



Between Data, Pride, and Bias: What the NBA Can Teach Us About Business Decisions Through Behavioral Economics

By Christian Rook

When Pride Turns Into Bias

Germany is the reigning basketball world champion — and proud of it. Names like Franz and Moritz Wagner, Dennis Schröder, and Isaiah Hartenstein dominate German sports media.

At first glance, it may seem like Germany has established itself as a global powerhouse in the NBA. But a closer, data-driven look tells a different story — and that is where the real value lies.

What we are witnessing is a **textbook case of cognitive biases** and behavioral economics at work: how human perception can distort data interpretation when we fail to analyze or contextualize information properly. The NBA is just the stage — but the underlying mechanisms are equally relevant for corporate decision-making.



The Data – What the NBA Really Shows

In the 2024/25 season, the NBA consists of approximately **600 active players**, including **125 international players** (20.8%) from 43 different countries — a record in the league's history. In other words, every 5th NBA player is non-American. Among these international players, **7 are from Germany**, representing **1.16%** of all NBA players (roughly 1 in 86) or **5.6%** of all international players (1 in 20).

For Germany, this is a record worth celebrating. Franz and Moritz Wagner have their own TV show ("The Wagner Brothers"), thousands listen to their podcasts, and NBA games air in prime time on major German broadcasters. The NBA hype in Germany is stronger than ever.

But how does it really look behind the scenes? And what can we learn from it?

A closer inspection shows that **no German player currently ranks among the Top 45** — neither athletically nor financially.

Two examples:

- **Franz Wagner** (Orlando Magic): Currently in his rookie contract (\$7 million, ranked #210), with a 5-year extension worth \$224 million starting in 2025 — projected to climb into the Top 32. In the final year of his contract (2029/30), he will earn approximately \$49 million.

- **Isaiah Hartenstein** (Oklahoma City Thunder): Currently earns \$30 million, ranked #49 — a solid starter but far from being a franchise player.

The remaining German players (Schröder, Kleber, Moritz Wagner, da Silva, Hukporti) are either role players or development projects. Daniel Theis has already returned to Europe.

For comparison:

Stephen Curry, #1 on the salary list at age 37, earns close to **\$56 million** this season with the Golden State Warriors, rising to nearly **\$63 million** over the next two seasons.

Behavioral Economics – The Cognitive Biases Behind This Perception

So why do so many believe that Germany is already a basketball superpower?

The answer lies in **well-known cognitive biases** — not just relevant to sports but present in business decisions every day:

1. Availability Heuristic

We overestimate information that is highly visible and frequently mentioned.

- **NBA:** German players are omnipresent in German media, leading us to overestimate their importance within the league.
- **Business:** Projects that are constantly featured in internal meetings or presentations are perceived as more strategically important than they actually are.

2. Salience Bias

Striking, emotional events distort our judgment.

- **NBA:** The 2023 World Championship is seen as proof of Germany's dominance, even though it was an isolated tournament.
- **Business:** A hyped product launch overshadows deeper structural weaknesses in the core business.

3. Overconfidence Bias

We overestimate our own position and future prospects.

- **NBA:** The world title feeds the belief that Germany is on the verge of NBA dominance.
- **Business:** After a strong fiscal year, companies believe their business model is resilient — ignoring market cycles or emerging competitors.

4. Narrative Fallacy

We create compelling but analytically flawed stories.

- **NBA:** "Franz Wagner is the next Nowitzki" — even though they are fundamentally different players, and Wagner still has much to prove.
- **Business:** "We are innovation leaders because our first product was a success" — ignoring the role of luck or temporary market gaps.

5. Base Rate Neglect

We ignore statistical probabilities in favor of emotionally appealing cases.

- **NBA:** One successful German player is seen as evidence of a general trend, despite most NBA stars still being American.

- **Business:** A single successful unconventional hire is interpreted as proof that formal hiring processes are obsolete — even though most similar hires have failed.

The Wake-Up Call for Businesses

These biases affect **every data-based decision**:

Biased data analysis = Biased decisions = Misallocated resources and poor steering

This applies to sports, strategy, HR, investments, and beyond.

Five Practical Recommendations for Better Data Analysis

✓ 1. Always Consider Base Rates

Always ask: *What does the base rate tell me?* Avoid drawing conclusions from outliers or exceptional cases alone.

✓ 2. De-emotionalize Data

Separate emotional highlights from the data. Successful single projects, crises, or outliers should never become the sole basis for strategic decisions.

✓ 3. Challenge Your Narrative

Ask yourself: *What story am I telling — and is it really true?*

Focus on data, context, and probabilities instead of feel-good success stories.

✓ 4. Visualize and Contrast

Present multiple perspectives: a) Trends over time, b) Benchmark comparisons, c) Best- and Worst-Case scenarios, d) Avoid “Single KPI Decision Making”

✓ 5. Build Bias Awareness

Educate your teams about typical behavioral biases. Training sessions, checklists, or external sparring partners can help identify blind spots. Critical thinking is key.

Closing Thought

Data is powerful — but only if interpreted correctly.

Whether on the basketball court or in the boardroom: There is often a vast gap between **visibility** and **substance**. German basketball is on the rise, but not yet world-class. Similarly, companies that fall for hype risk steering in the wrong direction. Data literacy starts by asking: What do I actually see — and what do I just believe to see? Only those who are aware of these biases can develop strategies that are truly effective.



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