

Laudatio for honorary doctor Professor Dan Ariely

Ale Smidts (RSM), honorary promoter

103rd Dies Natalis Erasmus University Rotterdam, 8 November 2016

(gesproken woord geldt)

Dear Rector Magnificus, esteemed colleagues, distinguished guests,

It is my pleasure and privilege to introduce Professor Dan Ariely.

Dan has dedicated his academic career to the study of irrationality in behaviour.

Why do we so often fail to act in accordance with what is in our own best interests? Why do we give in to temptations when we promise ourselves to eat healthily? Why do we overvalue objects simply because we constructed them ourselves (a good example being the IKEA furniture we assemble so laboriously)? Why do 'honest' people often behave slightly dishonestly and yet still find ways to excuse their acts? What interventions can improve our decision-making and thus help us live a more sensible life?

Such questions have been the focus of Dan's research for 20 years. His research has led to great advancements in our understanding of human behaviour. His devotion to valorisation and his gifts as a speaker, writer, mentor, and consultant have enabled his research to achieve enormous impact worldwide. He has attained a rare status; a scientist who is lauded within the academic community and more widely. His career embodies what we, as scientists, aspire to at RSM: scientific excellence and impact.

So what has this career involved?

Dan Ariely received a PhD in Cognitive Psychology from UNC, Chapel Hill in 1996 and a second PhD in Business Administration from Duke University in 1998. He worked at MIT for 10 years before returning to Duke in 2008. He is currently the James B. Duke Professor of Psychology & Behavioral Economics at the Marketing Department of the Fuqua School of Business, Duke University, with joint appointments with Duke's Department of Economics and the School of Medicine.

From early on, Ariely proved himself a highly prolific and talented researcher with an ability to achieve great scholarly impact. In the 20 years since completing his PhD, he has published over 130 journal articles. He has been published widely, not only in top journals in marketing and management, but also in economics, psychology, neuroscience and medicine, demonstrating his interdisciplinary approach and outreach. It also exemplifies that truly innovative research often takes place at the intersection of scientific fields.

Much of Ariely's research examines the hard-wired cognitive and affective biases that make us prone to behave irrationally. His research challenges the standard economic model of rational decision-making, demonstrating that much of our

decision-making is, in fact, systematically – and thus predictably – biased. In particular, he has advanced our insights into the role of emotions such as pain and arousal in decision-making, and he coined names for phenomena such as the zero price effect, the marketing placebo effect, and the IKEA effect.

Dishonesty is another highly influential stream of his work. In the theory of 'self-concept maintenance' he argues that dishonesty stems from two opposing forces: the desire to benefit from cheating, and the desire to view ourselves as moral beings. This struggle leads us to cheat 'a little bit', thus allowing us to benefit from our dishonesty while still feeling good about ourselves.

Humans display an amazing cognitive flexibility when it comes to rationalizing these dishonest acts. We take office supplies from our workplace more readily than we'll steal money. Golf players are more likely to shift the ball to a better position with their foot than with their hand. We'll do these things simply because we can easily rationalize such behaviour. Ariely's research suggests a rise in these acts, particularly in an economy in which many transactions are digital, and thus the psychological distance from a potentially dishonest act is greater. His work has important implications for managers and consumers, as well as academics who – like golfers – have lots of small opportunities to cut corners. One such lesson is about taking pledges and following codes of conduct – these will only affect our behaviour if we get moral reminders immediately before the wrong behaviour might happen.

As a scholar, Ariely also has a strong influence on the academic community. He is a superb mentor. Many of his PhD students and post-docs are now well-known professors at top business schools. His collaborators – and he has worked with more than 140 co-authors – speak highly of his creativity and his ability to make complex subjects simple and understandable.

Ariely has distinguished himself as a researcher. I would now like to draw your attention to the area of valorisation.

Few scientists in the field of marketing are currently achieving as much impact with their research among business leaders, policy-makers and the general public, as Dan Ariely.

He publishes regularly in the *Harvard Business Review*, a prime source for business executives and students. He achieved even broader impact with his three international bestsellers: *Predictably Irrational* (2008), *The Upside of Irrationality* (2010) and *The Honest Truth About Dishonesty* (2012). A fourth book, *Payoff*, on what motivates us, will be published next week. These books are all written with his particular blend of humour, personal anecdotes, and plain language. Anyone studying morality and ethics should watch his award-winning documentary: (Dis)Honesty – The Truth About Lies.

His audiences are huge. His column in the *Wall Street Journal* called "Ask Ariely" gives advice on a vast range of questions. His five TED talks have been watched more than 14 million times. As a speaker, Dan communicates his research in a way that captivates his audiences through the power of storytelling and he is therefore

sought-after as a presenter at seminars for business leaders and the general public. And he provides advice to companies and policy-makers in his role as a consultant through his *Center for Advanced Hindsight*.

For us in academia, Ariely is a rare and outstanding example of how to combine scientific excellence with valorisation.

Today, Rotterdam School of Management, Erasmus University warmly congratulates Dan as we confer upon him the honorary doctorate.