Online Choice Architecture

Barbara Fasolo, PhD
Assistant Professor Behavioural Science | Head of Behavioural Research Lab
Director of Executive MSc Behavioural Science
London School of Economics

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Most of our choices are digital

85% of respondents said mobile devices are a central part of everyday life—and 90% between 18-24. 2014 Mobile Behavior Report
Even kids choose online
Movies & Restaurants: Realistic benchmarking for understanding life insurance choice behaviour?
Life insurance choice can be more effortful... especially so for older people.

Result: avoid choice!

... especially so for younger people.

Result: avoid choice!
Health industry a better benchmarking

- Choice of hospital for elective care
  - E.g. Knee Replacement Surgery
# Your health, your choices

## Information about the organisations (e.g. Trusts) running the hospitals that provide this treatment

<table>
<thead>
<tr>
<th>Hospital Name</th>
<th>Trust</th>
<th>How long will I wait from referral to treatment?</th>
<th>What is the risk that I will be readmitted to hospital?</th>
<th>Does this surgical department have a lot of experience in this operation?</th>
<th>Is the survival rate for this treatment better or worse than expected?</th>
<th>How well does this organisation control MRSA bloodstream infections?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chelsea and Westminster Hospital NHS Foundation Trust</td>
<td>Chelsea and Westminster Hospital NHS Foundation Trust</td>
<td>Patients stay in hospital for an average length of 9 days.</td>
<td><strong>Lower than Expected</strong></td>
<td>This service performs the operation 166 times per year.</td>
<td><strong>As Expected</strong></td>
<td>The organisation running these hospitals had 3.5 infections for every 10,000 elective beds days.</td>
</tr>
<tr>
<td>West Midlands University Hospital</td>
<td>West Midlands University Hospital</td>
<td>Patients stay in hospital for an average length of 14 weeks.</td>
<td><strong>As Expected</strong></td>
<td>This service performs the operation 55 times per year.</td>
<td><strong>As Expected</strong></td>
<td>The organisation running these hospitals had 2.2 infections for every 10,000 elective beds days.</td>
</tr>
<tr>
<td>St George’s Healthcare NHS Trust</td>
<td>St George’s Healthcare NHS Trust</td>
<td>Patients stay in hospital for an average length of 10 weeks.</td>
<td><strong>As Expected</strong></td>
<td>This service performs the operation 8 times per year.</td>
<td><strong>As Expected</strong></td>
<td>The organisation running these hospitals had 1.9 infections for every 10,000 elective beds days.</td>
</tr>
<tr>
<td>North West London Hospitals NHS Trust</td>
<td>North West London Hospitals NHS Trust</td>
<td>Patients stay in hospital for an average length of 12 weeks.</td>
<td><strong>As Expected</strong></td>
<td>This service performs the operation 22 times per year.</td>
<td><strong>As Expected</strong></td>
<td>The organisation running these hospitals had 0.6 infections for every 10,000 elective beds days.</td>
</tr>
</tbody>
</table>

**Data Source:** Department of Health

**Note:** These results may be affected by differences among hospitals in the types of patients they treat and in the treatments they offer. Click here to see details.
Difficult Choice + Digital Deluge = Dumb Decisions

• Hospital
  – Most patients choose hospital that is closest to them rather than has best infection or mortality rates, and they regret it.

• Life Insurance
  – Almost 40 % of policyholders surveyed are not confident they have adequate coverage
  – About 40 % policyholders surveyed said they don't know what's in their policies.

• Source: CNBC 2014
**NHS Choices**

**Your health, your choices**

Information about the organisations (e.g. Trusts) running the hospitals that provide this treatment.

<table>
<thead>
<tr>
<th>Organisations</th>
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<th>West Midlands University Hospital</th>
<th>St George's Healthcare NHS Trust</th>
<th>North West London Hospitals NHS Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patients who were treated within 18 weeks</td>
<td>22% of patients were treated within 18 weeks</td>
<td>93% of patients were treated within 18 weeks</td>
<td>50% of patients were treated within 18 weeks</td>
<td>81% of patients were treated within 18 weeks</td>
</tr>
<tr>
<td>Patients who were treated within 11 weeks</td>
<td>50% of patients were treated within 11 weeks</td>
<td>50% of patients were treated within 11 weeks</td>
<td>50% of patients were treated within 10 weeks</td>
<td>50% of patients were treated within 12 weeks</td>
</tr>
</tbody>
</table>

Data Source: Department of Health

<table>
<thead>
<tr>
<th>Data Source: Commissioning Data Sets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>What is the risk that I will be readmitted to hospital?</strong></td>
</tr>
<tr>
<td><strong>If the surgical department have a list of experience in this operation?</strong></td>
</tr>
<tr>
<td><strong>Is the survival rate for this treatment better or worse than expected, for the type of cases treated?</strong></td>
</tr>
<tr>
<td><strong>What is the risk of dying after surgery?</strong></td>
</tr>
</tbody>
</table>

