

# The Prospects of Emotion

Investigating the modulating effects of emotions on the parameters of  
Cumulative Prospect Theory

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January 2021

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# **1 Introduction**

## **1.1 Prospect Theory**

### **1.1.1 Prospect Theory and Expected Utility**

### **1.1.2 Cumulative Prospect Theory (CPT)**

### **1.1.3 Replication**

### **1.1.4 The parameters of Cumulative Prospect Theory**

## **1.2 Emotions**

### **1.2.1 Rationality and Emotions**

### **1.2.2 Historical shift in understanding emotions**

### **1.2.3 Eliciting Emotions**

### **1.2.4 Videos**

## **1.3 Prospect Theory under the influence of Emotion**

## **1.4 Models and Procedure**

### **1.4.1 Estimating parameters**

### **1.4.2 Bayesian Approach and Results**

## **1.5 Hypotheses**

### **1.5.1 Manipulation checks**

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### **1.5.2 Cross study check**

### **1.5.3 Hypothesis testing**

$$\pi(p_i) = \frac{p_i^c}{(p_i^c - [1 - p_i^c])^{\frac{1}{c}}}$$

$$v(x) = \begin{cases} x^\alpha & \text{if } x \geq 0 \\ -\lambda(-x)^\beta & \text{if } x < 0 \end{cases}$$