

Product Realization Group 2016 Hardware Symposium

9/23/2016



Keynote Speaker – Sunil Maulik





How to Design Products that lead to Long-Term Behavioral Change

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About Me:

“T-Shaped” Approach To My Career. **Deep** in science for the first fifteen years:

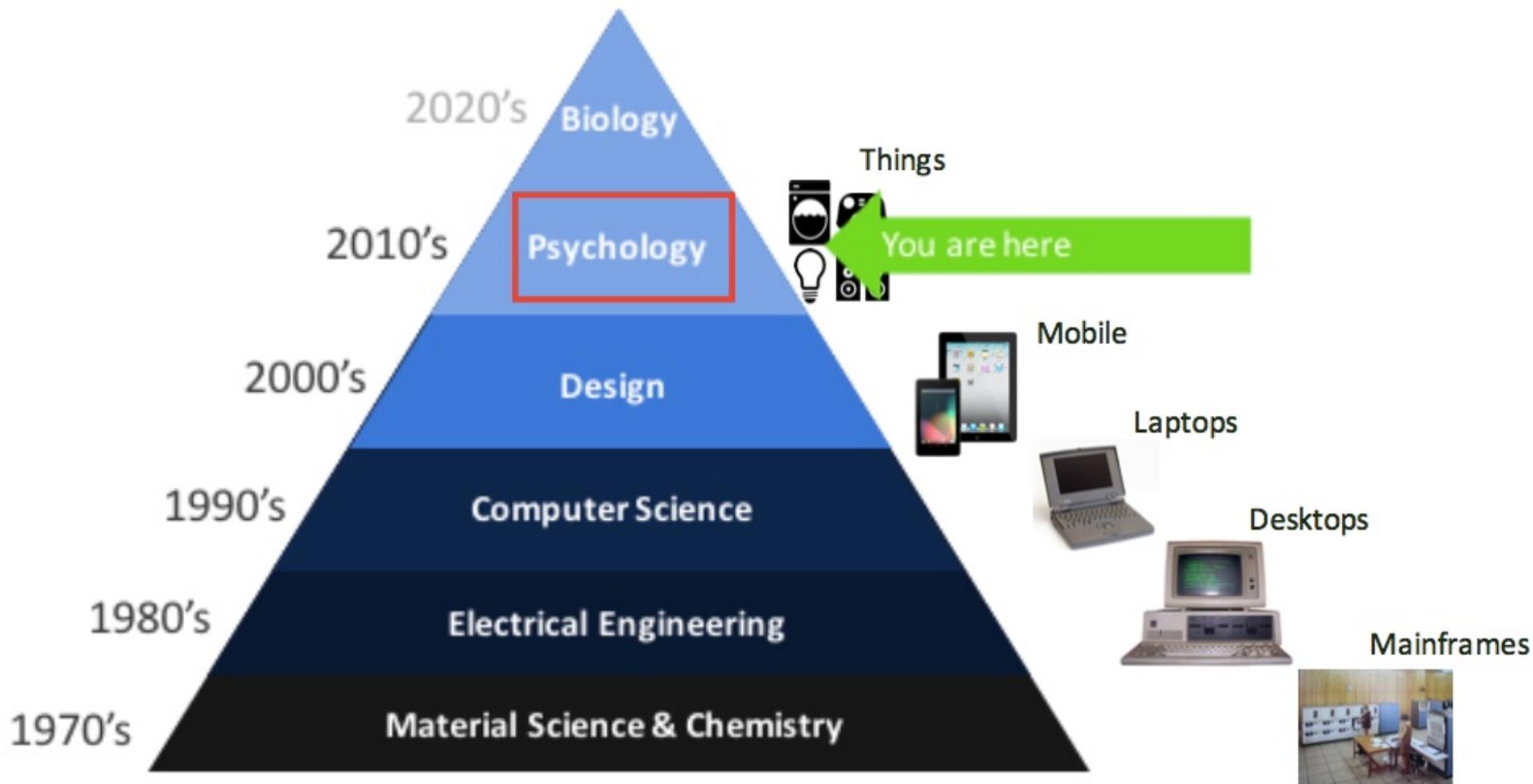
- B.Sc.'s *Physics & Biology*, Kings College. (Maurice Wilkins, Nobel Laureate.)
- M.Sc. *X-Ray Crystallography*, Birkbeck College. (Sir Tom Blundell.)
- Ph.D. *Biophysics*, Brandeis University (Donald Caspar & Aaron Klug, Nobel Laureate.)

