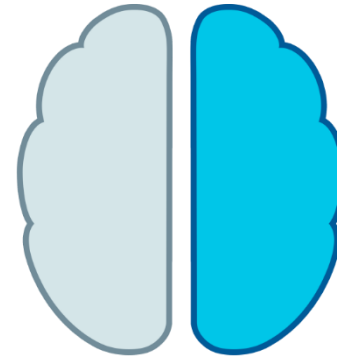


# Exploring the concept of misleading

**Jesper Clement**  
**Viktor Smith**

**Copenhagen Business School**  
**November 2017**



**DNRC**

Decision Neuroscience Research Cluster



**Fair or not?**



# What can be trusted?

- how do people see and understand?



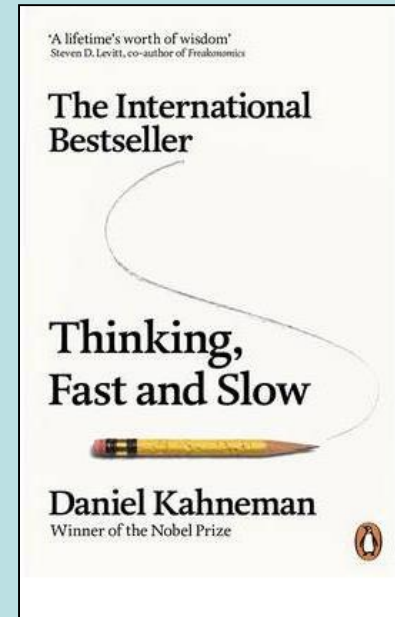
# Two types of cognitive functions

An intuitive mode – **system 1**

- automatically and fast (impression)

A controlled mode – **system 2**

- deliberate and slow (control function)



Source:

Maps of Bounded Rationality

By Kahneman, 2002

# Which one do you trust?



- we easily know whether we like something or not (**system 1**)
- but come in doubt after a short while (**system 2**)

Maps of Bounded Rationality, Kahneman, 2002

# Simple **heuristic judgment**

People try to make easy interpretation

**Familiarity** or prototype  
are simple heuristics

Stimulus perceived before is easier evaluated  
and when an evaluation comes easy to mind  
it **passes by the control** of a permissive System 2

Source:  
Maps of Bounded Rationality  
By Kahneman, 2002



**25,75**



**45,-**



**48,95**



**38,50**

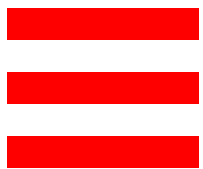


**159,50**

**Selective attention** (filtering theory)  
**in-attentional blindness**  
**cocktail party effect**

**Source:**  
**Maps of Bounded Rationality**  
**By Kahneman, 2002**







# People prefer to evaluate things against something



**estimate the price**

**Source:**  
**Maps of Bounded Rationality**  
**By Kahneman, 2002**

## **Factors that influence price**

- **highly involved consumers are able to differentiate on quality**
- **if intrinsic attributes (quality) are not available then people will use extrinsic attributes like packaging design**

**Source:**

**The Emotional Side of Price  
By O'Neill & Lambert, 2001**

**Products able to generate emotional responses will also generate greater preference consistency**

**Source:  
In Search of Homo Economicus  
by Lee, Amir & Ariely, 2009**



Photo:  
<https://www.priceshare.dk/product/3046635-alesi-proptraekker-anna-g-moerk-roed>

**If greater emotional  
reactions then less  
cognitive noise**

**Source:  
In Search of Homo Economicus  
by Lee, Amir & Ariely, 2009**



Photo:  
<https://www.priceshare.dk/product/3046635-alesi-proptraekker-anna-g-moerk-roed>

# The cognitive system is easy to disturb by decisional noise

What if we placed a price tag on these bottles?



