

NB. The presentation draws on sources from the World Bank.

Crafting your message for demand reduction

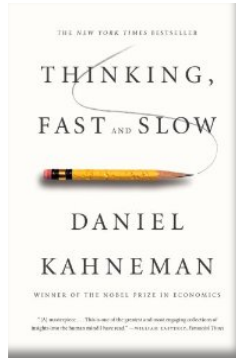
Insights and methodologies from behavioral science

James Walsh

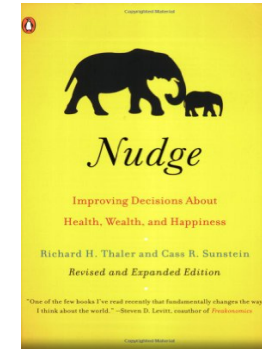
Blavatnik School of Government
University of Oxford



2002



2017



The rise of behavioral science

How do you make decisions?



Standard policy tools

- Information
- Prices
- Laws



Behavioral policy tools

- Defaults
- Role models
- Mindsets

We need both - so should demand reduction efforts!!

world development report

2015



MIND, SOCIETY,
AND BEHAVIOR

A Primer based on the World Development Report

People think *automatically*: when deciding, we usually draw on what comes to mind effortlessly

People think *socially*: social norms guide much of behavior, and people are conditional cooperators

People think with *mental models*: what we perceive and how they interpret it depends on concepts and world-views drawn from our societies and shared histories

Principle 1

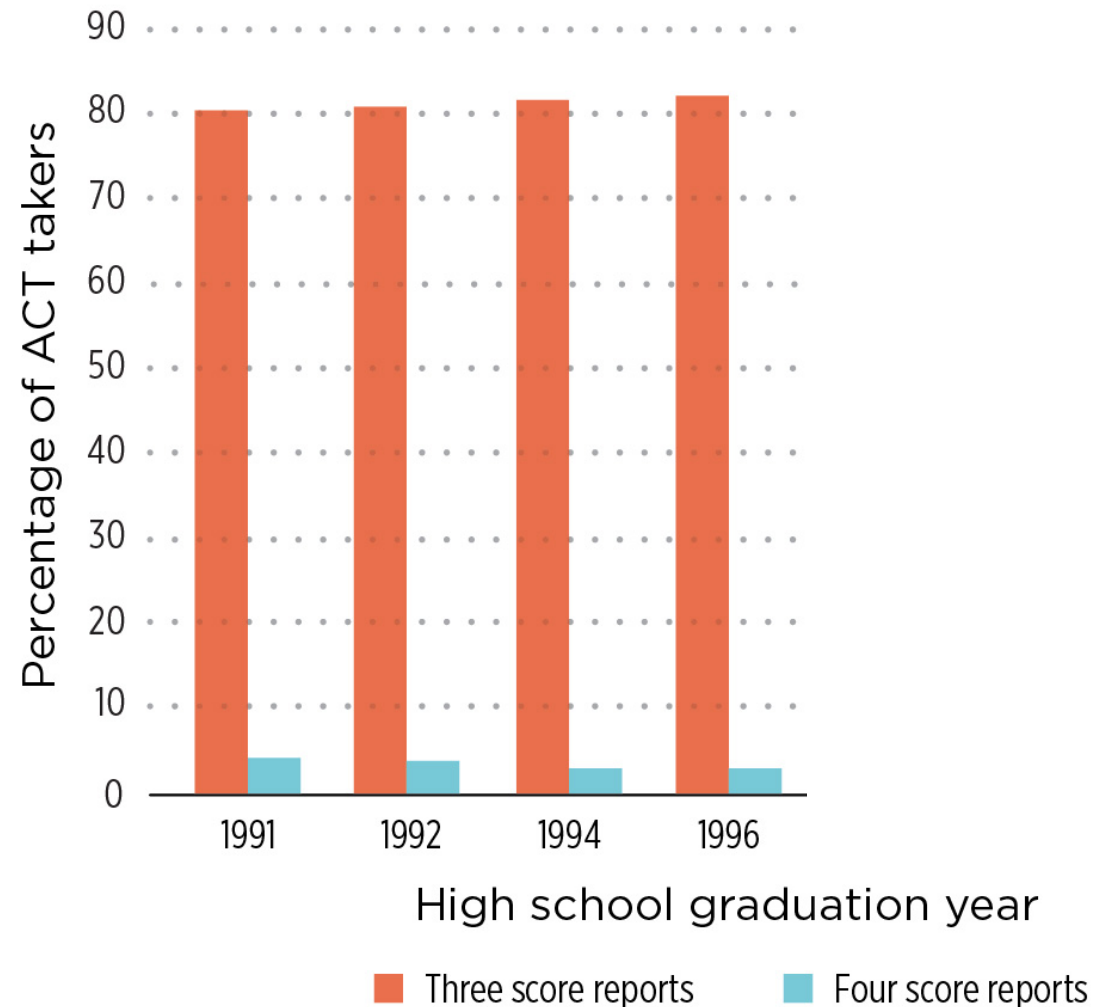
THINKING AUTOMATICALLY

Automatic thinking—intuitive, associative, and impressionistic—is the “secret author of many of the choices and judgments you make.”

- Kahneman (2011)

