

## 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 "nudges<sup>1</sup>," 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 nudging<sup>2</sup>" 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 second edition of the minitrack on behavioral economics and digital nudging. While findings from behavioral economics have received much attention, concepts from behavioral economics—e.g., 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.

This year, we accepted four papers. In the first paper, "How Digital Nudges Affect Consideration Set Size and Perceived Cognitive Effort in Idea Convergence of Open Innovation Contests," Boskovic-Pavkovic, Seeber, and Maier examine how digital nudges can be used to optimize idea convergence in open innovation contests. In the second paper, "Nudging the Classroom: Designing a Socio-Technical Artifact to Reduce Academic Procrastination," Rodriguez, Piccoli and Bartosiak use various digital-nudge principles to design chatbots aiming to reduce academic procrastination. In the third paper, "Personalised Nudging for more Data Disclosure? On the Adaption of Data Usage Policies Format to Cognitive Styles," Schöning, Matt, and Hess examine whether personalized nudges that fit users' cognitive styles influence privacy concerns when handling sensitive data. In the final paper, "Can Experience be Trusted? Investigating the Effect of Experience on Decision Biases in Crowdfunding Platforms," Goerzen examines the relationship between anchoring effects and experience with respect to decision biases on crowdfunding platforms.

The papers cover a broad spectrum of application areas (open innovation, education, privacy, and crowdworking) but are all rooted in behavioral economics, which shows that research on behavioral economics and IS/IT has many facets and even more possibilities for future research.

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.

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

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

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