
Predictably Irrational Summary PDF Cheatsheet —

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?? 1. The Relativity Illusion: We tend to judge things not objectively, but in comparison to what else is nearby

The Relativity Illusion is the concept that humans tend to make judgments in a relative way, compared to what else is available nearby.

? 2. The Anchoring Effect: How initial ‘anchors’ or reference points manipulate our choices and spending

The ‘Anchoring Effect’ is a potent psychological principle that demonstrates how our judgments can be swayed by initial reference points, impacting how much we’re willing to pay for something.

? 3. The Deadline Paradox: Strict deadlines make us less vulnerable to procrastination and help us do better work

Procrastination is really a problem of choosing impulsive gratification over long-term goals. Our best friend in beating this enemy include strict deadlines, pre-commitments, and temptation bundling.

? 4. The FREE! Trap: How our obsession with “FREE!” can cost us more than we realize

The FREE! Trap reveals how the attraction of ‘free’ can often cloud our judgment, prompting us to spend more in time or effort than we would otherwise.

? 5. Social Vs. Market Norms: Two very different ways of motivating people, “for cause or cash”

In essence, our behavior can be governed by either social norms or market norms. While market norms are more efficient, we generally bring more effort and creativity when working “for cause than cash,” explaining the push of many companies to create a family feeling.

? 6. The Passion Problem: How entering a “hot state” distorts our decision-making

In a nutshell, “The Passion Problem” says that we really have multiple selves, and we cannot rely on our “cool state” rational self to handle “hot state” situations of high passion.

? 7. The Ownership Bias: Why we overvalue the things we own

In short, ‘The Ownership Bias’ is all about understanding that once we own something – be it a basketball ticket, a self-assembled bookshelf, or an opinion – we value it more than others might.

? 8. The Cost of Indecision: When keeping doors open holds us back

In short, while humans love keeping options open, ‘The Cost of Indecision’ reminds us that there’s value in commitment. Sometimes, stepping through a chosen door, and closing it behind us, is the best decision we can make.

? 9. The Power of Expectations: How our material experiences are shaped by our immaterial beliefs

In a nutshell, the 'Power of Placebo' shows us that our expectations can have a significant impact on our real-life experiences. So the next time you find yourself reaching for a branded product or enjoying a meal more because of a fancy description, remember: it might be your expectations at play.

? 10. A Dose of Dishonesty: Why most of us will cheat, but only a little, and how to maintain trust in society

In a nutshell: while we think of ourselves as honest, small cheats are more common than we'd like to admit. Regular moral reminders can help keep our ethical compass pointed in the right direction.

This is just a sample!

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