Broad for the past fifteen years: Sales, Marketing, Business Development, Product-Market Fit, Design:

- Mining Data for Actionable Insights
- Iterating & Refining Hypotheses (“Models”)
- Changing Behaviors With Improved Models



Each Shift in Computing Unlocks Opportunities for Innovation in New Disciplines



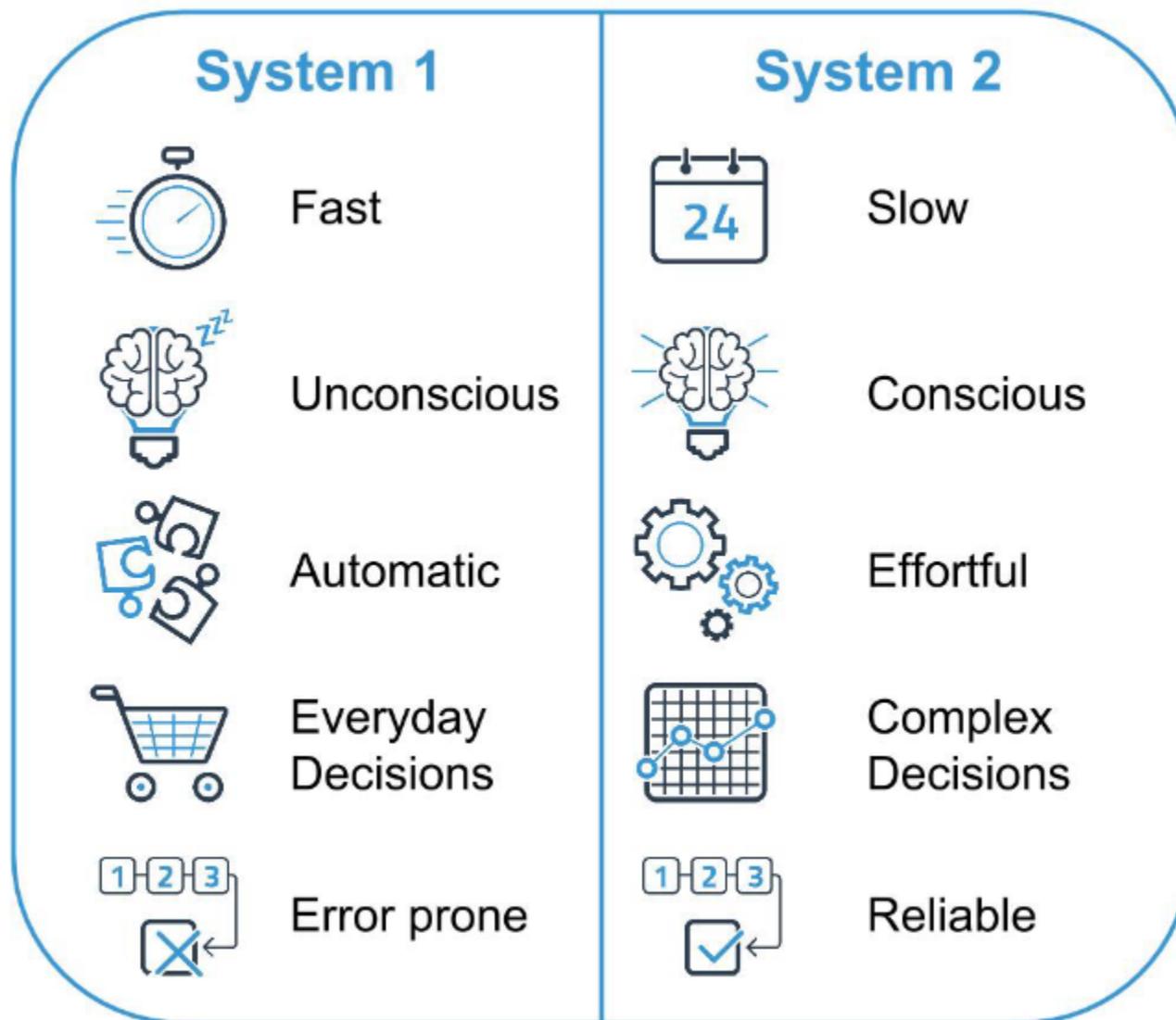
Why We Behave The Way We Do



MANKOFF

"I'm sorry, dear. I wasn't listening. Could you repeat what you've said since we've been married?"

