

**Business Communication**

## **The Curse of Knowledge**

by Chip Heath and Dan Heath

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**Summary.**

Impenetrable strategy statements can't unite employees behind an organization's goals, but concrete language and stories can.

Many sensible strategies fail to drive action because executives formulate them in sweeping, general language. "Achieving customer delight!" "Becoming the most efficient manufacturer!" "Unlocking shareholder value!" One explanation for executives' love affair with vague strategy statements relates to a phenomenon called the curse of knowledge. Top executives have had years of immersion in the logic and conventions of business, so when they speak abstractly, they are simply summarizing the wealth of concrete data in their heads. But frontline employees, who aren't privy to the underlying meaning, hear only opaque phrases. As a result, the strategies being touted don't stick.

In 1990, a Stanford University graduate student in psychology named Elizabeth Newton illustrated the curse of knowledge by studying a simple game in which she assigned people to one of two roles: "tapper" or "listener." Each tapper was asked to pick a well-known song, such as "Happy Birthday," and tap out the rhythm on a table. The listener's job was to guess the song.

Over the course of Newton's experiment, 120 songs were tapped out. Listeners guessed only three of the songs correctly: a success ratio of 2.5%. But before they guessed, Newton asked the tappers to predict the probability that listeners would guess correctly. They predicted 50%. The tappers got their message across one time in 40, but they thought they would get it across one time in two. Why?

When a tapper taps, it is impossible for her to avoid hearing the tune playing along to her taps. Meanwhile, all the listener can hear is a kind of bizarre Morse code. Yet the tappers were flabbergasted by how hard the listeners had to work to pick up the tune.

The problem is that once we know something—say, the melody of a song—we find it hard to imagine not knowing it. Our knowledge has “cursed” us. We have difficulty sharing it with others, because we can't readily re-create their state of mind.

In the business world, managers and employees, marketers and customers, corporate headquarters and the front line, all rely on ongoing communication but suffer from enormous information imbalances, just like the tappers and listeners.

Leaders can thwart the curse of knowledge by “translating” their strategies into concrete language. Consider Trader Joe's, a specialty food chain whose mission is “to bring our customers the best food and beverage values and the information to make informed buying decisions.” That's the company's abstract umbrella statement, and it hardly serves to distinguish Trader Joe's from other retailers. But shopping at Trader Joe's is nothing like shopping at Wal-Mart, and its aisles are full of inexpensive but exotic foodstuffs like Moroccan simmer sauce and red-pepper soup.

Trader Joe's beats the curse of knowledge and pours meaning into its strategy by using concrete language elsewhere. It touts its reputation as the “home of cheap thrills,” describing its target customer as an “unemployed college professor who drives a very, very used Volvo.” The image is a simplification, obviously; at any

given moment, there are probably zero of these “target customers” in Trader Joe’s. But because it simplifies a complex reality, the description ensures that all the employees of the organization have a common picture of its customers. Would the professor like the red-pepper soup? Yes.

Stories, too, work particularly well in dodging the curse of knowledge, because they force us to use concrete language. FedEx, for example, uses a story related to its Purple Promise award, which honors employees who uphold FedEx’s guarantee that packages will “absolutely, positively” arrive overnight: In New York, a FedEx delivery truck broke down and the replacement van was running late. The driver initially delivered a few packages on foot; but then, despairing of finishing her route on time, she managed to persuade a competitor’s driver to take her to her last few stops.

Stories like this are tangible demonstrations of the company’s strategic aim to be the most reliable shipping company in the world. A top sales executive can use the New York story to say “This is how seriously we take reliability.” A new delivery driver can use the story as a guide to behavior: “My job is not to drive a route and go home at 5 PM; my job is to get packages delivered any way I can.”

Concrete language and stories defeat the curse of knowledge and make executives’ strategy statements stickier. As a result, all the members of an organization can share an understanding of the strategies and a language for discussing them.

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