

### Sharing for Hood and for Good A Social Marketing and Behavioural EconomicsPerspective on Sharing Smart Cities

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"Evidence-based behavioural research that transforms society and the economy"



#### Overview



Discipline approach:
Social marketing and behavioural economics



Theoretical lens:

Resource scarcity and ecosystem of shared value



Stakeholders:

Households and communities





#### Behavioural Economics and Social Marketing



Social Marketing examines the motivators and behaviours to behaviour and designs goods/services that deliver customer value that leverages these motivation and overcomes these barriers.



Behavioural Economics investigates the behavioural biases underpinning human decisions and uses these insights to engage in 'choice architecture' that enable people to make better decisions for themselves.





# What can social marketing and BE offer shared smart cities?

Temporal orientation	Consumers are more motivated by shorterm, self oriented options than long-term and altruistic
Pleasure principle	Consumers act to minimise pain and maximise pleasure
Social orientation	Individuals do not act alone – homo sociologicus
Knowledge- Action gap	More education does not equal more action
Consumer	Consumers need to feel in control—its their definition of 'better choices' not ours
Value- orientation	Consumers make choices that deliver them value – their definition of value not ours
Segmentation	Consumer choice goals and choice processes differ by household and by individual



### Community-Based Social marketing

- Community-based social marketing emphasizes direct contact among community members and the removal of structural barriers, since research suggests that such approaches are often most likely to bring about behaviour change" (McKenzithohr 2019)
  - identifying the barriers to a behaviour
  - developing and piloting a program to overcome these barriers
  - implementing the program across a community
  - evaluating the effectiveness of the program

Chicago's Go Program – 4 year program

- Local ambassadors, resource kits to 40k citizens delivered by bike or foot, customised map with local sharing facilities, free bike share pass, events to engage community and share information.
- Increased residents walk, bike, ride transit, and use bike share by 65% while driving alone less often
- The program's behavior-changing results led the City of Chicago to designate funding for additional neighbourhoods in the future.





### Barriers and motivators for sharing



Possessiveness and materialism inhibits sharing (Akbar 2016)



Economic motivations strongly prevail over environment and social motivations to share (Roszak 2017)



Economics motivates sharing an expensive asset (accom)

Social motivates experiences with social interaction (ride and meal sharing)
Environment motivates ustainable sharing (cars)

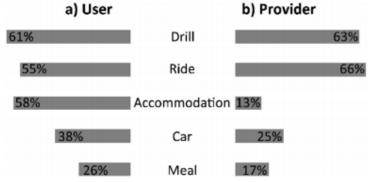


Individual differences matter
Older people
Women
Low-income

(Bocker & Meelen 2017)



The type of product matters (Bocker & Meleen 2017)





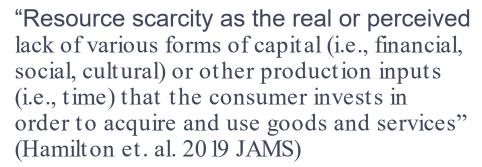


#### Resource scarcity

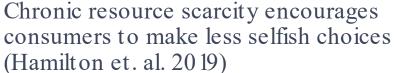














Scarcity of financial resources increases consumers' concern increases preference for material goods over experiences (Tully et al. 2015)





When exposed to scarcity cues people become more competitive and less likely to share (Roux et. al. 2015)



When resource sharing is not anonymous, higher income consumers more generous (Kraus and Callaghan 2016)



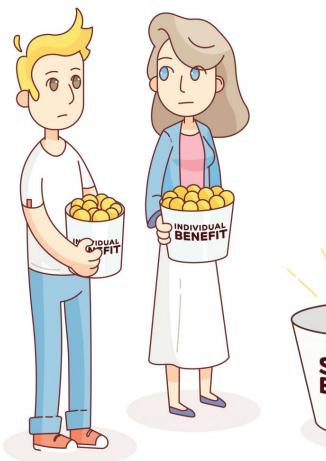
Resource scarcity encourages creativity (Mehta and Zhu 2016) and savouring (Quidbach et. al. 2015)





