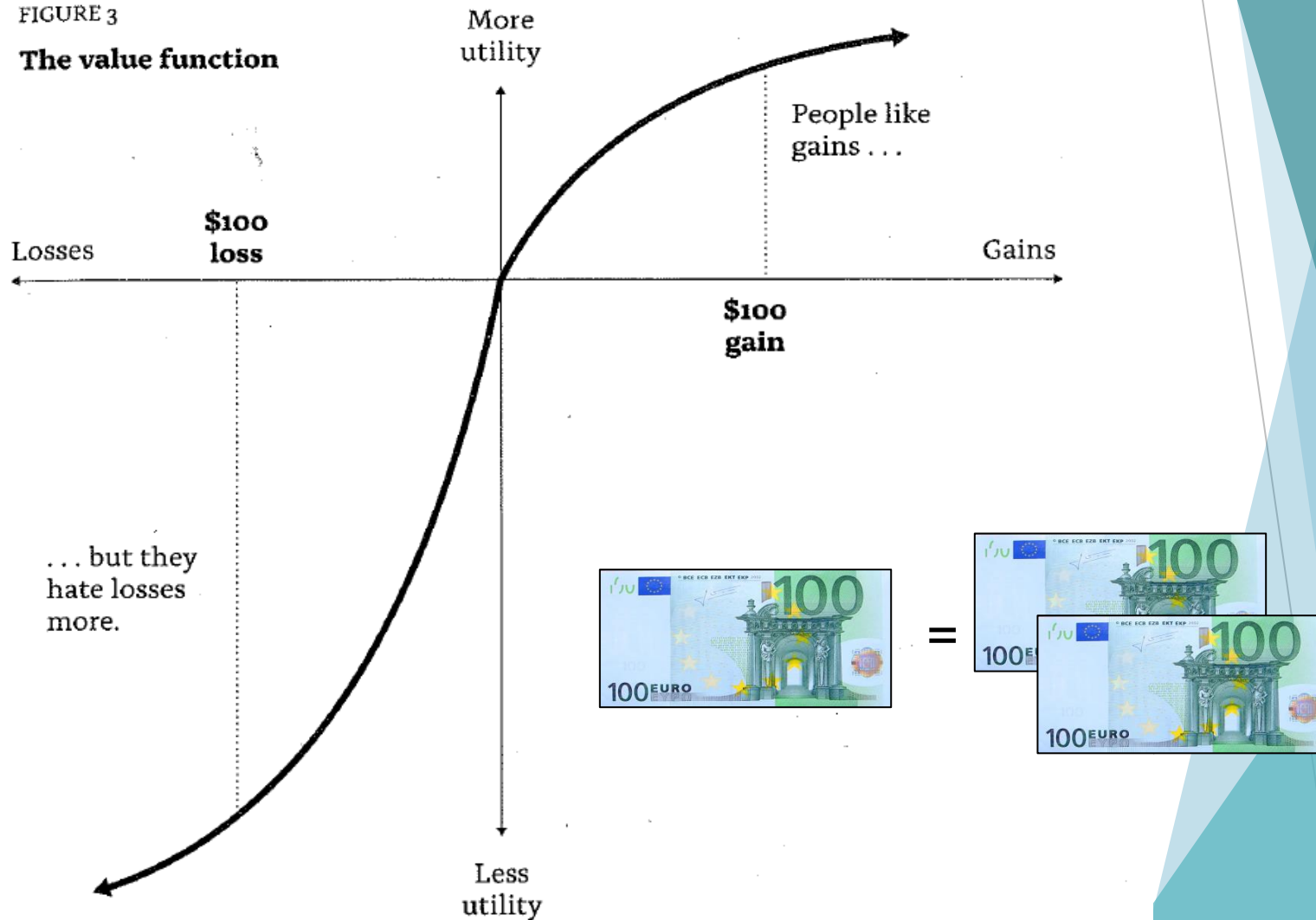
# Heuristic Thinking and Policy

- ▶ 2015: Development of new enterprise policy
- ▶ Concern over employment sustainability issue in ‘Celtic Tiger era’
- ▶ Sustainability of sectoral distribution dependent on many factors:
  - ▶ Domestic demographic and economic trends
  - ▶ International/domestic trends in demand for goods and services
  - ▶ Global economic performance, trends in FDI etc.
  - ▶ Supply factors (e.g. the skills pipeline, materials and input costs and availability, domestic policies and incentives etc.).
  - ▶ The numbers of actors, policies and decisions influencing the sectoral distribution of employment
- ▶ ‘Replaced’ assessment of the above with two numbers: 46 and 22
  - ▶ Proportion of labour force employed in locally-traded activities
  - ▶ Gap between proportion of employment in local versus export activities
- ▶ Monitored and reported within Department; trigger for deeper analysis