College application decisions of the poor in the US

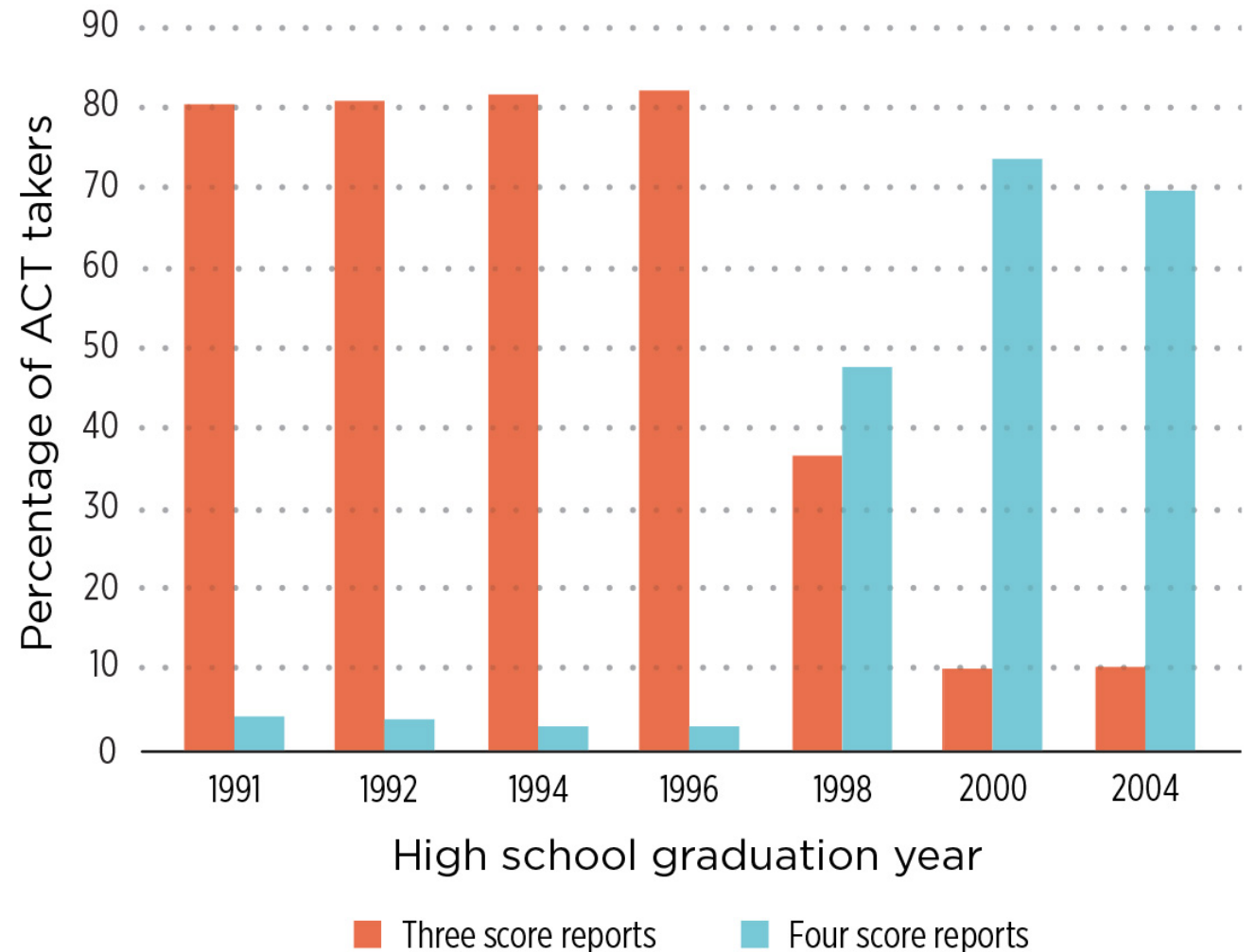
- How do US high school students decide how many colleges to apply to?
- When poor students apply to only a few colleges, they aim too low.
- Popular university readiness examination (the ACT)
- Until 1998, 3 reports for free.
- Each additional report: \$6



Source: Pallais, forthcoming.

College application decisions of the poor in the US

- In 1998, number of free reports goes from 3 → 4
- Low-income students applied for and attended more selective colleges
- Increased their projected average lifetime income by roughly \$10,000
- Low-income students were saving \$6 but forgoing \$1,700 in lifetime income for each dollar they saved, on average.



Source: Pallais, forthcoming.

Principle 2

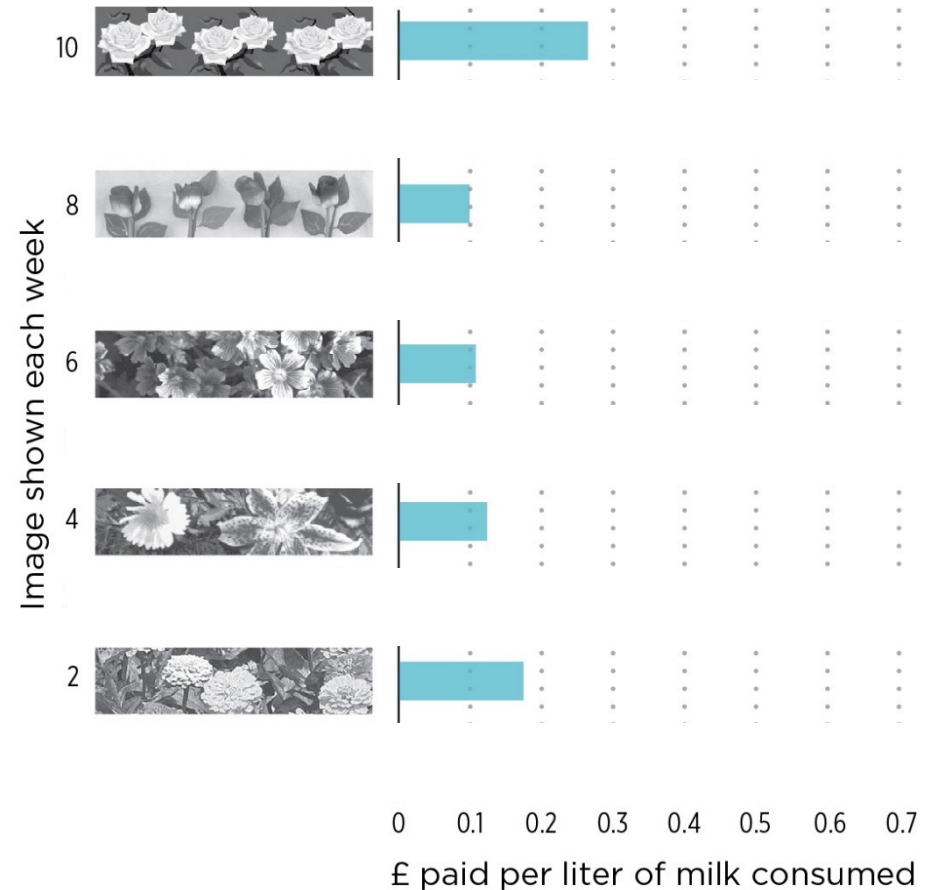
THINKING SOCIALLY

Social norms and social preferences exert a powerful influence on individual decision making and behavior. They are the “glue” or “cement” of society.