**Source:**  
**In Search of Homo Economicus**  
by Lee, Amir & Ariely, 2009

Source: [www.foxnews.com/leisure/2015](http://www.foxnews.com/leisure/2015)

# The reward system

Using visual attention as an indicator of reward



Clement, unpublished

# **Convincing the customer**

**People prefer things  
easy to understand**



# Perception of fluency

People prefer  
to look at products  
easy to understand

Reber & Schwarz, 1999

This does also convince  
her and make her buy

Clement et al. 2015



# Perception of fluency

**If it is easy to  
understand people  
believe it is correct**

Reber & Schwarz, 1999

**Osorno is Chile**

**Osorno is Chile**

**Osorno is Chile**

# Perception of fluency

If this is easy to understand  
- then it is also seen as correct/truth

Which design element does the job?

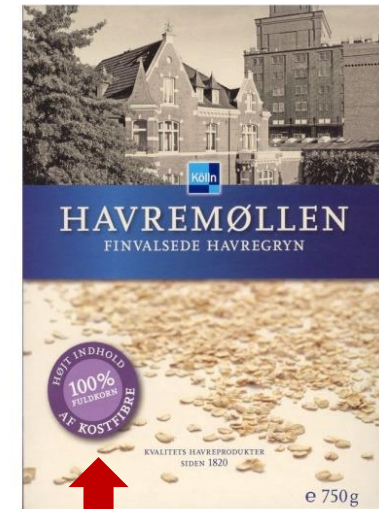


# **Misleading is a matter of time**

**People get second thoughts  
if they take the time**

# Testing the *halo effect* or *magic bullet effect*

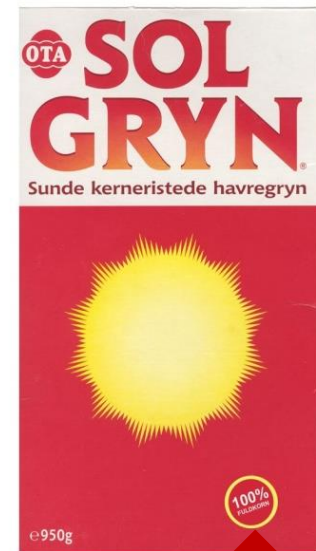
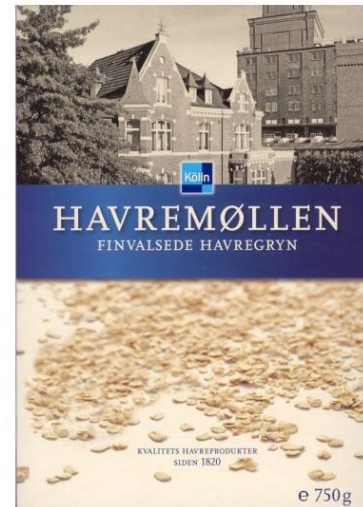
Roe, Levy, & Derby, 1999;  
van Dam & van Trijp, 2007



**Factually true information  
have potentially to  
misleading**

# The effect disappears when people reconsider the information

Roe, Levy, & Derby, 1999;  
van Dam & van Trijp, 2007



**Factually true information  
have potentially to  
misleading**



# Testing two types potential misleading elements – PME

- *pictorial*
- *numerical*



**Pictorial elements**



**Numerical elements**

# Findings

People prefer products with a PME  
 $p < 0.003$

No difference between pictorial and numerical  
 $p = 0.321$

The effect declined if people gazed longer than 1.2 sec at the PME  
 $p < 0.01$





# **How to deal with misleading?**

**When do people get annoyed?**



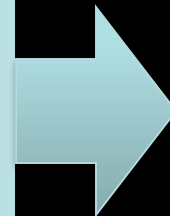
**Which one is misleading?**

# People complain six times more about words and numbers than about pictures

Smith et al. 2009



Read more about the  
misleading scenarios



**Fair Speak:** Scenarier for vildledning  
på det danske fødevaremarked

Viktor Smith  
Mette Ohm Søndergaard  
Jesper Clement  
Peter Møgelvang-Hansen  
Henrik Selsøe Sørensen  
Gorm Gabrielsen





**Conflict requires  
that we have  
something in common**

**Disappointment  
is experienced  
when the limit of  
consensus is exceeded**

Bolanski & Thévenot, 1999

Clement, Skovgaard Andersen & Jensen, 2012



# Conflict can be related to ...

<b>Product</b>	<b>Social</b>	<b>Meaning</b>	<b>Reputation</b>	<b>Experience</b>
price, quality, money, costs, ...	knowledge, community, loyalty, network, ...	identity, culture, label, brand, ...	rules/law, professional, authority, ...	feelings, passion, taste, ...