# Loss/Gain Asymmetry: Prospect Theory

FIGURE 3

## The value function



12 DUBLIN GAZETTE 12 November 2020

*open*

**COUNCIL SEEKING PEOPLE'S VIEWS**

*people*

## Plan to ~~close~~ Dame St to ~~traffic~~ resurfaces

SYLVIA POWNALL  
spownall@dublingazette.com

DUBLIN City Council is asking people for their views on fresh plans to pedestrianise Dame Street.

The proposal is part of the College Green plaza project which was turned down by An Bord Pleanála in 2018.

But in light of the new Connects plans the local authority says Dame Street would no longer be closed.

Green Party Cllr Janet Horner said the plans offer the opportunity for improved access to the city centre.

She said: "If you look at College Green, it's a very prohibitive place for people to cycle through, it's very dangerous to cycle through, it's unpleasant to walk through, the public transport system reaches a real bottleneck there.

"I think the plans that are being brought forward now are looking at how to improve access for those

tained to the car parks, disability access will be maintained and the bus routes will be able to continue to run through the city."

The public now has another chance to review and provide feedback on the Bus Connects plan which will see 230km of bus lanes and 200km of cycle lanes rolled out across the city.

**Ambitious**

The ambitious changes to the public transport system in the capital.

This will create 16 Core Bus Corridors or spines designed to make public transport faster and more efficient.

Last week the NTA launched its third round of public consultations, allowing the public another chance to voice concerns before it applies to An Bord Pleanála in March next year to proceed with its plans.

Under the plans cycling infrastructure will be upgraded, and traffic will be prohibited



# Framing Effects: Example 1

“Could you comfortably live on 80% of your income?” - Yes is 80%

“Could you comfortably save 20% of your income?” - Yes is 50%

“Beef: 90% fat-free”

“Beef: 10% fat”

“Operation: 90% success rate”

“Operation: Fatality is 1 in 10”

“Should US build an anti-missile shield?” - 6% unsure

“Should US build an anti-missile shield, or are you unsure?” - 33% unsure



“Fizzy Drink”: €1.15 for 330ml / €3.45 per L



“Energy Drink”: €1.99 for 250ml / €7.96 per L

# Framing Effects: Example 2



Britain Elects @britainelects 1h

On "reducing the voting age from 18 to 16":

Support: 37%

Oppose: 56%

(via Ipsos-Mori / 12 - 14 Dec)



Britain Elects @britainelects 1h

On "giving 16-17 year olds the right to vote":

Support: 52%

Oppose: 41%

(via Ipsos-Mori / 12 - 14 Dec)



€25 + €5 shipping

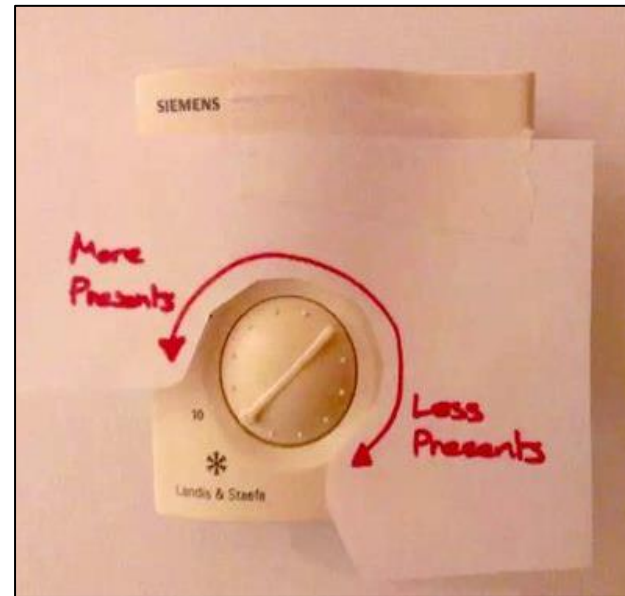


€30 + Free shipping

	Background Music	
	French accordion music	German Bierkeller music
Bottles of French wine sold	40 (77%)	12 (23%)
Bottles of German wine sold	8 (27%)	22 (73%)

Figure 6.1. Number (and percentage in brackets) of bottles of French versus German wine sold as a function of the background music in one of the most oft-cited marketing studies on the impact of ambient music on people's behaviour.<sup>4</sup>

