Treatment Consumption and Maximization: Considering Utilitarian and Informational Reinforcement

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Brief Overview of Presentation Goals

Maximization in Consumer Choice

Maximization = characterize allocation of their limited time and resources

Allocation = combination of choices that maximize consumer value

Factors Influencing Choice Behavior

Reinforcer-reinforcer relationships as one dimension relevant to choice

Consumption at the intersection of multiple forms of reinforcement

Characterizing Complex Consumption Patterns

Describing choice phenomena when reinforcement options are bundled

Attending to molar patterns in consumer choice across prices





Maximization—Some Points from Economists & Behavioral Scientists

Maximization as Economic Axiom/Process

Choice behavior *should* yield the most value to the consumer (i.e., **Maximum Utility**, Rational Choice Theory)

Facing uncertainty, competing prospects, and varying costs, consumers should adjust choices to **optimize** overall value*

Consumer Theory and Maximization

Consumer theory attempts to characterize spending behavior

Factors influencing individual utility functions include:

- Varying individual preference (e.g., immediate, delayed)
- Availability/supply of alternatives, bundled goods
- Varying **prices** across alternatives

Note: Maximization is not restricted to pricing structures

Maximization theory in behavioral psychology

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BEHAVIORAL ECONOMICS IN CONSUMER BEHAVIOR ANALYSIS

Consumer Maximization of Utilitarian and Informational Reinforcement: Comparing Two Utility Measures with Reference to Social Class

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Maximizing Reinforcer Value: Informational and Utilitarian Reinforcement



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The behavioral economics of consumer brand choice: patterns of reinforcement and utility maximization

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Utilitarian Reinforcement (UR)

Value/utility results from **direct** contact and consumption

Example: Purchasing clothing for the **functional benefit** it offers (e.g., protection from elements)



Informational Reinforcement (IR)

Value results **indirectly** from contact and consumption

Example: Purchasing clothing for the **social and interpersonal effects** that follow (e.g., conveys status, in-group affiliation)

Direct, functional benefits are just one relevant factor to consider

A Novel Choice Situation: Behavioral Health Services

🚰 A | B | A | I

Therapy Service Consumption

Developmental/behavioral issues benefit most from early, intensive, and **comprehensive** support

(Non)consumption patterns are highly heterogeneous

Example: Families of autistic children endorse consuming <u>7 distinct services</u> at any given time

No.	Treatment name	Category	Percentage of parents	
			Currently using	Used in past
1	Speech therapy	Standard therapy	70.0	23.2
2	Visual schedules	Skills based	43.2	18.6
3	Sensory integration	Physiological	38.2	33.2
4	Applied behavior analysis	Skills—ABA	36.4	22.7
5	Social stories	Skills based	36.1	18.0
6	Vitamin C	Vitamin supplement	30.8	13.4
7	Vitamin B6	Vitamin supplement	30.1	25.7
8	Essential fatty acids	Vitamin supplement	28.7	15.2
9	Picture exchange communication systems	Skills—ABA	27.6	31.1

Behavior Analysis in Practice (2023) 16:93–101 https://doi.org/10.1007/s40617-022-00716-6 DISCUSSION AND REVIEW PAPER

Factors Affecting Parent Treatment Decisions for Children with Autism Spectrum Disorders: A Brief Review

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Some Relevant Factors

Rank order of treatments in terms of percentage of parents reporting use

Availability of providers/services in region

Out-of-pocket **price** to consume services

Features of individual services (e.g., strength of **evidence**, **fit** with family culture and identity)

See Green et al. (2006), Saez et al. (2023)

(Briefly) Deriving Caregiver Demand for Services

Evaluating Alone-Price Demand

Consumption of a single service evaluated across prices

Inspection reveals **price-elasticity** for a single, specific service

Estimates the overall intensity of demand for a given service

Evaluating Cross-Price Demand

Consumption of a **multiple** services evaluated under constraint

A service is evaluated across prices, accompanied by alternatives

Alternatives are available at a **fixed**, typically low price

Reveals relationships between different competing options





Demand, Substitutability of Services: Gilroy et al. (2022)

15 **Alone-Price Demand for Services** Consumption ² **Caregivers** interested in parent-mediated behavior therapy Experiencing **on-going** disruptive child behavior Self-selected evidence-based service (i.e., High UR/IR) 50 100 150 200 250 Price 20 Predicted Treatment Consumption 50 100 150 200 250

300

300

Price

350

400

350

400

Key Takeaways

Good baseline **demand** for **High UR/High IR** service

Variability in **price-elasticity** of demand

Unclear whether UR or IR most drove choice

See Gilroy & Picardo (2022)

Demand, Substitutability of Services: Gilroy et al. (2022)

Cross-Price Demand for Services

Maximal service accompanied by two alternatives

Alternative 1: Strong evidence, Weak informational value

Alternative 2: Weak evidence, Strong informational value

Key Takeaways

Substitution observed in virtually all participants

Substitution was revealed for both alternatives

Service with **High IR** was a stronger substitute overall



Potential Limitations of Cross-Price Tasks Used in Operant Demand?

What Cross-Price Tests Can Tell Us

Characterizes a **specific** reinforcer-reinforcer relationship

A slope difference != 0 suggests **some** relationship exists

Relationships **can inform** intervention and the development of policy (e.g., harm reduction initiatives)





Some Important, But Missing Details

Processes are analyzed separately, not together

Consumption within price structures is less apparent

Informational and contextual features usually limited

Beyond Substitutability in Cross-Price Tasks



Consumption Within/Across Prices

Maximization: Changes in consumption within each price

Indexed relative to reinforcer type (i.e., Summed IR vs. UR)

Visualized as log_2 ratio for ease of interpretation

A Molar View of Consumer Choice

No single contingency accounted for consumer choice

Choices ratios were surprisingly stable across prices

Consistent with Foxall's model—consumers maximize for both Informational and Utilitarian Reinforcement

Operant Demand and Areas of Expansion

More Contextualized Tasks

Informational contingencies account for some of how the social context influences choice

Real-world choice is seldom discrete, tasks may need to consider the range/availability of prospects to consumers

Qualitative elements may prove helpful in informing experiments

Integrative Metrics of Choice

Choice is behavior in the context of other behavior

Substitutability of goods and services is not a yes/no question

Consumer behavior under the control of various contingencies

The Behavioral Ecology of Brand Choice: How and What Do Consumers Maximize?

Gordon R. Foxall and Victoria K. James Cardiff University



Exploring New Options

Currently Undergoing Replication

Recruiting a community-based sample to replicate findings

Services included are based on those available in region

Follow-up interview to discuss other relevant factors (e.g., familiarity with prospects, sources of information)

Some (Very) Early Observations

Trends appear consistent with crowdsourced sample

Maximal reinforcement tracks with baseline demand

Alternatives with Higher IR value appeared to be a stronger substitute



Thank You and Contact Information

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Presentation to be posted on RG and lab website