- Elster (1989)

Money paid at an office snack bar per liter of milk consumed

Picture shown Money voluntarily paid

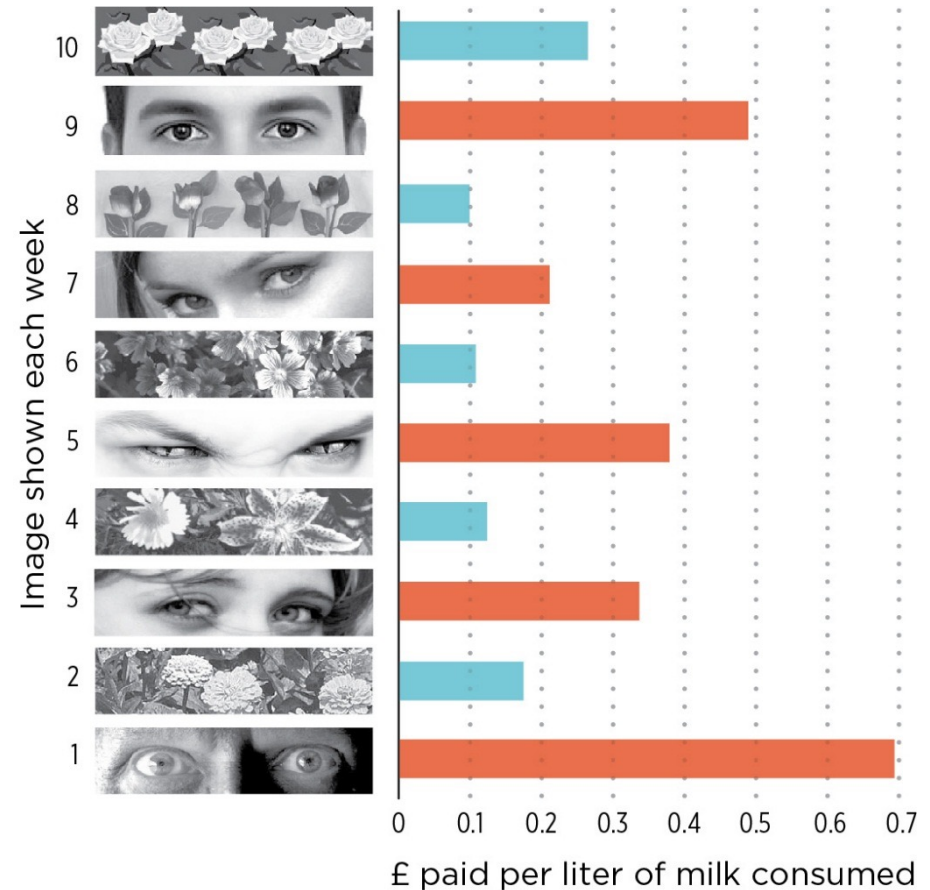


Source: Adapted from Bateson, Nettle, and Roberts 2006.

Source: World Bank

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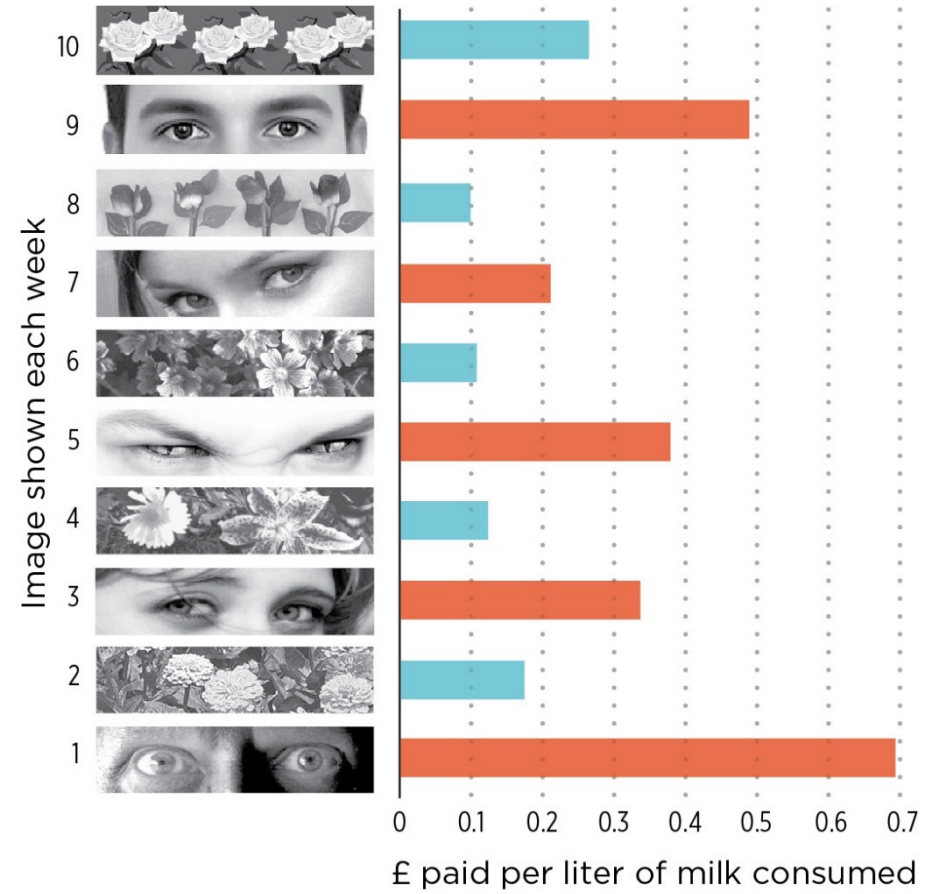
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Source: World Bank

Our sociality is hard wired!

Picture shown

Money voluntarily paid

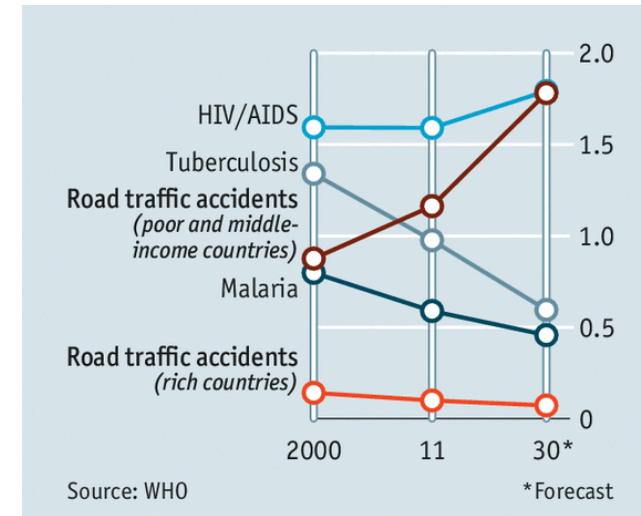


Source: Adapted from Bateson, Nettle, and Roberts 2006.

