

SYLLABUS :-

Course Contents Introduction Economics and Psychology; Perception- Psychophysics, different thresholds, perpetual judgment, perception of price, money and inflation, risk perception; Attitudes- Function of Attitudes, attitude formation, change and persuasion, expected utility and attitudes, attitudes and economic behaviour; Information Processing and Rationality- Limited Information Processing Capacity, Models of information processing, decision support systems, axioms of economic choice, utility and value functions, endowment effect, mental accounting, status quo bias, sunk costs, self control; Choice- Certainty effect, Probability weighting function and confidence, Prospect theory; Motivation, Emotions and Well-being- Maslows hierarchy of needs, Need for achievement, Locus of Control, Sensation seeking, Altruism, Time Preference, Emotions and consumer choice, Emotions and Utility, Wellbeing and Income, Consumer Satisfaction; Economic Expectation and Investment Behaviour- Adaptive vs. Rational Behaviour, Consumer confidence, Judgmental forecasting.