How your preferences are constructed?

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My name is Adrian Camilleri and I study how people make choices.

Think about the last time you were deciding to buy something, maybe a new pair of shoes or car. You'll remember that the decision was not trivial because each alternative option that you considered varied along multiple dimensions. Every shoe, for example, varies in terms of the price, material, comfort, and color to name just a few. Decisions that vary along so many different dimensions are called **multi-attribute choices** and I study how people make such multi-attribute choices and what factors influence these types of decisions.

The general public normally thinks that people hold stable preferences that guide their decisions. However, my work and the work of others, has provided convincing evidence that in multi-attribute choices people's decisions are often constructed on the fly. A useful metaphor is that choices are influenced by the **choice architecture**. Just as the architectural layout of a maze influences the behavior of the people who move through the space, so too do the architectural features of a choice subtly influence the behavior of the people making a decision. The choice architecture includes all the contextual features of a decision ranging from **the numbers and types of attributes** presented to **the color of the text**. Thus, just as people's movements are a product of the maze architect, so too is a decision the product of a **choice architect**.

One very interesting idea that I have been working on with collaborators at both Duke University (**Richard Larrick**) and Columbia University (**Christoph Ungemach, Elke Weber, Eric Johnson**) is what we call **translated attributes**. The basic idea is that attributes can be expressed via different metrics. The fuel economy of a car, for example, can be expressed as the

amount of fuel consumed per 100 miles or t*he amount of money required to fuel the car per 100 miles*. These two metrics appear to be unique – one relates to *fuel consumption* whereas the other relates to *fuel cost* – yet both are simple translations of fuel economy and are in fact perfectly correlated. Although literally the same piece of information, *people often make different decisions depending on which translation they are presented with*. For example, in one study, I found that people were more likely to select the fuel efficient vehicle when fuel economy was expressed in terms of fuel cost rather than fuel consumption.

In other studies we have found that people are more likely to choose a fuel efficient vehicle when fuel economy is expressed by two translations – for example, both fuel consumption and fuel cost – than when fuel economy is expressed by a single translation. Perhaps the most interesting part of these studies was the observation that additional translations were most influential when there was a match with *the decision-maker's underlying goals*. For example, when we translated fuel economy into an environmental impact score, this new metric significantly changed the choices only for the people who were pro-environmental.

Another way that attributes can be translated is by simply expanding the scale upon which the metrics are expressed. For example, the amount of gas consumed per 100 miles can be expanded to the amount of gas consumed per 100,000 miles. Although this translation may appear transparent and redundant, I found that it too changed people's preferences such that people were more likely to choose a fuel-efficient vehicle when fuel economy was expressed along an expanded scale such as 100,000 miles than a contracted scale like 100 or even 15,000 miles.

Conclusion

An understanding of how the *choice architecture*, including the *translation of attributes*, influences decisions is so important for consumers, firms, and governments. It also allows

scientists such as myself the opportunity to better understand how the mind operates. I am really

excited to contribute to the research in this field because it will ultimately allow people across

the world to make better decisions for themselves and others.