Source: World Bank

Traffic accidents in low income countries

- Traffic accidents in poor and middle-income countries have become a major public health problem.
- They kill more people than tuberculosis and malaria and are forecast to kill as many as HIV/AIDS by 2030.
- What can be done?
 - Traditional interventions—harsher penalties for reckless driving, stronger enforcement mechanisms—can be costly and often have little independent effect.



Traffic accidents in low income countries

- What can be done? Traditional interventions—harsher penalties for reckless driving, stronger enforcement mechanisms—can be costly and often have little independent effect.
- In Kenya, practitioners and researchers collaborated to place stickers in accident-prone buses.
- The stickers urged passengers to speak up against reckless driving.
- Accident rates in buses that had stickers plummeted.
- Insurance claims involving injury or death fell by 50%.



Don't just **sit** there as he drives dangerously! **STAND UP. SPEAK UP. NOW!**

This message has been given in the interest of passenger safety with support from:



Je, ukiendeshwa **vibaya**, utafika?
KAA MACHO. KAA CHONJO. TETA!

Huu ujumbe umeletwa kwa manufaa ya usalama wa msafiri na usaidizi kutoka:



Source: Habyarimana and Jack 2011.

Source: World Bank

Principle 3

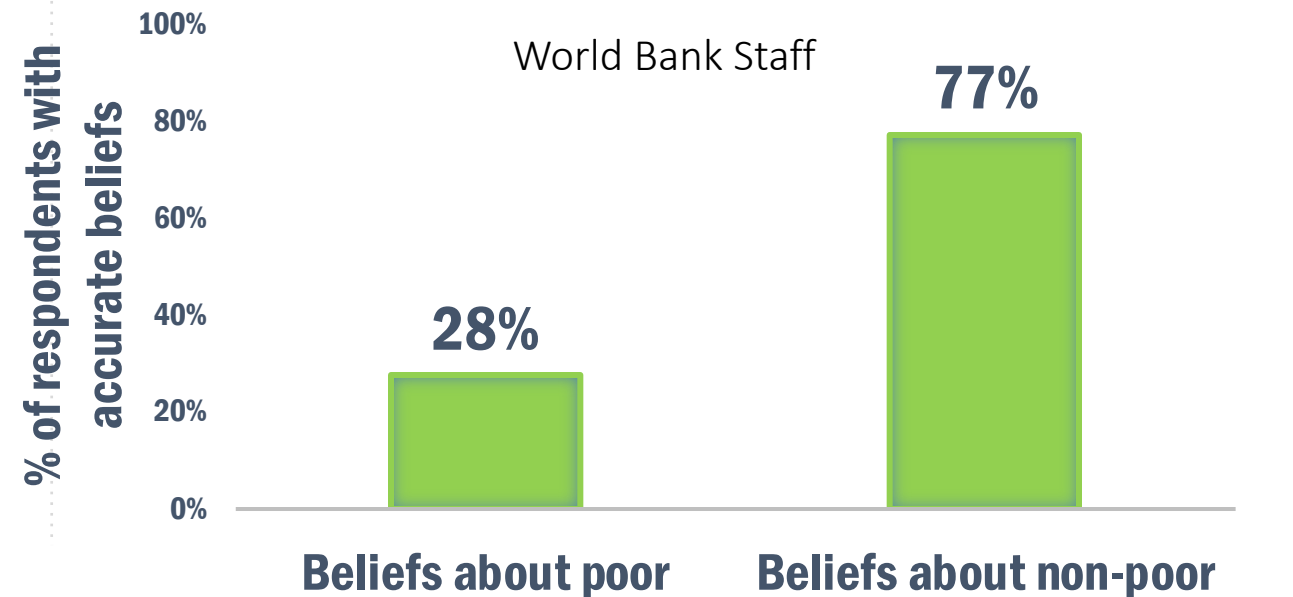
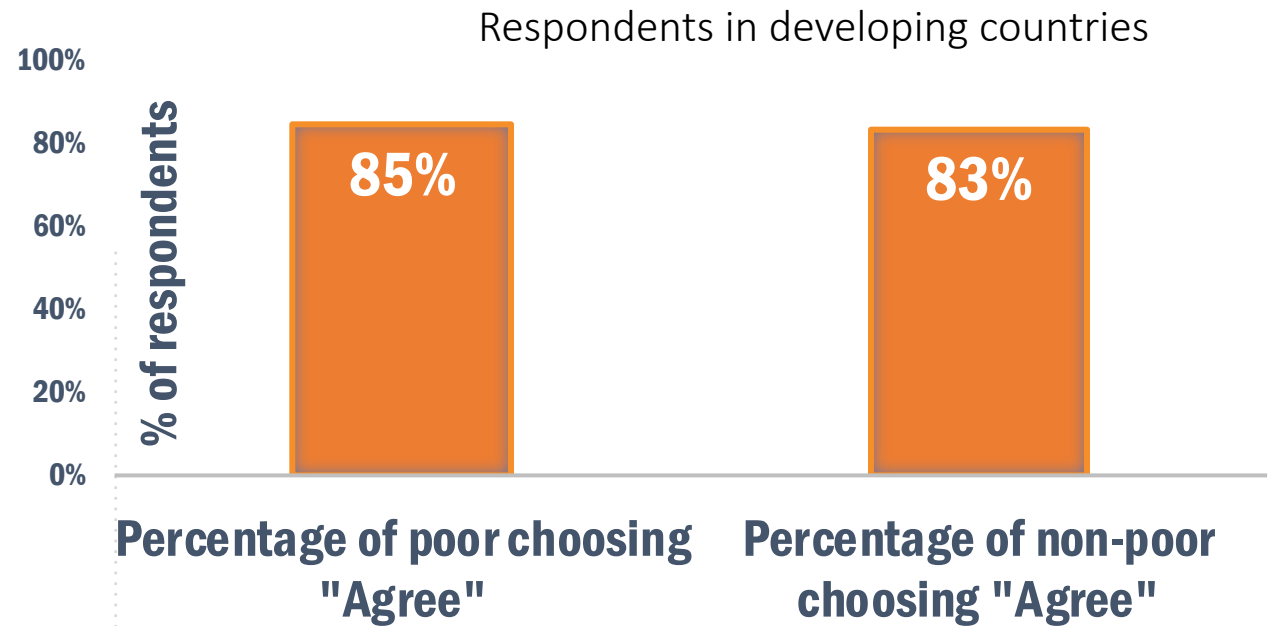
THINKING WITH MENTAL MODELS

What we perceive and how we interpret the world depends on the mental models – the concepts and world-views – we draw on from our societies and shared histories.

