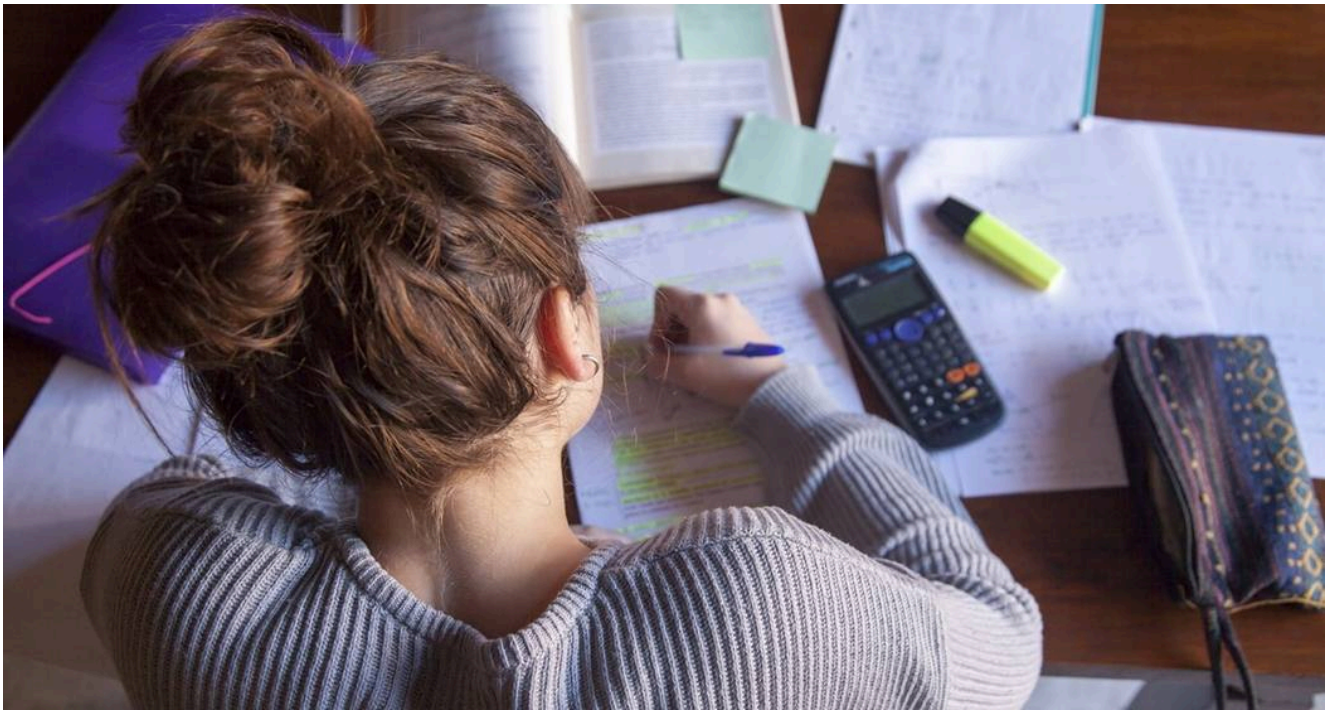
What's in a number? Numerical nudging to boost motivation and decision-making

Try expressing your goals in large numbers to help put yourself in the right mindset to achieve them. And to prod customers to make sales decisions, try presenting them with round numbers first and then precise ones close to the point of purchase.



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From saving money to allotting time for study or exercise, so many of our life goals involve specific numbers. The way those numbers are expressed can influence whether our goals are achieved or not. Here are two research-backed nudges from the field of numerical cognition that are easy to implement:

1. Opt for larger numbers to express a goal.

Instead of "study 2 hours each week," try "study 120 minutes each week."

In the paper "Numbers and Units Affect Goal Pursuit Organization and Motivation" published in the *Journal of Consumer Psychology*, Jorge Pena-Marin of IESE and Christophe Lembregts of Erasmus University predict and show that using a scale with larger numbers can be better than using a scale with smaller numbers when describing and then tackling goals, even as the numbers express the same value — say, studying for 120 minutes vs. 2 hours.

The key seems to be that larger numbers nudge you to break down your goal into manageable chunks, or subgoals, and get started sooner. Concretely, in one study carried out by the professors, 34.6% of students with a 120-minute exam-prep goal planned to begin studying on the very next day, as opposed to only 20.7% of students aiming to hit the books for 2 hours. The 120-minute goal was also more likely to prompt more organized study sessions, breaking the task down into smaller chunks of time.

This empirical nudge could be used to promote a variety of good habits for success. Try to save $10,000 rather than $10K. Aim to lose 500 grams a week rather than half a kilo. Write 5,000 words rather than one book chapter.

2. In marketing communications, look to round numbers to prompt efficient (preliminary) decisions and precise ones for accurate (final) ones.

The latest Tesla Model 3 has a 353-mile driving range per charge, 31 miles more than last year's. Impressive as that is, when a customer is considering a long list of electric cars, judging them by price, efficiency, safety record, etc., every mile might not count in the first sales pitch. But that precision might be just the information needed to make a final decision between Tesla's 2021 and 2020 models.

This is borne out in a separate paper, titled "Reliance on Numerical Precision: Compatibility between Accuracy versus Efficiency Goals and Numerical Precision Level Influence Attribute Weighting in Two-Stage Decisions," published in the same journal. Pena-Marin, this time working with coauthor Dengfeng Yan of NYU Shanghai, explores how marketing communications can optimally express numbers when they understand what customers are looking for: efficiency or accuracy. The answer to this often depends where they are in the decision-making process.

For example, a consumer looking to book a hotel online may create a wish list of attractive

options before narrowing that list down, such as: Which hotels are within a kilometer of the historic city center? At the wish-list stage, consumers actively appreciate ballpark figures because the information is easier to process and quick decisions are easier to make. In fact, consumers tend to put more weight on the round numbers, because it helps their short-listing process. Then, when it comes time to make the final decision, a preference for accuracy may kick in. That's when the marketer might be more precise and note that a hotel is just 0.6 kilometers from the center.

Even when clients don't make decisions in two distinct phases, knowing whether to add the decimal points or create a nice round figure can be a case of identifying the type of consumer you are likely to draw — one interested in accuracy willing to spend time on the decision, or one interested in making a quick decision and thus, more efficient. So, perhaps Lay's kettle-cooked chips should be promoted as having 40% less fat than regular chips in the supermarket circular, but 39.7% less fat on the packaging perused by consumers in the store's snack aisle.

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