## - and in the moment of truth

<i>Annoyance occurs when we find that the price is too high</i>	<i>Annoyance occurs when we are excluded</i>	<i>Annoyance occurs when expectation doesn't match reality</i>	<i>Annoyance occurs when we find that the authority is failing</i>	<i>Annoyance occurs when the dream's evaporates</i>
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# Meaning

**Culture and tradition  
give rise to  
disappointment**

***Annoyance occurs  
when expectation  
doesn't match  
experiences***



# **How to utilize knowledge?**

- next step towards  
less misleading**

# **Search for knowledge**

**Did you lose  
the keys here?**

**No, but this is  
where the light is**







**School of Athens, fresco painted by Raphael 1509–1511**





## Plato Aristotle

The world consists  
of phenomenon like  
goodness, beauty and justice

The only reality  
is the reality that we  
can see and experience

Socrates  
contributor to the field of ethics

Archimedes  
the area of a circle,

“truth” is made by man – “truth” is found by man

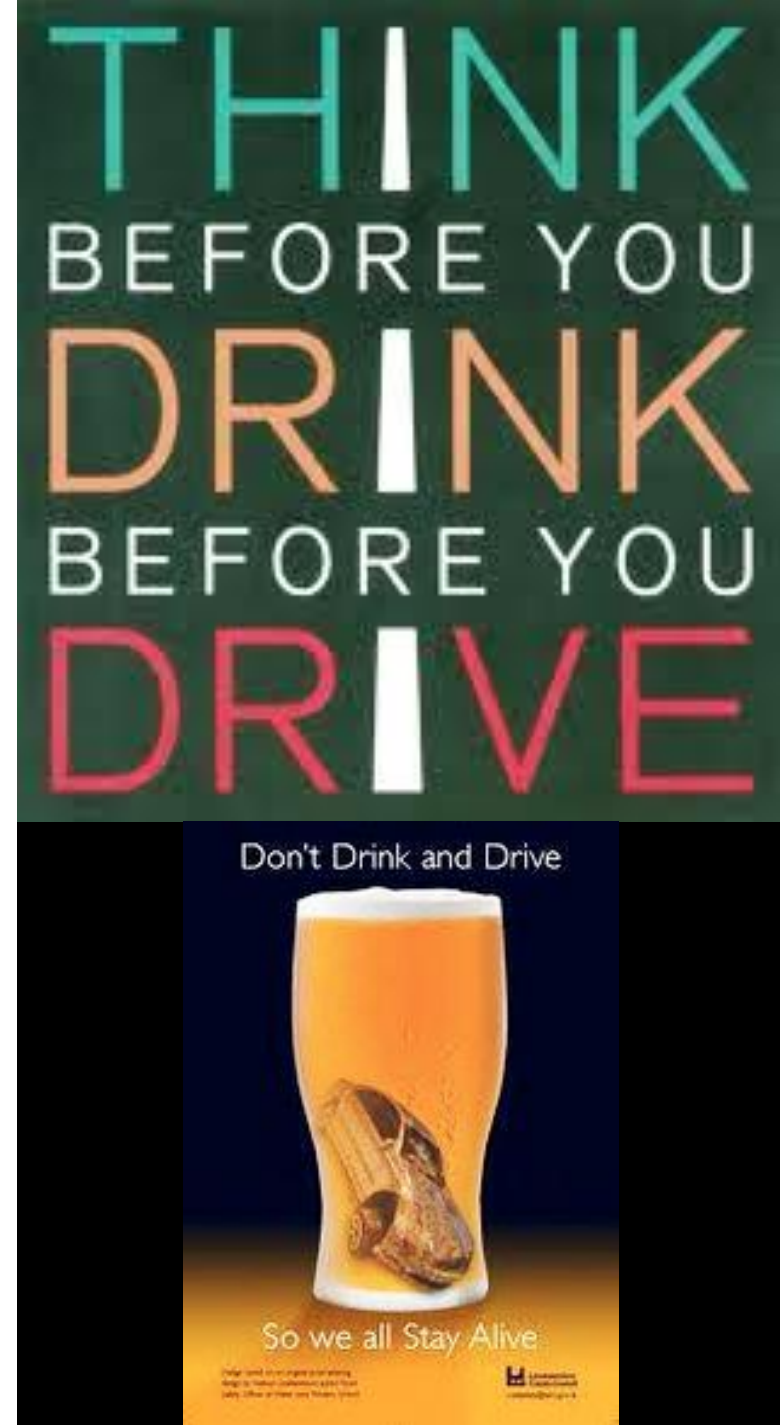
# Perspective on knowledge

## EXAMPLE

### Knowledge and behavior go hand in hand

- People just have to be informed
- Level of knowledge is what matters
- Logical/behaviouristic perspective - EU-legislation

Source: Trzakowski, 2011





- nothing new for the average consumer

**Embballagen afgør, hvad**  
Arla kalder emballagen sit vigtigste medie. Forbrugerne vælger ubevidst det produkt, hvor designet matcher livsstilen