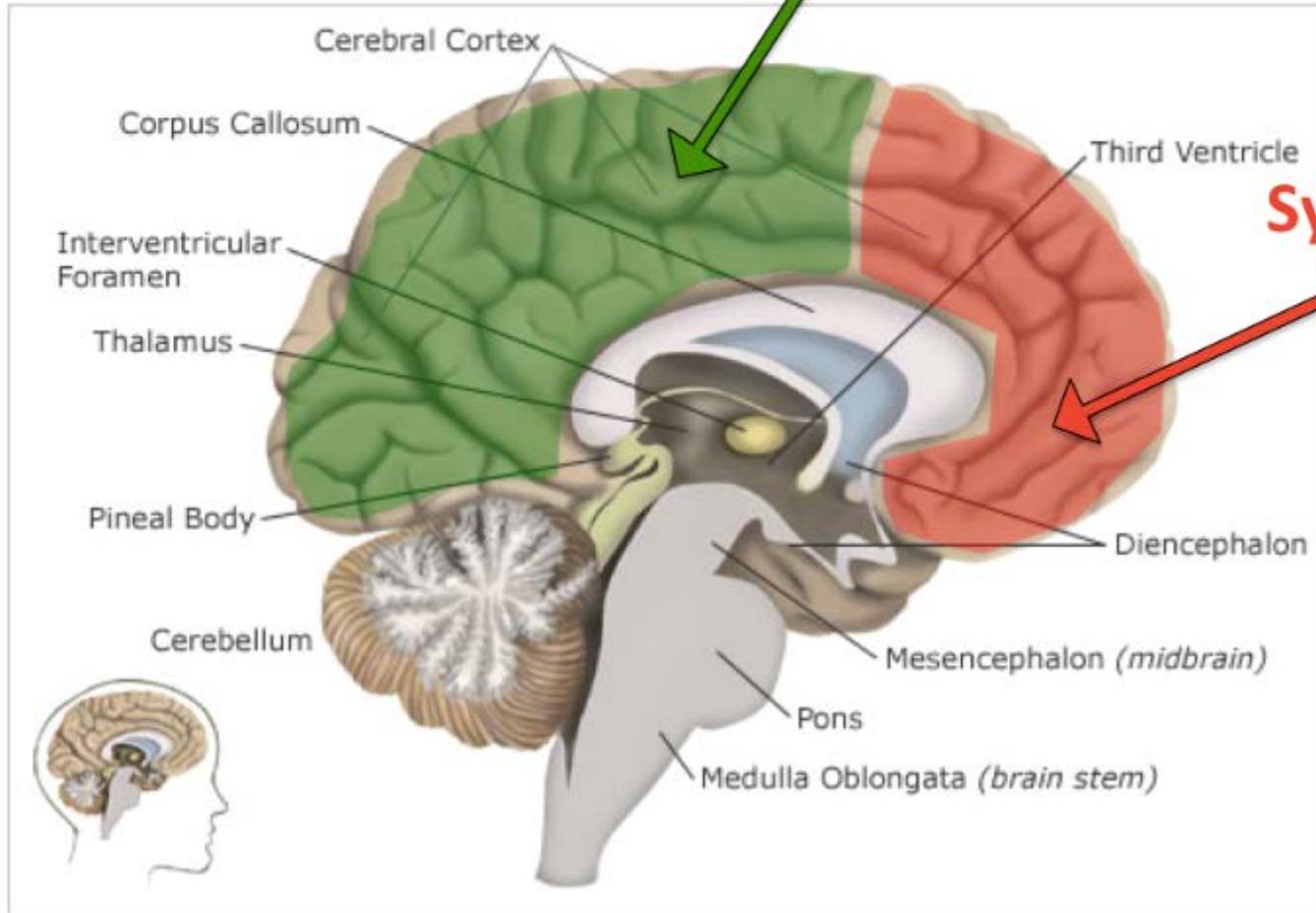
Our *System 1* & *System 2* Minds



“Thinking Fast & Slow” -
Daniel Kahnemann

Basic Neuroscience:

System 1



Weight: 3lbs

O₂ consumption: 25% of total O₂

Caloric Consumption: 20% of total calories

Power Requirement: 12W

Capillaries: 400 miles

No. of Neurons: 86 billion

No. of Connections: 5×10^{14} (500 trillion)

Calculations/s: 10^{16} (10 quadrillion)