- Denzau and North 1994

The context of policymaking

- Aspirations and locus of control are an important determinant of economic agency
- Surveys are used to understand how people living in poverty perceive their level of control over their lives
- Policymakers often do not understand the context of poverty



Source: World Bank

A menu of insights

Thinking automatically

- Process simplification
 - *Water provision in Morocco*
- Reminders
 - *Anti-retroviral drug adherence in Kenya*
- Timing
 - *Cash transfers and school enrollment in Colombia*
- Default options
 - *Pension enrollment in the United States*
- Loss aversion
 - *Teacher performance in the United States*

Thinking socially

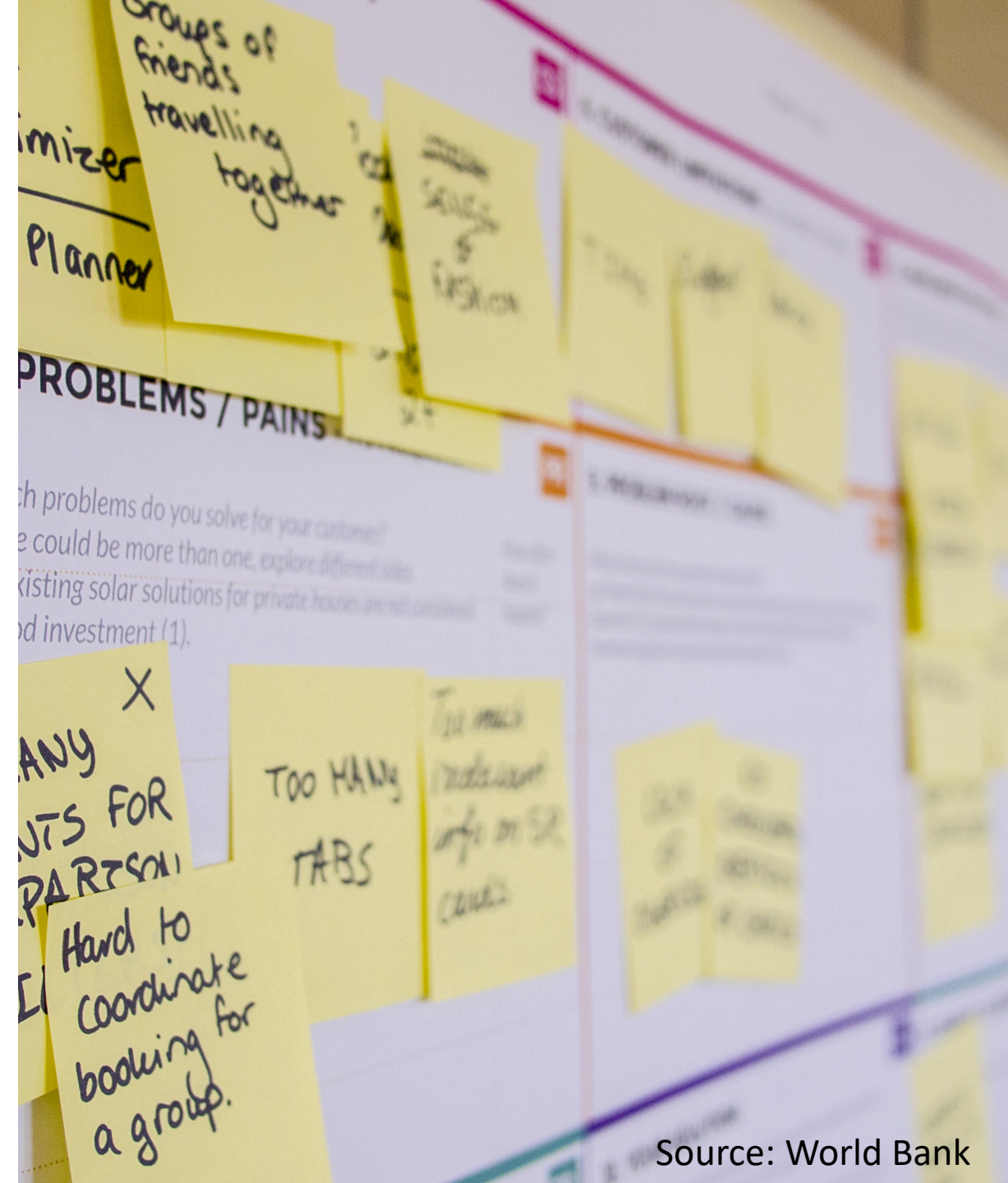
- Shift normative expectations
 - *Tax letters in Guatemala*
- Shift injunctive norms
 - *Dangerous driving in Kenya*
- Cooperative motivations
 - *School performance in Uganda*
- Social rewards
 - *Selling female condoms in Zambia*

Thinking with mental models

- Growth mindset
 - *90 minute class in Peru*
- Self-efficacy
 - *4 short videos in Ethiopia*
- Goal-setting
 - *Writing exercise in the United States*
- Cognitive behavioral therapy
 - *Group therapy sessions in Liberia*

Putting behavioral science into practice

- The World Bank's new Applied Behavioral Science Unit.
- A “start up” within a multilateral development bank tasked with bringing behavioral science to development at scale.