# Framing Effects: Example 3 (Nudging)





# Framing Effects and Policy

- ▶ ‘Proportions’ versus ‘absolute numbers’
- ▶ Political sphere
  - ▶ Majority (>50%) often ‘a win’ (e.g. Dáil vote)
  - ▶ Sometimes 40% can be a win (e.g. General Election)
  - ▶ 75/25 split is meaningful, acceptable, a win...
- ▶ Covid-19 pandemic - ESRI Social Activity Measure (SAM)
  - ▶ February 2021: Level 5+ Lockdown
  - ▶ 25% of people had a close contact outside household on previous day
  - ▶ So 75% of people being careful? NPIs, policy, comms sufficient?
  - ▶ 25% equivalent to >850,000 people undertaking very risky behaviour
- ▶ “Only 0.7 per cent of the Titanic had a hole in it.”



# Framing Effects and Comms 1

- ▶ ‘Pandemic’ messaging vs. ‘Economic’ messaging
  - ▶ Encourage safe behaviours and encourage economic confidence, activity
- ▶ BIT / Schultheis and Broughton; 2021
  - ▶ Online survey
  - ▶ How likely are you to engage in certain economic activities (e.g. going to a non-essential shop, a restaurant, a sports event)?
  - ▶ But first:
    - ▶ Group 1: Shown quote from UK CMO saying COVID-19 will never be wiped out.
    - ▶ **Group 2: Saw an optimistic quote from the Bank of England.**
    - ▶ Group 3: Told of activities of others (booking for holidays, restaurants etc.).
    - ▶ Group 4: Control group. Did not receive any additional information.
  - ▶ Group 2: 11% more likely to say they would intend to visit a non-essential shop and 19% for indoor restaurants, compared to the control group.
- ▶ Timing of your comms is more than just ‘clash of timing’.
  - ▶ Beware the clash of Government or organisations’ objectives

# Framing Effects and Comms 2

## ▶ How do you frame “climate action”?

- ▶ Mitigation: Reactive rather than proactive; minimal action; focus on infrastructure
- ▶ Adaptation: Small, incremental change
- ▶ Just Transition: Amplifies redistribution, ‘winners and losers’
- ▶ Global justice: Increases the ‘distance’ from individual behaviour; lengthens the chain from decision/action to consequence
- ▶ Transformation: Daunting; reliant on science and technology
- ▶ International compliance: ‘Imposition’ versus ‘buy-in’
- ▶ Sectoral decarbonisation: Provokes narrow mandates and interests
- ▶ See Dewulf 2013, FitzGerald 2019

## ▶ Suggestion: ‘National resilience’

- ▶ Positive, desirable
- ▶ Competitiveness -> FDI, trade -> Jobs
- ▶ Improved standards of living



# Final Considerations 1 of 2

- ▶ What it's not:
  - ▶ Pejorative: Irrationality and bias contribute(d) to survival
  - ▶ Only for experts:
    - ▶ BI  $\neq$  BE, “a method”, RCTs, whether Ireland has a BI Unit or not...
  - ▶ About being passive regarding what topics the experts research
  - ▶ Simply ‘nudging’ or nudging the public
  - ▶ A distraction from good ‘plain English’ practices
  - ▶ A silver bullet / one size fits all
- ▶ Some policies may benefit more from traditional policy levers and comms approaches (i.e. financial, regulatory or awareness-raising approaches)
- ▶ Look to and for trusted, user-friendly sources

# Final Considerations 2 of 2

## ► Ethics, Values, and Your Responsibilities

- Rely on inherent judgements about what is good/bad etc.
- Framing, metaphors and narratives need to be used responsibly if evidence is to be heard and understood (Mair; 2019)
- FOR GOOD Framework (Lades and Delaney; 2020)

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Fairness	Does the behavioural policy have undesired redistributive effects?
Openness	Is the behavioural policy open or hidden and manipulative?
Respect	Does the policy respect people's autonomy, dignity, freedom of choice and privacy?
Goals	Does the behavioural policy serve good and legitimate goals?
Opinions	Do people accept the means and the ends of the behavioural policy?
Options	Do better policies exist and are they warranted?
Delegation	Do the policy-makers have the right and the ability to nudge using the power delegated to them?

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## ► Limitations and criticisms, including:

- “Abused” by political system (e.g. UK response to pandemic)
- Absence of behavioural playbook to deal with pandemic; macro issues
- No unifying theory; a collection of disparate effects and anomalies

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# Thank You

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