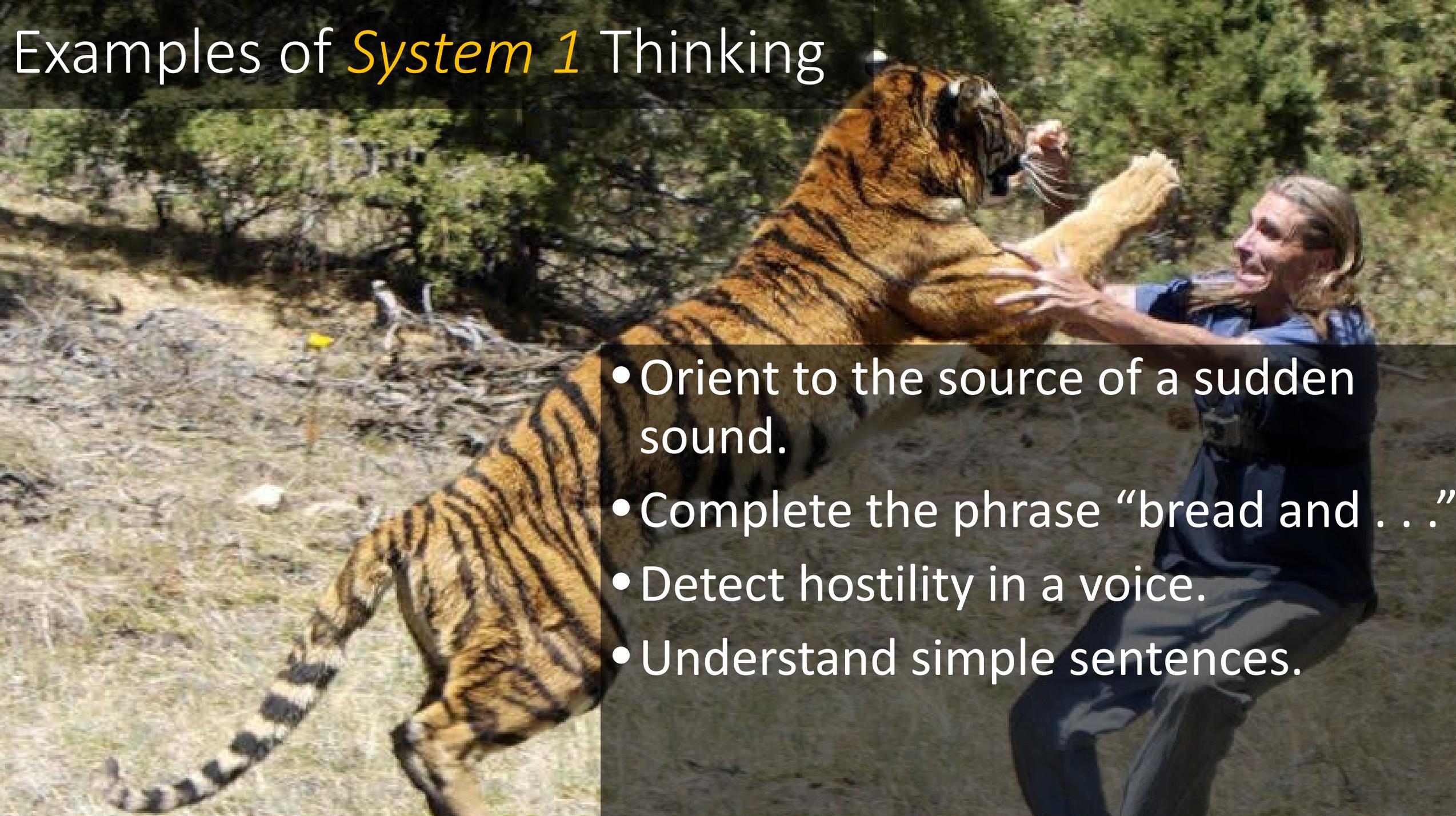
No. Action Potentials/s: 17.2×10^{12} (17.2 trillion)