**Snyde-mad**

**Fup i køledisken: SE HVOR DU BLIVER SNYDT**

**BT** 13. FEB. 2009 - 8.42  
FØDEVARER

**MADFUP**  
Supermarkeder lokker dig til at købe dyrt kød  
DET TRØR DU ...  
... SÅDAN ER DET

**Falsk bearnaisesovs**

# Perspective on knowledge

## EXAMPLE

**Behavior and knowledge are separated**

- **People follow their intuition**
- **Knowledge is subjective**
- **Non-conscious perspective**

Source: Lee, Amir & Ariely, 2009

# Mindless Eating



Brian Wansink, Ph.D.

# Perspective on knowledge

## EXAMPLE

**Behavior and knowledge are separated**

- **People follow their intuition**
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- **Non-conscious perspective**

Source: Lee, Amir & Ariely, 2009

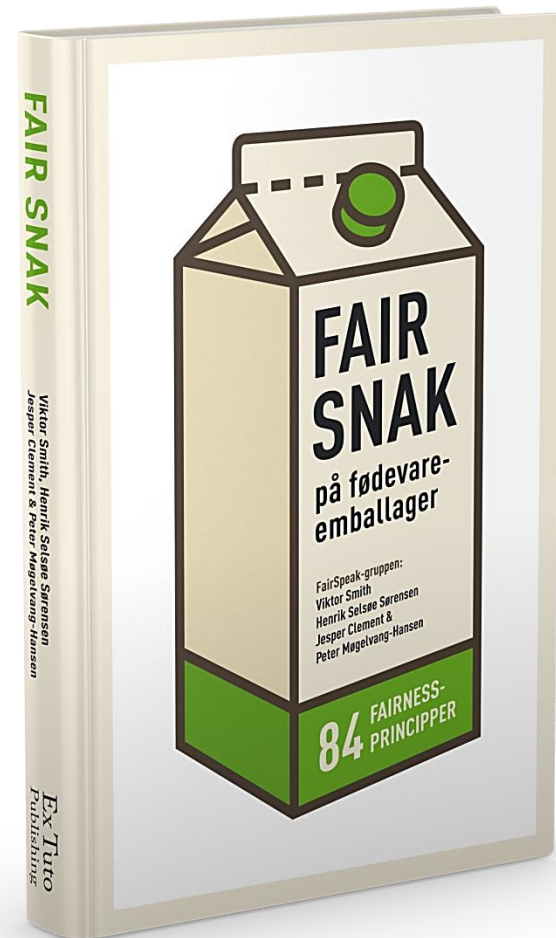


# Fairness principles for the food industry

# 1

Think fairness early in the creative process in line with consumer tests

Do not rely on a legal check at the end of the process to ensure fairness



**84 principles for fairness on food**



# Fairness principles for the food industry

#2

If the product name is missing then it becomes difficult to understand





# Fairness principles for the food industry

**#3**

**Try to predict and  
prevent any magic  
bullet effects  
rather than seeing  
these as cost-free  
sales promoters**



# Serveringsforslag Serving suggestion



  
**This one is misleading**

# Questions



# References

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