Data Source: Commissioning Data Sets

<table>
<thead>
<tr>
<th>Data Source: Commissioning Data Sets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How did patients rate their overall care?</strong></td>
</tr>
<tr>
<td><strong>What is the overall quality of service?</strong></td>
</tr>
</tbody>
</table>

Data Source: Care Quality Commission

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No Choice Architecture
Raise your hand if you agree that:

1. Pre-sorting products for your clients is good (they choose the top-ranked items on search lists).

2. A “pre-selected” product is chosen more often than one that is not.

3. Clicks = attention (What is clicked more is chosen more)

4. The simpler something is to read on the screen the better
Are these good principles of Online Choice Architecture?

Search Engines

Pre-selection

Clicks/Attention

Readability

Pieters, & Warlop, 1999

Bernard et al., 2002


Goldstein et al., 2008
Government’s goal: Increase proportion of people **choosing highest quality hospital** on NHS Choices online portal
Two hospital search engines:

1) pre-sorted by **Quality**
2) pre-sorted by **Distance**

Which engine do you think made more people choose the **best quality** hospital?
% choosing best quality hospital out of 5 (two different diseases)

1) Disease 1

Sort-by-Quality

Mean

53%

36%

2) Disease 2

Sort-by-Distance

Mean

73%

52%

Principles of Web Design

Choice Architecture

1. Search Engines are not always good choice architecture: Clients do not always choose the top-ranked items.
When we **pre-selected** the best hospital, did more people choose it (more than when the best was not pre-selected)?
Pre-selection

Scorecard Pre-sorted by Quality

Best is highlighted and pre-selected

Johnson and Goldstein, 2003; Johnson et al., 2012; Herrmann et al 2011
Pre-selection

Principles of Choice Architecture

1. Search Engines are not always good CA: Users do not always choose the top-ranked items.

2. Pre-selection is not always the best choice architecture you can implement
Did people click more on the product they chose vs those they did not?
People clicked more the first... but chose more the fourth!

Redder / most clicked on

chosen most, best quality
Principles of **Choice Architecture**

1. Search Engines are not always good: Users **do not always** choose the top-ranked items.
2. Pre-selection is **not always** the best choice architecture you can implement.
3. Clicks are not ‘likes’ - What people click on a lot might not be what they choose. Clicks are paths to choice.
A behavioural experiment

One Group: **Hard** to read headline

@ Weekly Reporting on Gadgets & Gizmos

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DARREN WOOD’S WEEKLY COLUMN
REVIEW OF MP3 PLAYER
MODEL [REDACTED]

This is an excellent MP3 player. It is very popular amongst everyday people and celebrities, comes in a range of colors, and was rated as the most attractive MP3 player by a consumer group. It’s perfect for jogging, going to the gym, or just listening to when you’re at home. I highly recommend this player.
Other Group: Easy to Read Headline

A WEEKLY REPORT on GADGETS and GIZMOS
MONDAY, FEBRUARY 20 2006

JARREN WOOD'S WEEKLY COLUMN
REVIEW OF MP3 PLAYER
MODEL:

This is an excellent MP3 player. It has a very large storage capacity of 60GB, a longer battery life per charge than any of its competitors, and is also able to withstand repeated dropping from a height of six feet. Customers have also reported that it is very easy to use. I highly recommend this player.
Principles of Choice Architecture

1. Search Engines are not always good CA: Users do not always choose the top-ranked items.
2. Pre-selection is not always the best choice architecture you can implement.
3. Clicks are not likes.
4. Easy in, easy out. Winning choice architecture is ‘desirably difficult’ (typeface we are less used to)
All your clients need smart choice architecture to choose well online.

What they need will differ depending on age and expertise.

Behavioural science can help you understand how.
All your clients need smart choice architecture to choose well online.

What they need will differ depending on age and expertise.

Behavioural science can help you understand how.
Thank you

b.fasolo@lse.ac.uk
Back up slides
1. Best First (Sort-by-Quality)

Best hospital 1st

2. Best in Hotspot (Sort-by-Distance)

Best hospital 4th
% choosing best hospital out of 5

Hospital 1

Hospital 2

Sort-by-Quality

Sort-by-Distance

53%  73%

36%  52%
Sort-by-Distance better than Sort-by-Quality!

Why?
Sort-by-Distance better than Sort-by-Quality!

Why?

- When searching is easy (as on comparison websites or scorecards) people over-search
- Due to spatial position of hospitals presented simultaneously and horizontally: unconscious attraction towards the middle

(Diehl 2005; Valenzuela, Fitzsimons et al., 2002)