Sensory Processing: 40 million bits/s

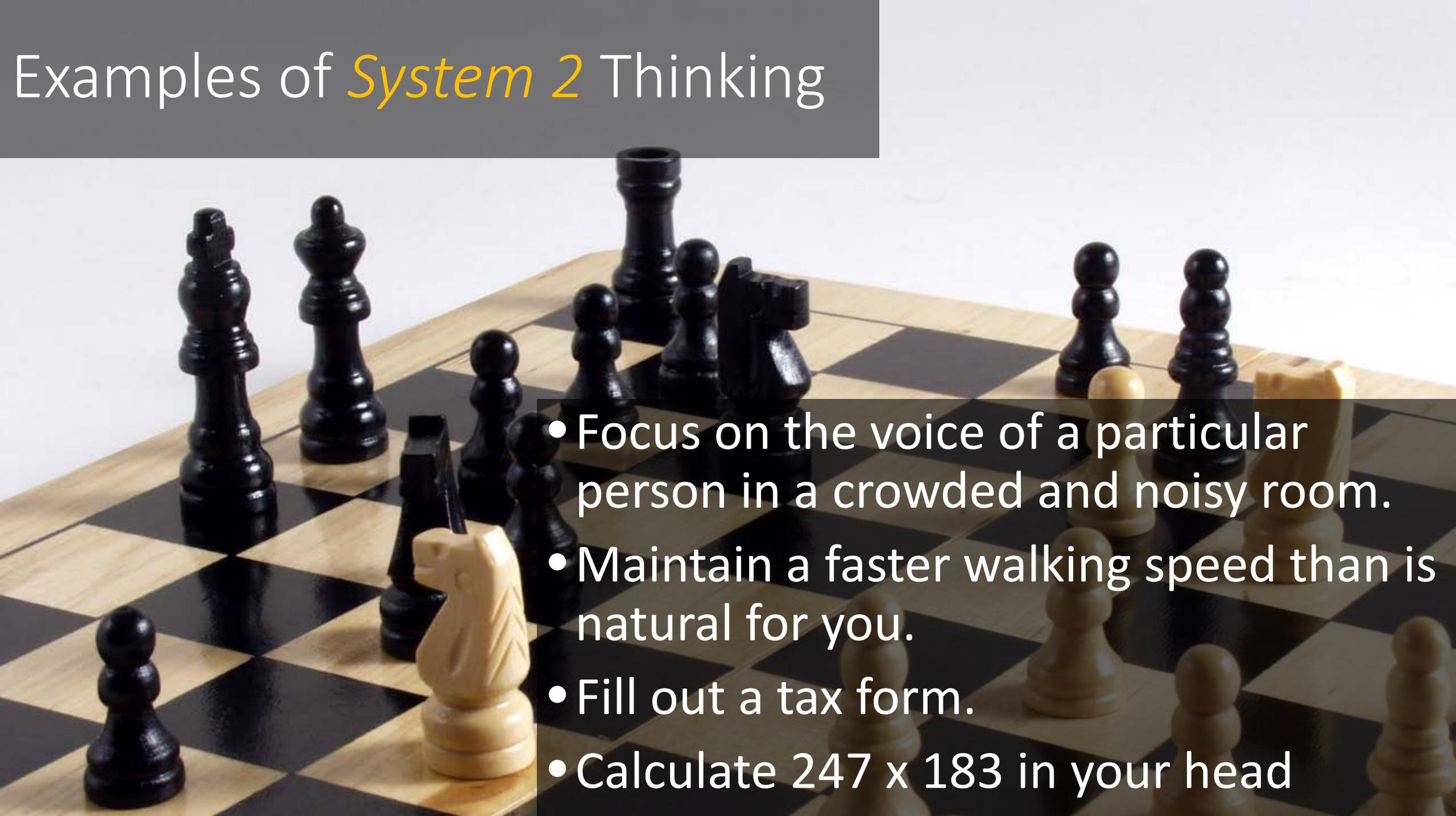
Cognitive Processing: 8000 bits/s

Conscious/Subconscious Processing: 0.02%!

Examples of *System 1* Thinking

- 
- A photograph showing a tiger leaping towards a man in a blue shirt. The man is crouching and looking towards the tiger with a concerned expression. The background is a natural, outdoor setting with dry grass and green bushes.
- Orient to the source of a sudden sound.
 - Complete the phrase “bread and . . .”
 - Detect hostility in a voice.
 - Understand simple sentences.

Examples of *System 2* Thinking

- 
- Focus on the voice of a particular person in a crowded and noisy room.
 - Maintain a faster walking speed than is natural for you.
 - Fill out a tax form.
 - Calculate 247×183 in your head

*“The intuitive mind is **a sacred gift** and the rational mind is a faithful servant. We have created a society that honors the servant but has **forgotten the gift.**” – Albert Einstein.*

How We Make Most Of Our Decisions

- Most of the time, **we are not consciously deciding** what to do next.
- We often act **based on habits**.
- We often make **intuitive, immediate decisions** based on past experiences.
- When consciously thinking, we often **avoid hard work**. We often “wing it” with rough guesses.
- We look to **other people**, especially peers and experts.



Making Better Decisions: *Unconscious Biases*

- Excessive Optimism
- Overconfidence
- Confirmation Bias
- Anchoring
- Groupthink
- Egocentrism
- Loss Aversion
- Sunk-cost fallacy
- Escalation of commitment
- Controllability bias
- Status quo bias
- Present bias



Priming:



Students primed with words about Florida walked slower than students primed with words about New York.

[A reminder of a feature tees up behaviors reminiscent of that feature.]

Anchoring:

Shoppers showed \$10, \$30 and \$149 bottles of wine bought the \$30 bottle more often than if just shown the \$10 and \$30 bottles.

[Behaviors cluster around a comparison to supposed "norms".]

Framing:

With a sign “limit 12 per customer” for soup cans, people take 5 on average rather than 2.

[Decisions get framed around a linguistic concept.]



Loss Aversion:



