42 courses

A 42COURSES FIELD GUIDE

The Little Book of Sales Nudges

15 behavioural science tips that will help you sell, and how to use them honestly.



A NOTE FROM CHRIS

How to use this book

Nobody likes being sold to. Everybody likes buying something they're pleased with.

The difference is usually down to how the thing was offered, and behavioural science has spent fifty years working out what helps.

I've put my 15 favourite findings in here, plus a bonus. Each gets a page: what it is, a true story of it at work, and how to use it yourself.

There's only one rule. Everything you say has to be true. These work because they help people decide, and they stop working the moment a customer catches you fibbing.

The portraits are borrowed from the gallery in our Black Friday game, where you can try them all out:

www.42courses.com/black-friday

Chris Rawlinson
Founder, 42courses





"Nine seconds. Then she goes to a man from Leeds."

PRINCIPLE 1 OF 15

Loss aversion

Which feels bigger: finding £20 in an old coat, or losing £20 on the bus?

Losing it, by a mile. A loss hurts about twice as much as the same gain pleases us, which is why "ends at midnight" gets you off the sofa.

FOR EXAMPLE

In Chicago Heights, economists handed teachers a $4,000 bonus at the start of the school year and told them they'd have to give it back if their pupils missed their targets. Other teachers were promised a bonus at the end. Only the ones with money to lose got better results.

HOW TO USE IT

Give people a real deadline, and tell them the reason for it. A date with a reason behind it helps people stop putting a decision off.

TRY "Book by Friday to keep your place"



"There really are only two. The artist has taken up golf."

PRINCIPLE 2 OF 15

Scarcity

Offer someone a biscuit from a jar of ten, or the same biscuit from a jar of two. They'll tell you the second one is the better biscuit.

Psychologists ran exactly that experiment in 1975. We value things more when there aren't many of them.

FOR EXAMPLE

Cadbury sells its Creme Eggs only between New Year's Day and Easter. It could make them all year round and chooses not to. More than 200 million are sold every year, and half the fun is that you can't have one in July.

HOW TO USE IT

If something really is limited, say so and say why. It helps people decide, and it makes what you sell feel as special as it is.

TRY "We only made 200 of these"



"The Duke knows his portraits. He has sat for forty of them."

PRINCIPLE 3 OF 15

Authority

Who would you rather take tax advice from: your brother-in-law, or an accountant with thirty years in the job?

We listen to people who know their stuff, and quite right too. The odd thing is how many businesses forget to mention that they do.

FOR EXAMPLE

Robert Cialdini tells of an estate agency that changed one thing about how it answered the phone. Callers were told about the agent they were being put through to: "Joe has 25 years' experience in this market." Appointments rose 20% and signed contracts 15%.

HOW TO USE IT

Introduce your experts properly. Say who they are and how they know what they know, and let someone else do the introducing where you can.

TRY "Taught by the people who wrote the book"



"The scone is free. Now, about that portrait."

PRINCIPLE 4 OF 15

Reciprocity

Ever taken a free cube of cheese in a supermarket, then felt you really ought to buy the cheese?

That's reciprocity. Give people something and they feel a tug to give something back, even when they never asked for it.

FOR EXAMPLE

Researchers got waiters to leave a sweet with the bill, and tips went up 3%. Two sweets, 14%. The winner was leaving one, walking away, then turning back as if on a whim to add a second. That little performance was worth 21%.

HOW TO USE IT

Give something useful first, with no strings attached. A guide, a sample or ten minutes of proper advice all count.

TRY "Have this one on us"



"The gold spoon is lovely. Most people manage with this one."

PRINCIPLE 5 OF 15

Anchoring

The first number you see becomes the yardstick for every number after it.

It's why a £49 spoon looks expensive on its own, and perfectly sensible sitting next to a £9,999 one.

FOR EXAMPLE

When Apple launched the iPad in 2010, the pundits had guessed it would cost $999, and Steve Jobs put that number up on the screen behind him. Then he announced the real price: $499. The room burst into applause for a price tag.

HOW TO USE IT

Show your best option first, so that everything after it is compared with your best. People can still choose less.

TRY "Start with our full package"



"Seventeen. We counted twice."

PRINCIPLE 6 OF 15

Social proof

Two restaurants, side by side. One is packed and one is empty. Which do you walk into?

When you're not sure what to do, you copy everybody else. So does everybody else, which is how queues happen.