#### The social dilemma of sharing

- Resource scarcity can mean a zero-sum game
- Benefiting others v benefiting self
- The principalagent problem









#### Four policy levers to encourage sharing

(Active Decision)

Free choice

Choice

(restricted/free)

and

Outcome (reward/punishment)



Incentive/reward









**Nudge** Restricted choice



Smack Free choice Punishment



Shove

Restricted choice



Distinctive/Punishment



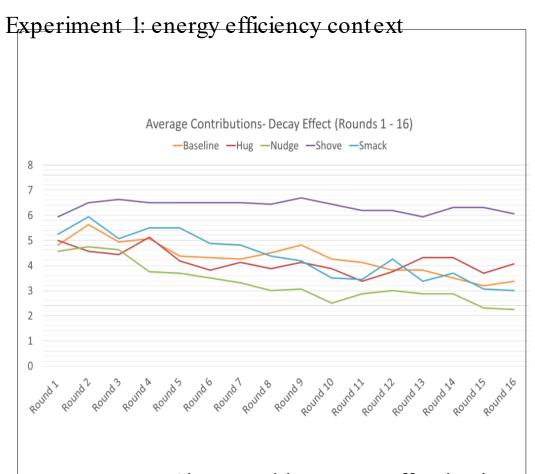


(Passive Decision)



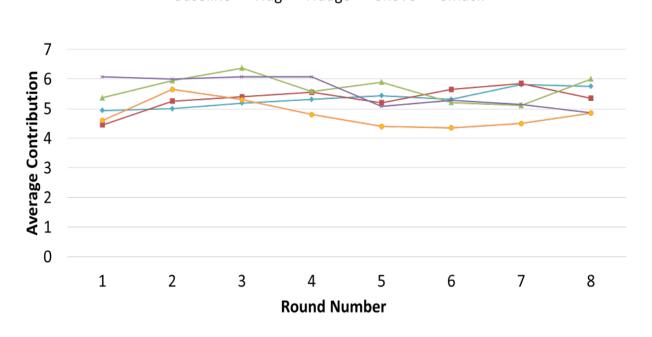


# Sharing electricity: public good game of 4 per people per 'neighbourhood'



Experiment 2: extreme weather event







Shove and hug more effective in experiment 1, no effect in experiment 2 Backlash effect in experiment 2 – lower contribution to public good of shove and smack



## Sharing resources via social support: households and communities











Informational resources

**Emotional** resources

**Esteem** resources

Network resources

Instrumental resources







Coach



Recognition



Membership

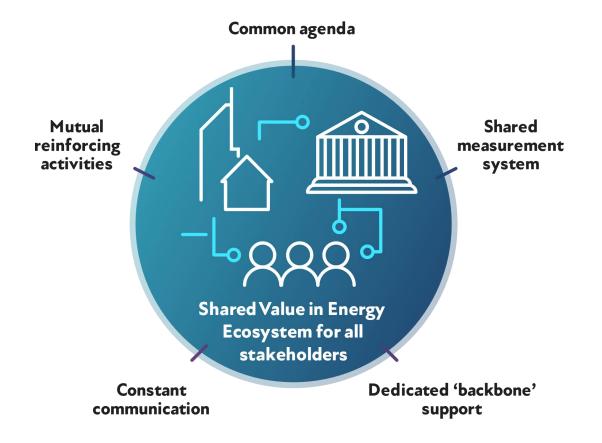


**Funds** 





#### Ecosystem of shared value approach







#### Key takeaways for sharing for good and hood



Citizens have different motivations and biases for sharing – segment your market and provide a value proposition to share



Be careful about how you reward/punish citizens - backlash can occur



Groups sometimes operate differently than individuals - consider who you are trying to influence



Sharing resources can take different forms of support – consider which combination will work for you



People need an immediate call to action to share – altruism is not enough



Sharing smart cities requires an appropriate framework eg ecosystem of shared value – use the scientific evidence-base





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