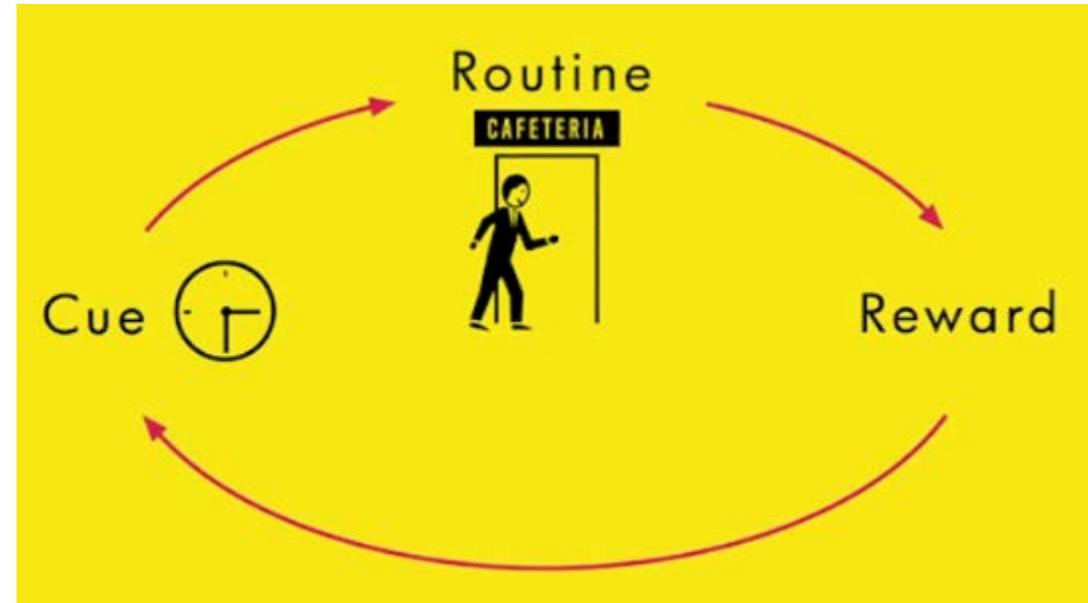
Traders sell shares that have been going up sooner than shares that have been going down.

[Behaviors typically minimize loss rather than maximize gain.]

Habit Design

“Never trust an overweight habit designer.” – Nir Eyal

Habits: Behaviors done with little conscious thought



“The Power of Habit” Charles Duhigg.

How do we turn **decisions** into **habits**?