FOR EXAMPLE

A hotel swapped its "save the planet" towel sign for one saying most guests reuse their towels, and reuse went from 35% to 44%. A sign saying most guests in that very room reused theirs did even better, at 49%. Nobody wants to be the worst guest the room has ever had.

HOW TO USE IT

Tell people what others like them really do, with real numbers. It's reassuring to know you're in good company.

TRY **"Chosen by 50,000 learners"**



"Gerald grows on people. Like damp."

PRINCIPLE 7 OF 15

Mere exposure

Remember the song you couldn't stand in June and were humming by August?

The more often you see or hear something, the more you like it. The song didn't get any better. You just got used to it.

FOR EXAMPLE

In 1887 around 40 of France's best-known artists and writers signed a protest against "the useless and monstrous Eiffel Tower". Then they had to walk past it every day, and so did the rest of Paris. You know how that turned out.

HOW TO USE IT

Turn up regularly, looking and sounding like yourself. A name people have seen before feels safer to buy from.

TRY **"Same time next Tuesday"**



"The horse has been told to expect you."

PRINCIPLE 8 OF 15

Default effect

When did you last change the ringtone your phone came with?

Most of us stick with whatever was chosen for us, which makes choosing the starting point a real responsibility.

FOR EXAMPLE

In 2012 Britain started enrolling workers into pensions automatically, leaving them free to opt out. More than ten million extra people are now saving for retirement, most of them without lifting a finger. Laziness has rarely been put to better use.

HOW TO USE IT

Make the option that's best for most customers the one that's already selected, and make it easy to change.

TRY "We've picked the most popular one for you"



"The medium is only here to help you choose. Very selfless."

PRINCIPLE 9 OF 15

Decoy effect

Small popcorn £3. Medium £6.50. Large £7. Suddenly the large looks rather sensible, doesn't it?

A third option gives people something to compare against, and that makes choosing much easier.

FOR EXAMPLE

Dan Ariely showed his students a magazine offer: web only for $59, print only for $125, or print and web together for $125. Not one of them chose print only. But with it on the list, 84% took the bundle. When he took it away, only 32% did.

HOW TO USE IT

Offer three options where you'd normally offer two. A clear middle choice helps people see where the best value is.

TRY "Small, medium or large?"



"A whole penny off. The butler wept."

PRINCIPLE 10 OF 15

Left-digit effect

You know £19.99 is twenty pounds. I know it's twenty pounds. And it still gets filed under "nineteen-something" every single time.

We read prices from the left and lose interest early.

FOR EXAMPLE

Economists went through more than 22 million used car sales. Cars with just under 80,000 miles on the clock sold for about $210 more than cars with just over. It's the same car, give or take one trip to the supermarket.

HOW TO USE IT

A price ending in .99 says bargain, and a round number says quality. Pick whichever is true of what you sell.

TRY **"£19.99" or "£20", but mean it**



"You'll love it twice as much. We've seen it happen."

PRINCIPLE 11 OF 15

IKEA effect

That wonky bookshelf you built yourself is the best bookshelf in the house. You'd defend it in court.

We overvalue anything we've had a hand in making.

FOR EXAMPLE

In the study that gave the effect its name, people who built a plain IKEA storage box were willing to pay 63% more for it than people handed one ready-made. Build-your-own burritos, bundles and trainers all work the same way.

HOW TO USE IT

Let customers add their own touch. Choosing the colour, naming the plan or building the bundle all make it feel like theirs.

TRY "Build your own"



"It sounds so much friendlier than fifty-two pounds."

PRINCIPLE 12 OF 15

Framing effect

Would you rather have an operation with a 90% survival rate, or one with a 10% chance of death?

It's the same operation. Nothing changed except the way it was put, and you still felt the difference.

FOR EXAMPLE

In a 1988 study, people rated minced beef labelled "75% lean" as better than identical beef labelled "25% fat". It's why your yoghurt is "95% fat free" and has never once been "5% fat".

HOW TO USE IT

Say the true thing in the way that's easiest to picture. "9 out of 10 arrive next day" is the same fact as "10% are late", and far nicer to read.

TRY "9 out of 10 arrive the next day"



"We'd rather it went to someone who'll look at it."

PRINCIPLE 13 OF 15

Reactance

Tell a toddler they can't have the blue cup and the blue cup becomes the only cup in the world.

Adults are the same, with a better vocabulary. Nobody likes being pushed, and everybody likes to feel the choice was theirs.

