## **Reshaping Decision Architecture**



We like to think of technology as something which is very recent – mobile devices, laptops, wearable devices and so on all shape what we think technology is. But of course, throughout history, technology has been used by humans in ever more ingenious ways to facilitate our needs and desires, from stones used as knives, to clocks for organising ourselves. In a sense, therefore, technology has always been an essential part of the human condition, defining the way in which we live our lives.

- 1. But what is less understood is that not only do we use technology to shape our world but that technology comes to shape us. As philosopher <u>Alva Noe puts it</u>, "Technologies organize our lives in ways that make it impossible to conceive of our lives in their absence; they make us what we are."
- 2. This is something that is hard to spot when we are in the midst of change but we are able to see more clearly when we step back. So, for example, technology comes to define entire epochs of history hence we talk about the Stone Age, Bronze Age, Iron Age, the Industrial Revolution all relating to the dominant technology of the era and the influence they had.[i]
- 3. Now consider the massive impact that individual cases of technology have had on the way in which we think about our world. The printing press moved us from an oral tradition to one where stories were shared, to one where we consumed knowledge individually, arguably ushering in an era of individualization. The telescope challenged

- the notion of humans at the center of the universe where our lives were dictated by God, instead encouraging a sense that our lives are determined by mathematical laws of nature. And clocks provided a standardisation to the way in which we organise our lives, becoming key to encouraging a sense of need for personal achievement and productivity.
- 4. It is clear that exploring the way in which technology shapes <u>us</u> is important if we are to understand consumer decision-making. Nicholas Carr has famously written about the way in which modern technology is reshaping this process, kicking off with his, now famous, question 'Is Google making us stupid?'
- 5. So in what ways might this be happening now? A number of technology innovations are reshaping 'consumer decision architecture'. Here are three examples:
- 6. **Ratings & reviews:** Never before have we had access to so much information from other people about the products and services that we are thinking of buying. This has meant that smaller challenger brands are now on a much more level playing field as consumers arguably are able to make much more objective decisions which are less influenced by brands' marketing activities.
- 7. **Platforms:** We are increasingly moving to an environment where many successful brands (the obvious examples being Airbnb and Uber) are reshaping the demand side of the market by connecting buyers and sellers without any real assets of their own. Successful platforms enrich products or services with information as well as facilitating connectivity, creating a much easier experience for customers. The change to the consumer decision architecture here is that transparency and trust become a key part of the process built through developing positive, engaging experiences. So we are moving from an environment which is dominated by transactional relationship facilitated by advertising to a more services/relationship based bond between brands and consumers.
- 8. **Delivery services:** Although there has always been home delivery, technology has meant that this has recently exploded to include much wider range of consumable goods delivered much faster. So we can now enjoy everything from ice-cream and a burger through to cigars and bourbon. This is changing the consumer decision architecture as we can now more easily capitalise on our passing emotions; getting them fulfilled is simply a click away. So our emotional states are becoming a much stronger driver of behaviour for a whole range of new consumption opportunities.
- 9. These examples hopefully give a sense of the way in which technology is not simply a means to an end, but start to subtly shape our expectations of how we live our lives. The effect of these trends is that we are seeing consumers becoming much tougher in their

purchase decisions, less influenced by marketing messages in many categories. Trust is rapidly becoming a key differentiator for brands as a means of developing profitable long-term relationships. We expect to be able to satisfy our desires quickly and efficiently. These just scratch the surface – as technology becomes an integral part of our lives, so we imperceptibly change in a myriad of ways.

10. For brands to succeed, it is therefore important to understand how technology is itself shaping consumer decision-making in these ways. Marshall McLuhan <u>observed this long</u> ago when he said that 'The Medium is the Message'. As brands continue to digitally transform their businesses it is all too easy for brands to forget that consumer psychology is also transformed in the process. To reap the rewards of the technology, behavioural science needs to be an integral part of the very same investment.

## By Colin Strong

[i] For more discussion on this have a read of Neil Postman's book, 'Technopoly: The surrender of culture to technology'. Published by Vintage in 1993.