

# Decision Processes Colloquia

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**Monday, September 16, 2013**

**Where:** JMHH 255

**When:** 12:00 noon to 1:20 PM

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## Choice Architecture and Social Inference

*ABSTRACT:* In this talk I will argue that applications of choice architecture are carried out in an inherently social context. I present studies suggesting that individuals who are targets of such policies actively seek to extract the choice architect's reasons and intentions from the manner in which the option set is constructed. For example, I show that when individuals are presented with menus of options that are grouped in various ways, they infer that this grouping conveys information about the relative popularity of options, which in turn influences their choices. Second, I show that individuals hold lay beliefs about the appropriateness of different default regimes. In particular, they presume that opt-in defaults are used by policymakers unless there is a good reason for doing otherwise. Thus, when individuals encounter opt-out defaults, they are more apt to assess the policymaker's agenda and act accordingly. Moreover, one's level of trust in the choice architect can dramatically affect the effectiveness of choice architecture. For example, I show that opt-out defaults are most effective when target individuals view the option set as informative and also trust the policymaker; those same policies are least effective when target individuals view the option set as informative but they do not trust the policymaker. Overall, this work suggests that a better understanding of the relevant social context can help predict the impact of choice architecture on choice behavior.