Putting behavioral science into practice

1. Context driven

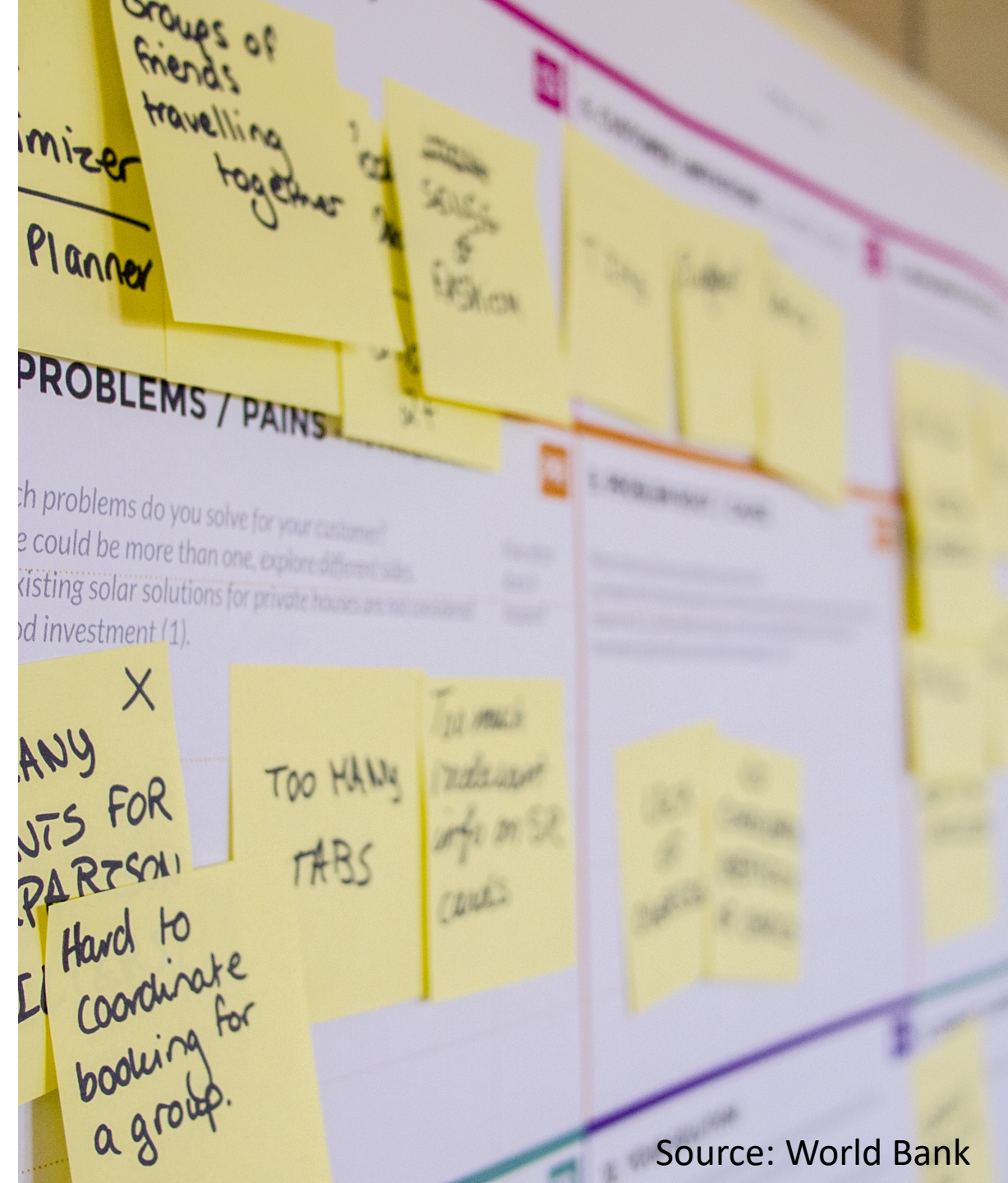
We invest significant resources up front to define and diagnose development problems

2. Evidence based

We rigorously test our insights to investigate whether they or not they work

3. Iterative

We iteratively adapt our interventions based on the evidence we generate



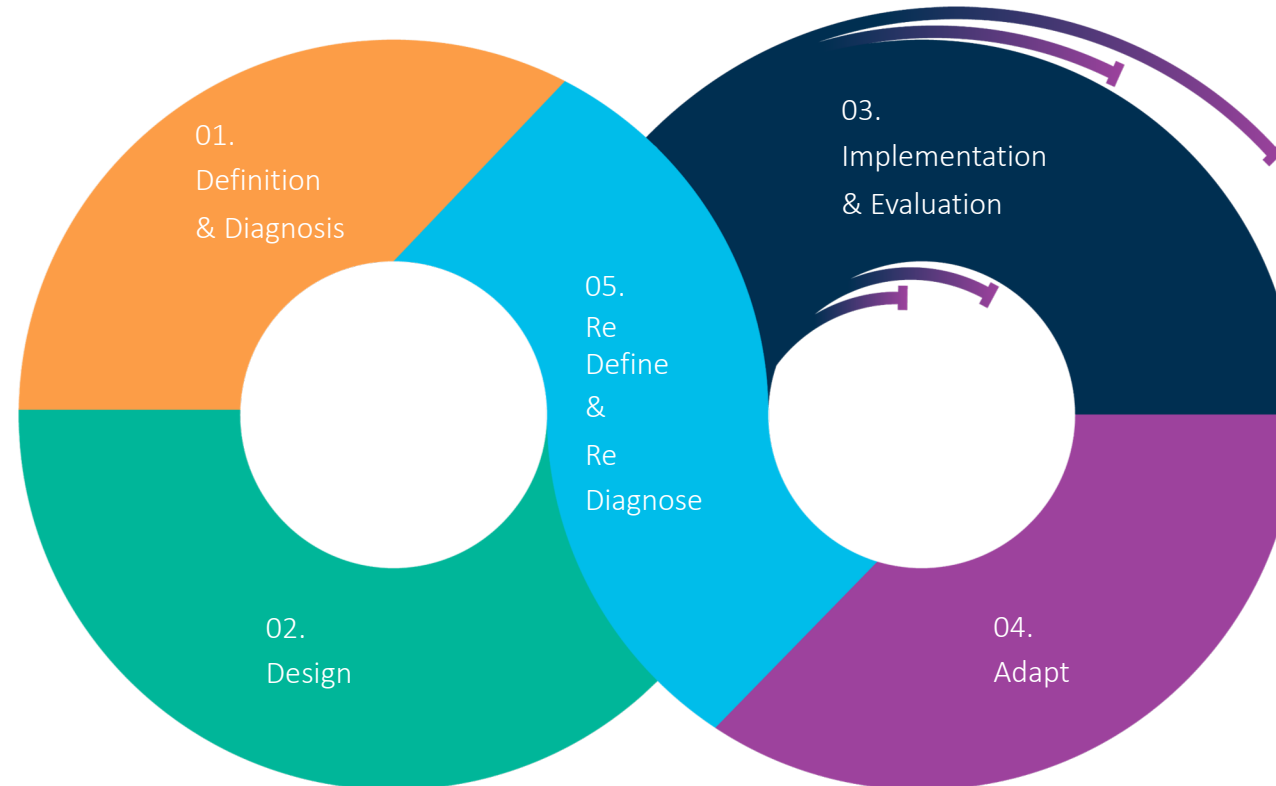
The behavioral “project cycle”

01.

