

Principles of Human Behaviour

TRA Behaviour Change

TRA



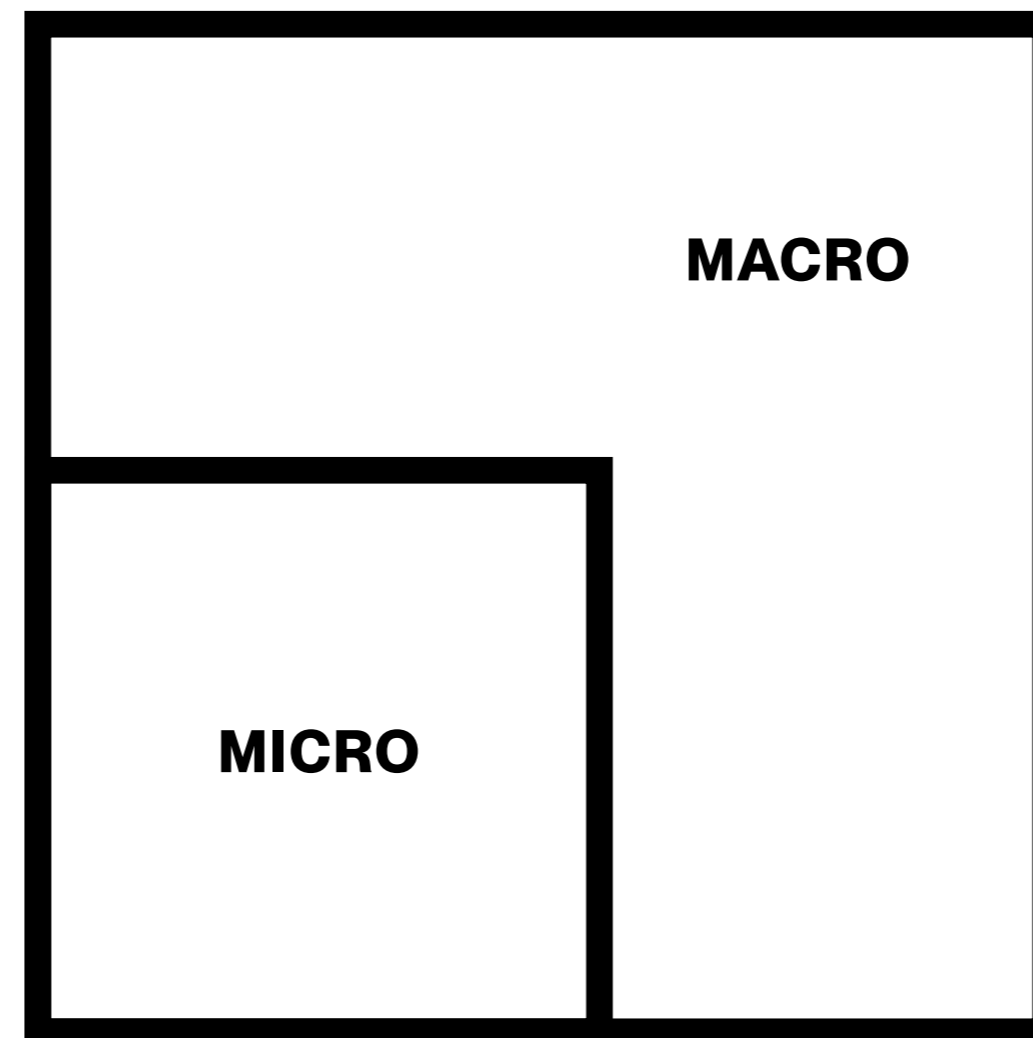
What are the Principles of Human Behaviour?

Due to the way human brains have developed over our evolutionary history, we have different levels of consciousness or alertness. This is often known as **System 1** and **System 2** processing. We have an auto-pilot mode (System 1) where much of our behaviour is sub-conscious and we have a more alert state (System 2) where our behaviour and decision making is more considered.

Based on our development and levels of consciousness, people have typical and somewhat predictable patterns of behaviour. These are known as cognitive biases – also known as mental shortcuts or heuristics. Behavioural economics is the field that studies these biases.

TRA analysed over 50 different cognitive biases and collated them into the **Principles of Human Behaviour.**

We can change tack, but we can't ignore the winds of change.



Nudges and biases can be very effective.

Showing up at the right time, at the right place, with the right approach, can make a difference.

However, we must place these principles of human behaviour in the wider macro-context. The social, cultural, economic, political and environmental context all influence the efficacy of behavioural economics.

Principles of Human Behaviour

Context is crucial.

Framing
Anchoring
Priming

Emotions guide our behaviour.

Affect Heuristic
Peak-End Rule
Hot-Cold Empathy Gap

We take the path of least resistance.