Spectrum Of Thinking Interventions



Persuasive Technology

Behaviour Model
by BJ Fogg

High motivation

MOTIVATION

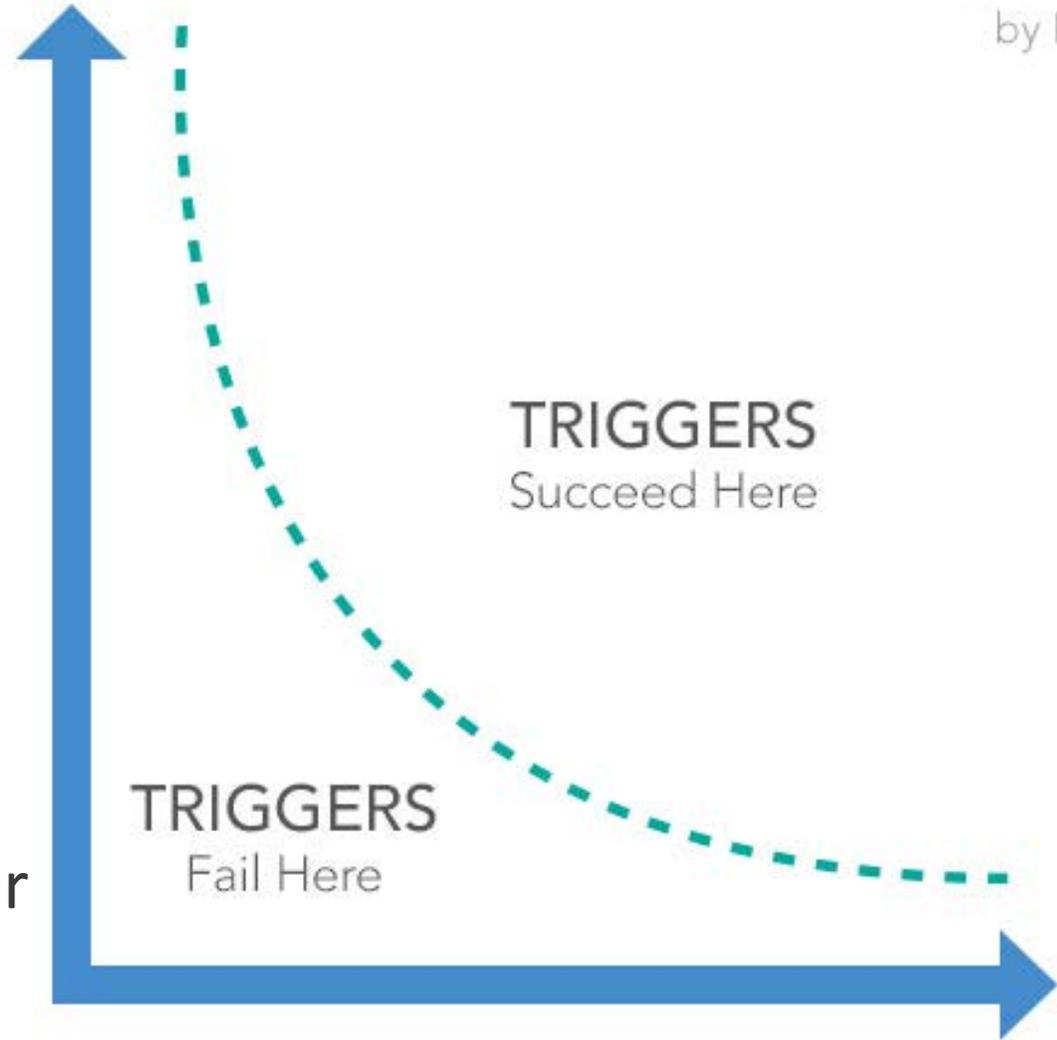
TRIGGERS
Succeed Here

TRIGGERS
Fail Here

Behavior = Motivation + Ability + Trigger

ABILITY

Easy to take action



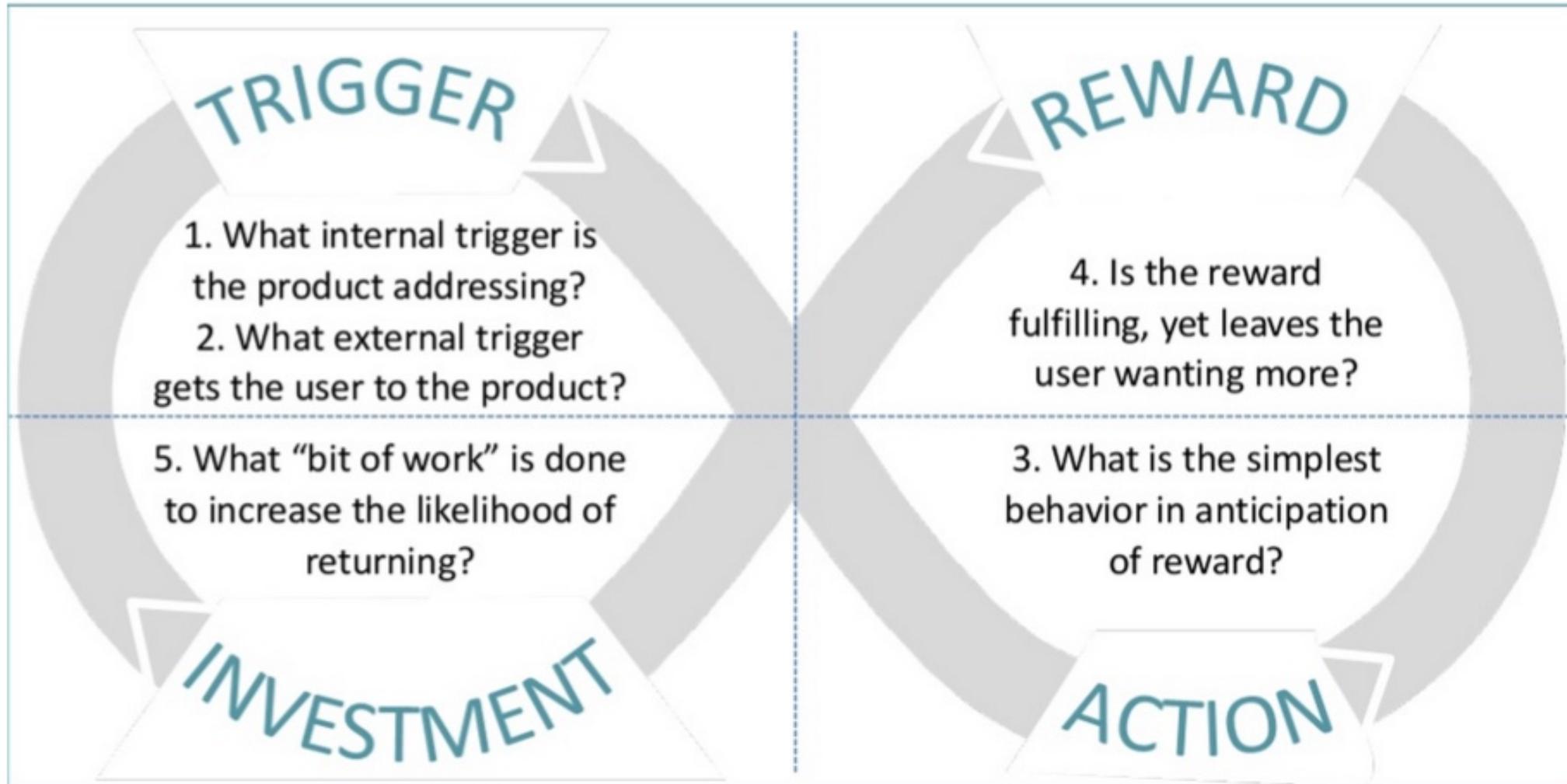
Hook Model of Habit Design

- *Hooks* are experiences designed to *connect the user's problem to a solution* frequently enough to form a habit
- To form a habit, people must do the behavior *frequently*.