- Identify the problem
- Collect background information and available data
- Diagnostic sessions to develop behavioral map
- Fieldwork to finalize behavioral map

02.

- Develop list of potential interventions
- Narrow down to most feasible



03.

- Set up process for randomization
- Trial intervention
- Monitor treatment and control groups
- Analyze data at endline

04.

- Identify key learnings
- Identify areas for further work

05.

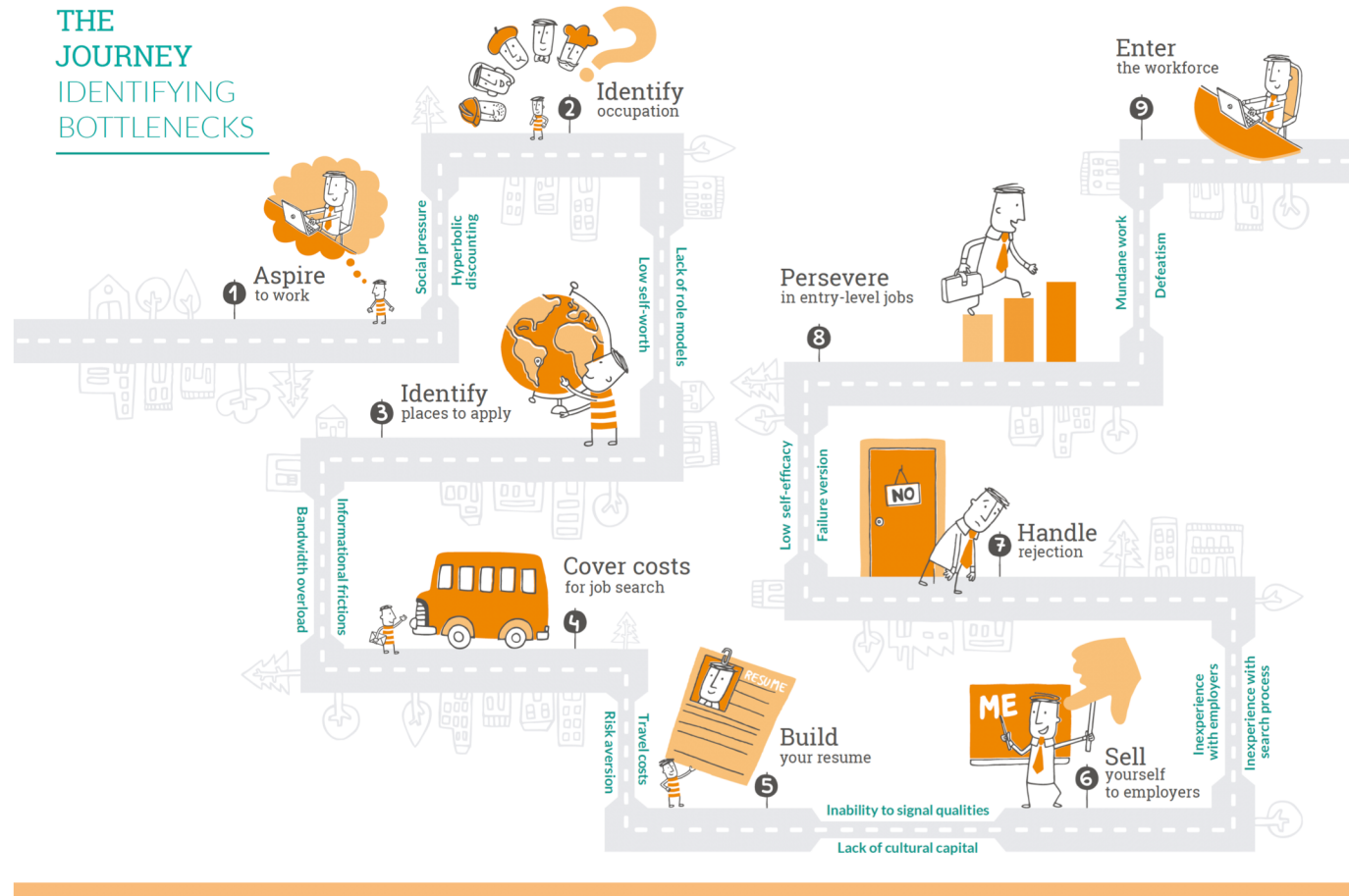
- Investigate constraints to scaling work
- Identify further behavioral challenges

