

Speed Read: The Choice Factory

Robert Thackerey

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This book by Richard Shotton presents 25 behavioural biases that influence everyday decision-making and, with its comprehensive scope, aims to make behavioural unpredictability much easier to navigate and negotiate.

The Choice Factory, by Richard Shotton, presents 25 behavioural biases that influence everyday decision-making. It demonstrates the value of using the learnings from behavioural science to increase success and greater effectiveness in marketing and advertising.

The acceleration of the digital age, the scarceness of time and changing social dynamics have led to the dulling of our intuitive senses and the stunting of their development. So, an important lesson taken from *The Choice Factory* is that decisions and assumptions, informed only through the lenses of data and ad hoc consumer research, can only ever take us so far in understanding our customers.

Central ideas and arguments

This is a book about regaining perspective. It reminds us that, although customers can occasionally be compliant and predictable, they can also be alarmingly contrary. No matter what we may think people are going to do, and no matter what they say they are going to do, they often do or say something entirely different.

Human nature can often seem puzzling and highly capricious, but *The Choice Factory* helps us make more sense of it. It helps to restore or create a sense of control and gives us the ability to predict and then act, through a series of thoroughly considered and thought-provoking arguments.

The book makes behavioural unpredictability much easier to negotiate and navigate. Its scope is wide and comprehensive. Referencing a range of academic papers, research studies and practical experiments, Shotton organises and explains the idiosyncrasies of consumer behaviour in a way that is immediately useful.

In the 25 chapters, he discusses a selection of behavioural, social or cognitive biases and their direct relevance to marketing and advertising. It shows how these biases have big and unexpected impacts on consumer

decision-making that can result in significant deviations from logical expectation, and even the apparent suspension of rationality and common sense.

The book explores the power of groups, disruption, context, first impressions, localisation, scarcity, the placebo effect, wishful thinking, premium pricing and empathy. It shows the dangers of intense personalisation, overconfidence, unintended consequences, getting the mood wrong, and the unintentional confirmation of existing prejudices. It also discusses the consumer's vanity and their likelihood to behave unethically if it's common for others to do the same, to pay over the odds and to hear selectively.

Central ideas and arguments

Two of the biases explored illustrate consumer irrationality particularly well.

Bias 12 looks at 'Confirmation Bias' and considers the difficulty of overturning negative opinions. The lesson is very simple and helps with identifying prime targets, particularly when budgets are limited. It shows the value of a triage process. The priority is on trying to attract those who have an open mind and may be persuaded. Rejecters are unlikely to be convinced. Loyalists don't need to be persuaded.

Bias 21 discusses 'Veblen Goods' and the effect of price on consumer demand. The simple principle is that price does not follow the standard laws of supply and demand. Rather than high price diminishing interest or appeal, the higher the price of a Veblen good, the more attractive it seems. Perfumes smell better, wine tastes better, medicines are more effective, cars are more desirable.

The opposite is also true: the cheaper something is, the more poorly regarded it will be. The same item with different price tags will have very different levels of appeal.

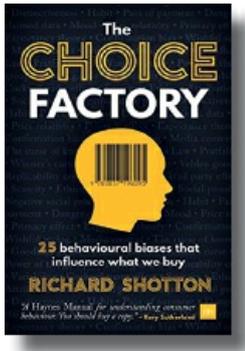
Interestingly, the effect can be used in another way: by offering a high-premium product in a range, the perceived value of less expensive products in the same range is raised.

Takeaway points

The central message of this book could be 'never to assume'. It will help the reader get better at understanding, decoding and anticipating consumer behaviour; using it should help with making better marketing decisions and in creating more effective advertising.

Perhaps one of the best aspects of working in marketing and advertising is being given the chance to take on interesting challenges, to overcome tricky obstacles and to solve, at times strange but fascinating, puzzles. For those working in marketing and advertising with a desire to be more effective in addressing these challenges, obstacles and puzzles, Richard Shotton's entertaining and practical book is the ideal guide.

Book details



TITLE: *The Choice Factory: 25 behavioural biases that influence what we buy*

PUBLISHER: Harriman House

AUTHOR: Richard Shotton

ABOUT THE AUTHOR: Richard is deputy head of evidence at Manning Gottlieb OMD. He is interested in how findings from behavioural science can be applied to advertising

BOOK SUMMARISED BY: Robert Thackerey, head of strategy at FKC

About the author

Robert Thackerey
Director of strategy, FKC

Robert is Director of strategy at strategic marketing and advertising agency FKC.

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Americas: 2233 Wisconsin Ave NW, Suite 535, Washington, DC 20007, United States - Tel: +1 202 778 0680

APAC: OUE Downtown 1, #44-03, 6 Shenton Way, 068809, Singapore - Tel: +65 3157 6200

EMEA: 85 Newman Street, London, United Kingdom, W1T 3EU - Tel: +44 (0)20 7467 8100

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