Status-Quo Bias
Defaults
Ambiguity Aversion

Our attention can be grabbed.

Salience
Novelty
Bizarreness Effect
Availability Heuristic

Losses loom larger than gains.

Loss Aversion
Endowment Effect
Scarcity
Sunk Cost

We tend to typecast.

Representativeness Heuristic
Stereotyping
Illusory Correlation

We tend to follow the pack.

Social Proof
Messenger Effect
Reciprocity
Authority Bias

We tend to think well of ourselves.

Optimism Bias
Confirmation Bias
In-Group Bias

Context is crucial.

Context, setting and our surrounding stimuli (sights, smells, items, words) can strongly affect our behaviour and decision making.

Framing

Our decisions and behaviours are influenced by the way information is presented.

How something is said is as important as **what** is said.

Anchoring

Decisions can be influenced by a particular reference point or 'anchor'.

Priming

Exposure to stimulus (for instance, words, smells, images etc.) can affect our behaviour and decisions – even when we are not conscious of the priming.

Setting the scene for a particular response.

Emotions guide our behaviour.

Emotions are the driving force behind much of our behaviour and decision-making.

Like a first language, emotions are used intuitively and instinctually. They require active effort to override them.

Affect Heuristic

Our decisions and behavior are influenced by our emotional affect.

'Emotional affect' is a term to describe one's emotional state or emotional response – fear, disgust, joy etc.

'Heuristics' are mental shortcuts or intuitive, sub-conscious responses.

Peak-End Rule

The Peak-End rule is a bias that affects how we remember experiences. We tend to have greater recall of the peak emotional moments of an experience; and how we felt at the end of the experience.

Hot-Cold Empathy Gap

Different emotional states can affect people's experience, decisions and memory.

People can be in different emotional states, and this can affect their experience, decision making and memory.

'Hot' states are high emotive states – emotions such as fear, exhaustion, sexual desire, hunger etc. Whereas 'cold' states are lower in emotion and when we are more likely to make a more considered decision.

We take the path of least resistance.

Much of our behaviour is sub-conscious and habitual. We tend to stick to the path well trodden – what is easy, what is known and what we've done before.

Status Quo Bias

We often prefer to stick to the current state of affairs.

Ambiguity Aversion

Our tendency to favour the known over the unknown, including known risks over unknown risks.

Defaults

A default is the pre-determined option if no decision is made. People have a tendency to stick with the default option.

Our attention can be grabbed.

People are often on auto-pilot. However, there are certain cues that will grab our attention and bring us into a higher state of consciousness.

Bizarreness Effect

Our tendency to pay attention and remember information that is bizarre or unusual.

Salience

Our tendency to focus on items or information that stands out.

Novelty

Our interest can be piqued by something new or novel.

Our desire to explore and search for something new.

Availability Heuristic

Our tendency to use information that quickly comes to mind.

This is often strongly affected by what is salient and what is recent.

Losses loom larger than gains.

Also known as prospect theory, the pain of losing is often greater than the pleasure of winning. This affects our behaviour and decision-making – we tend to take greater risks and opt for choices that avoid losses.

Loss Aversion

The pain of losing feels more powerful than the pleasure of winning.

Endowment Effect

We place higher value on the items we own or have invested in.

Scarcity

When something is less readily available, we perceive it to be more valuable.

Sunk Cost

Our tendency to continue an endeavour or investment if one has already invested resource in it – even if that endeavour is failing.

We tend to typecast.

Humans like to categorise – putting things and people into boxes.

We tend to make judgements and assumptions based on how closely something (or someone) resembles something else.

Representativeness Heuristic

We make decisions based on how similar something is to the existing prototype or the most typical representation.

Stereotyping

Generalised beliefs about a certain group of people.

Illusory Correlation

Perceiving a connected relationship between things that are not associated.

We tend to follow the pack.

People tend to be pro-social and our behaviour is strongly affected by others.

We often conform to what others are doing – especially authority figures or people part of a similar social group to ourselves.

Social Proof

We tend to conform to the behaviour of those around us or to the social groups we belong to.

Messenger Effect

We are heavily influenced by who communicate to us.

Reciprocity

In response to a friendly action, we tend to reciprocate with positivity and co-operation.

Similarly, negative actions are likely to be reciprocated with negative actions in return.

Authority Bias

We tend to be more influenced by figures of authority.

We tend to think well of ourselves.

To maintain our self-esteem, we like to feel hopeful for ourselves and our close social group. We tend to be optimistic about positive future events, confident in our abilities and knowledge – and often overly so.

Optimism Bias

We tend to overestimate that good things will come our way and underestimate negative occurrences.

Confirmation Bias

We tend to favour information that confirms our existing beliefs.

In-Group Bias

We tend to think highly of and give preferential treatment to others who are in the same group as ourselves.

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