Informational Requirements of Nudging

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Summary

- The paper presents theoretical approach to nudging, where initial welfare preferences of agents are distorted by some behavioral frames
- The authors consider three kinds of models: Perfect Recall Satisficing, Limited Search and Limited Sensitivity
- For these models the paper analyzes whether the initial preferences can be identified on the basis of agents' answers or not and how many answers depending on the number of alternatives do we need to identify them in a particular case

Strengths

- Theory-based approach to welfare preferences revelation is used, the topic is promising and useful for determining optimal policy
- Derives which frames make revelation of initial preferences impossible and elaborates on properties of identifiable preferences
- The paper presents possible extensions and analyses the problem from other viewpoints

Comments

- Why should we consider Model 1 (Perfect Recall Satisficing) and Model 2 (Limited Search) separately when the first is the second one when the number of pages is equals the power of satisfiable set?
- Which preferences are identifiable?
- How can we in reality apply a sequence of frames to to elicit agent's welfare preference?

Further Research Opportunities

- If possible, generalize the case from two-result page to an arbitrary number
- Derivation of other properties of identifiable preferences
- Practical examples of revelation using sequential frame combinations