5 Steps for a behavioral insights project

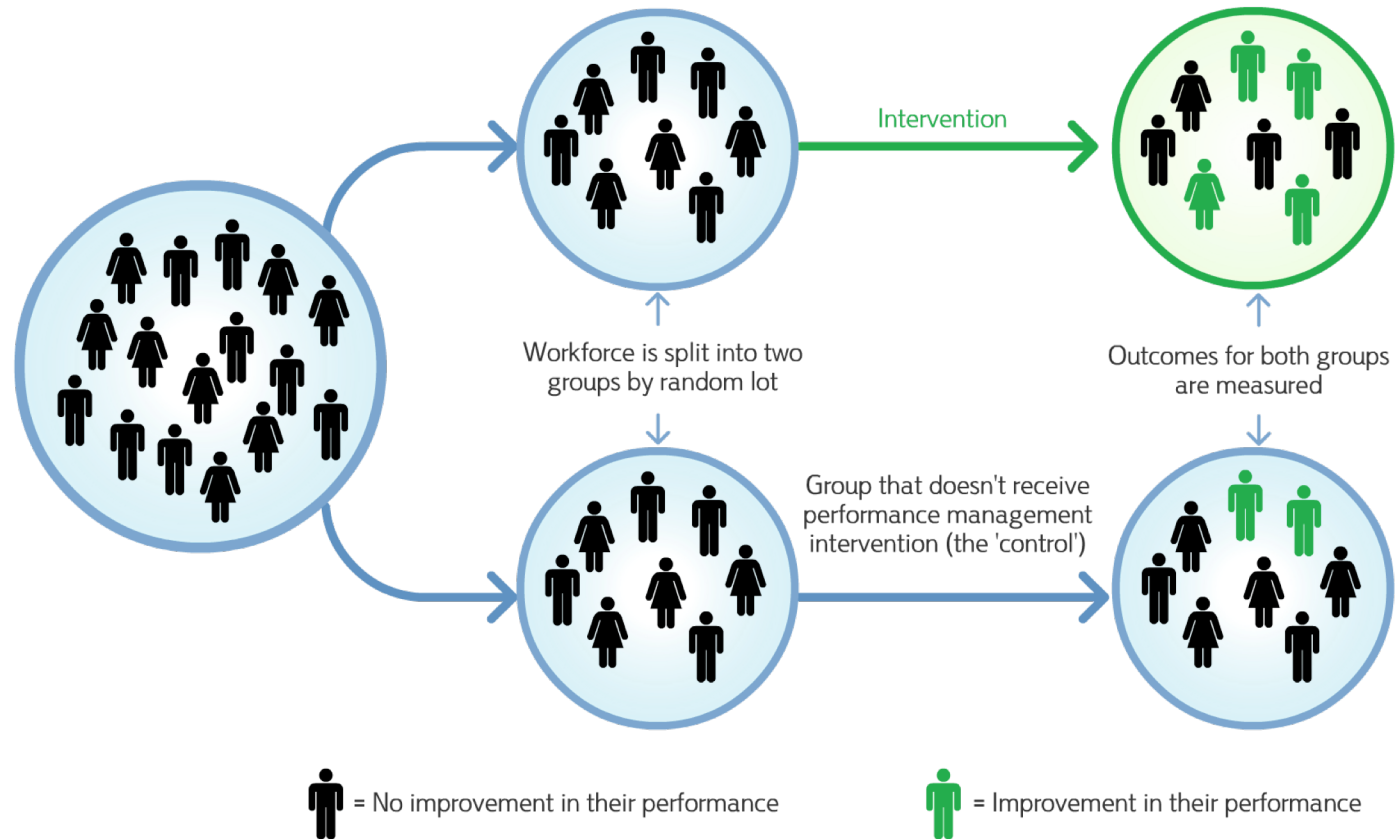
1. Specify the intervention objective
2. Define the behaviors that affect the intervention objective
3. Diagnose the drivers of the behavior
4. Design the intervention(s)
5. Learn by testing the solution(s) (with a plausible identification strategy)



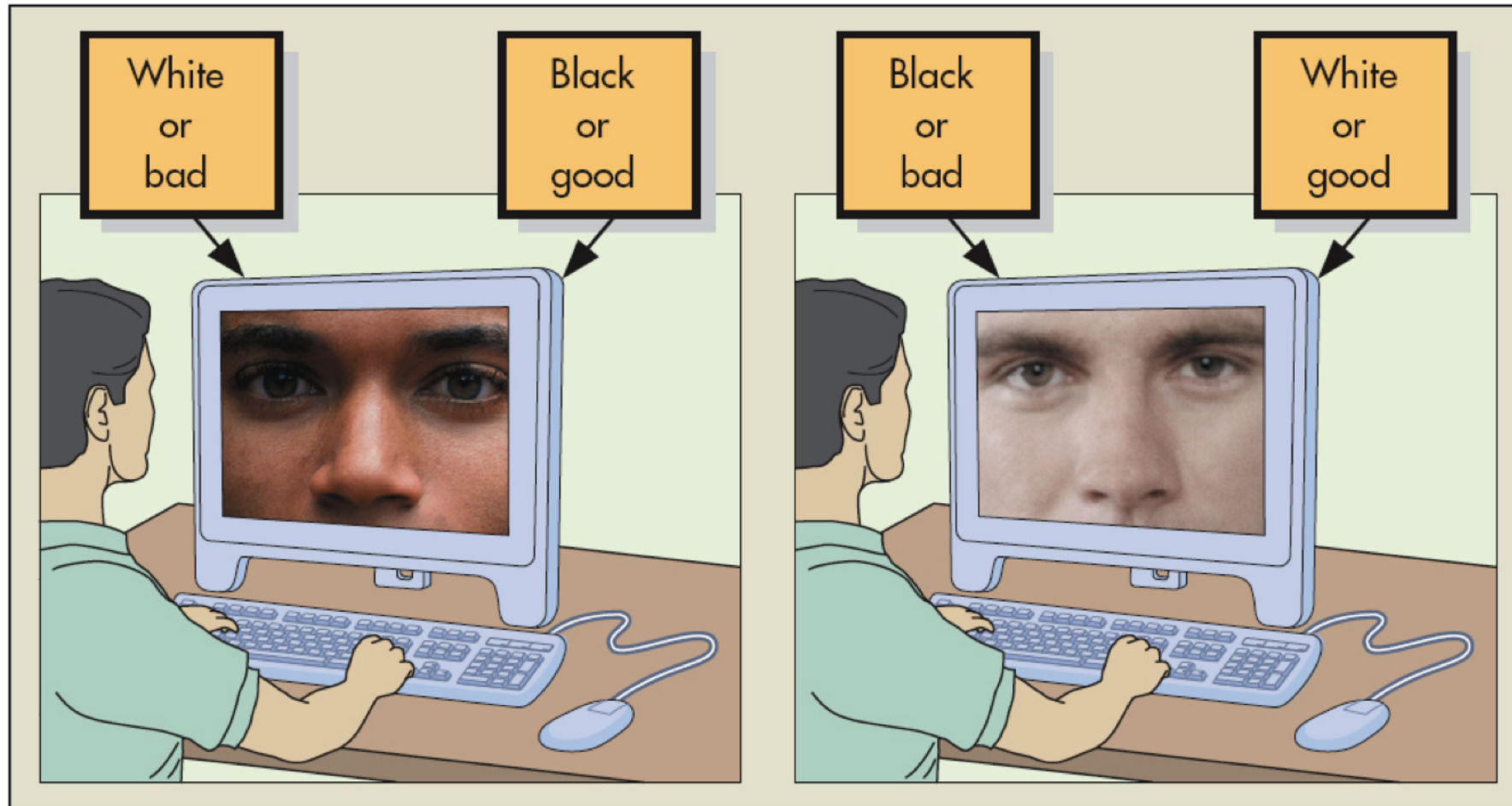
Tool 1: Diagnostic Journey Mapping



Tool 2: Testing interventions rigorously



Tool 3: Implicit Association Test



Thank you!!

Stay in touch!

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