The Hook



Implementing “The Hook”



External Triggers:

Cues that tell the user what to do next:

- A button (click to Tweet, play or start)
- A flashing light or sound
- A progress-bar or completion chart



Internal Triggers:

Internal triggers are **emotions** that we associate with an activity:

- When we're *lonely*, we check Facebook
- When we're *uncertain*, we check Google
- When we're *bored*, we check YouTube or Pinterest



Using Triggers for Behavior Change

- Remove **user work** wherever possible
- **Automate the action** behind the scenes
- Initiate with a **meaningful** trigger
- Provide an **immediate, variable reward**
- Ask for some **investment** from the user
- **Build new behaviors** on top of existing ones.



“What if we don’t change at all ...
and something magical just happens?”

Behavioral “Lenses” that Trigger Better Decisions

"What people say, what people do, and what people say they do are very different things." - Margaret Mead

Architectural Lens: *Positioning*



Positioning pedestrian-crossing push-button units at an angle makes it more likely that pedestrians will turn to look at oncoming traffic.

Error-Proofing Lens: *Interlock*

Your PIN

English

German

Modern ATM Machines won't dispense cash until after you remove your card, making it less likely that you'll leave it behind. (Changed with new chip-cards, however!)

Interaction Lens: *Feedforward/Simulation*



savings & loan *simulators* can influence users' future behavior and decisions.

Ludic (Playful) Lens: *Unpredictable Reinforcement*



Providing variable, unpredictably-timed rewards leads to greater consistency when changing people's behaviors

Perceptual Lens: *Transparency*



Dyson's transparent dust container both demonstrates the vacuum cleaner's effectiveness and encourages users to empty it more often.

Perceptual Lens: *Perceived Affordances*



Reshaping the holes on trash bins to match the 'form' of different types of waste increases recycling.

Cognitive Lens: *Social Proof*

Frequently Bought Together



Total price: **\$113.89**

Add all three to Cart

Add all three to List

- This item: Epiphone DR-100 (Dreadnought), Vintage Sunburst **\$99.00**
- D'Addario Assorted Pearl Celluloid Guitar Picks, 10 Pack, Medium **\$1.94** **Add-on Item**
- On Stage XCG4 Black Tripod Guitar Stand, Single Stand **\$12.95**

Customers Who Bought This Item Also Bought

Page 1 of 18



D'Addario Assorted Pearl Celluloid Guitar Picks, 10 Pack, Medium
★★★★★ 2,055
#1 Best Seller in Musical Instruments
\$1.94



[OLD MODEL] Snark SN-5 Tuner for Guitar, Bass and Violin
★★★★★ 11,974
#1 Best Seller in Music Tuning Accessories
\$11.08



ChromaCast Acoustic Guitar 6-Pocket Padded Gig Bag with Guitar Strap and Pick Sampler
★★★★★ 947
#1 Best Seller in Electric Guitar Bags & Cases
\$24.98 ✓Prime



AmazonBasics Guitar Folding A-Frame Stand for Acoustic and Electric Guitars
★★★★★ 96
\$10.55 ✓Prime



On Stage XCG4 Black Tripod Guitar Stand, Single
★★★★★ 1,000
#1 Best Seller in Acoustic
\$12.95 ✓Prime

Sold by: woodwind and brasswind

\$119.00 **Add to Cart**

+ Free Shipping
Sold by: Chicago Music Exchange

8 used & new from **\$88.21**

Have one to sell? **Sell on Amazon**

Professional Capo
Built to Last-
Lifetime Warranty

Guitar Capo Acoustic and Electric by OnnSound - For Acoustic Guitar, ...
★★★★★ 128
\$29.95 **\$11.95** ✓Prime

Ad feedback

Amazon's recommendations can help buyers expand their buying decisions, while subtly pressurizing them to conform to social norms.

Making Products “Scale” into their Target Markets

“To predict the behavior of ordinary people in advance, you only have to assume that they will always try to escape a disagreeable situation with the smallest possible expenditure of intelligence.” - Friedrich Nietzsche

Scale: *Creating mass behavior change*

- **Dynamically adjust** data/content shown to users based on success of past content.
- Explore new content with a **new target minority** of users.
- Add new content **if it is successful** at eliciting the desired behavior in the new target market.

Scaling: *Habit testing for scale*

- Identify areas where cycling through the habit-model becomes **faster**, more **frequent**, or more **rewarding**.
- Identify **nascent behaviors**. These are new behaviors that may fulfil a **mass-market** need.
- Create new **triggers** that stimulate these behaviors.

Scaling: *Make scaling contagious*

- Identify **social currency**, such as remarkability, scarcity or exclusivity. Create an emotional response; either **awe, anxiety** or **arousal**.
- Enable **social display** e.g. “behavioral residue” – traces of the product or service.
- Allow for **storytelling** – give the user every opportunity to relate their experience

Examples:



In Conclusion...



"The idea is to not only grow our piece of the pie, but to expand into other nearby pastries."



“The only way of discovering the limits of the possible is to venture a little way past them into the impossible.” – Arthur C. Clarke

Need Help Designing Your
Products? – See Me!

Thank You

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