

Introduction to the Minitrack Behavioral Economics in the Digital Economy: Digital Nudging and Interface Design

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Research in psychology and behavioral economics has repeatedly demonstrated that people act in boundedly rational ways, and their decision making is influenced by various heuristics and biases, either for the good or bad: Heuristics can aid decision making when people face simple, recurrent problems; they simplify problem-solving by reducing the amount of information to be processed. However, heuristics can also lead to cognitive biases and introduce systematic errors when people face complex decisions.

Examining the effects of psychological, cognitive, emotional, and social factors on judgment and decision making, research has repeatedly shown that the context matters when making judgments or decisions. People's decisions are not only influenced by the content of the choices, but also the way the choices are presented, and "nudges¹," such as setting defaults or framing decisions, can influence people's behavior substantially.

Today, choices are increasingly made in digital contexts, thus it is important to understand the psychological effects of user-interface design on people's choices. In particular, it is important to understand how "digital nudging²" influences online decision making.

The main purpose of this minitrack is to explore and extend, as well as exchange, innovative research related to online decision making in the context of information systems design. In particular, this minitrack aims to examine the main applications of behavioral interventions and digital nudges in information-systems design, in particular, research with an emphasis on the effects of interface design on users' behavior, judgment, and decision making in online environments.

This year marks the third edition of the minitrack on behavioral economics and digital nudging. While findings from behavioral economics have received much attention, digital applications of behavioral economics—e.g., digital nudging—are just beginning to

be explored. As information systems allow to dynamically adapt and personalize content, they provide unique opportunities to implement concepts from behavioral economics. Our goal is to provide a platform to discuss cutting-edge research on digital nudging and online decision making.

The three papers accepted for this year's minitrack span a range of topics related to digital nudging. In the first paper, titled "Nudging Toward the Herd: Understanding the Multidimensional Role of Perceived Uncertainty," Ali Vedadi and Timothy Greer examine the interplay between herding and uncertainty. The authors decompose perceived uncertainty into its dimensions—effect, response, and state uncertainty—and analyze how each dimension triggers herding behavior. The findings show that only the dimensions effect and response uncertainty but not state uncertainty trigger herding behavior. In the second paper, titled "Understanding User Preferences of Digital Privacy Nudges – A Best-Worst Scaling Approach," Sofia Schöbel, Torben Barev, Andreas Janson, Felix Hupfeld, and Jan Marco Leimeister examine digital nudging and privacy issues. The authors compare user preferences of digital nudges and use a Best-Worst Scaling approach to develop a typology of digital nudges. In the final paper, titled "Ethical Guidelines for the Construction of Digital Nudges," Christian Meske and Ireti Amojó reflect on ethical considerations of digital nudging and provide a conceptualization of ethical guidelines for designing digital nudges.

We would like to thank the researchers who submitted their work to this minitrack. We also thank the many reviewers for their outstanding contribution and their help in ensuring the quality of the papers in this minitrack.

¹ Thaler, R.H., & Sunstein, C.R. (2008). *Nudge: Improving Decisions about Health, Wealth, and Happiness*. Yale University Press, New Haven & London.

² Weinmann, M., Schneider, C., & vom Brocke, J. (2016). "Digital Nudging." *Business & Information Systems Engineering*, 58(6): 433–436.

Schneider, C., Weinmann, M., & vom Brocke, J. (2018). "Digital Nudging—Influencing Choices by Using Interface Design." *Communications of the ACM*, 61(7), 67–73.