FOR EXAMPLE

On Black Friday 2011, Patagonia took out an ad in the New York Times with a photo of its own fleece and the headline "Don't Buy This Jacket". People are still talking about it, which you can't say of many ads for fleeces.

HOW TO USE IT

Tell people honestly when something isn't right for them, and leave the decision to them. Customers trust the seller who once talked them out of a sale.

TRY "Honestly, you don't need the bigger one"



"The frame leans a little to the left. So does the Duke."

PRINCIPLE 14 OF 15

Pratfall effect

Who do you warm to more: the person who's perfect, or the one who's brilliant and has just spilled coffee down their shirt?

Psychologists tested that in 1966, coffee and all, and the one with the stain won. A small flaw makes good people, and good products, easier to like.

FOR EXAMPLE

In 1962 Avis admitted in its ads that it was only the second-biggest car hire firm, and said that was why it tried harder. Within a year a $3.2 million loss had turned into a $1.2 million profit.

HOW TO USE IT

Own up to a real weakness early on. People trust the rest of what you say, and they like you more for it.

TRY "We're not the cheapest, and here's why"



"Nobody has ever brought one back. They're very heavy."

PRINCIPLE 15 OF 15

Endowment effect

Give a student a coffee mug, then offer to buy it back five minutes later. They'll want about twice what anyone else would pay for it.

It was only a mug until it was their mug.

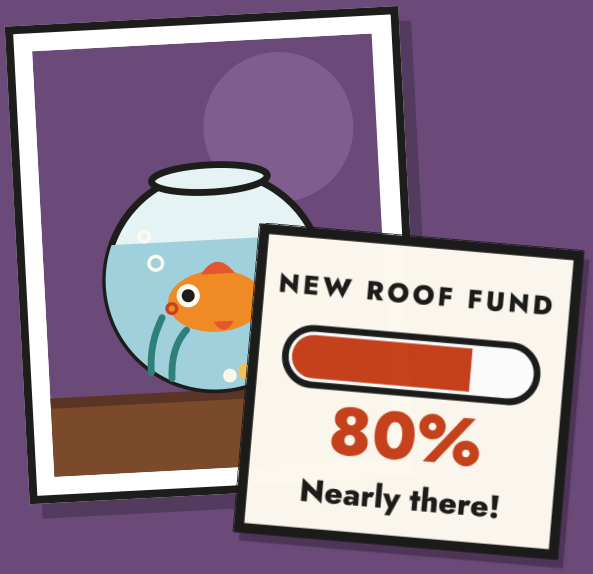
FOR EXAMPLE

It's why you're offered test drives, 100-night mattress trials and free returns. By the time you're allowed to send the thing back, it's already yours.

HOW TO USE IT

Let people try before they commit. Free trials and easy returns take the risk out of saying yes.

TRY "Take it home for a week"



"Every portrait sold is another slate on the roof."

BONUS PRINCIPLE

Goal-gradient effect

Ever noticed that you walk faster once you can see your own front door?

The closer you get to a goal, the harder you push for it.

FOR EXAMPLE

In 1932 a psychologist called Clark Hull noticed that rats in a maze ran faster the nearer they got to the food. People are no different. A 2013 study of charity appeals found that the closer a fund was to its target, the more likely people were to give to it.

HOW TO USE IT

Show people how close they are, whether that's to a target, to finishing or to free delivery. "You're £5 away" gets more people over the line than "spend £40".

TRY "We're 80% of the way there"

YOUR CHECKLIST

Which will you try?

Tick the ones you already use. Then pick one new one to try on your next email, offer or sales call.

- [ ] **Loss aversion**
- [ ] **Authority**
- [ ] **Anchoring**
- [ ] **Mere exposure**
- [ ] **Decoy effect**
- [ ] **IKEA effect**
- [ ] **Reactance**
- [ ] **Endowment effect**
- [ ] **Scarcity**
- [ ] **Reciprocity**
- [ ] **Social proof**
- [ ] **Default effect**
- [ ] **Left-digit effect**
- [ ] **Framing effect**
- [ ] **Pratfall effect**
- [ ] **Goal-gradient effect**

Before you use any of them, ask one question. Is it true?

If there really are only two left, say so. If the offer ends on Monday, end it on Monday. Customers remember who was straight with them.

Now try them for yourself

In our Black Friday game you run the gallery and do the selling. The better you play, the less you pay, up to 42% off any course.

Play the game

42courses.com/black-friday
Until Monday 30 November

See all our courses

42courses.com/courses
Taught by the people who wrote the book

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