

Decision Processes Colloquia

Monday, February 27, 2017

Where: 260 JMHH

When: 12:00 – 1:15 pm

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Neuroforecasting Crowdfunding Outcomes

ABSTRACT: Although traditional economic and psychological theories imply that individual choice best scales to aggregate choice, primary components of choice reflected in neural activity may support even more generalizable forecasts. Crowdfunding represents a significant and growing platform for funding novel and idiosyncratic projects, causes, and products. To test whether neural activity could forecast market-level crowdfunding outcomes weeks later, study participants decided whether to fund proposed projects described on an internet crowdfunding website while undergoing scanning with functional magnetic resonance imaging (fMRI). The study found that neural affective mechanisms (at the individual-level) can in fact help forecast crowdfunding outcomes at the market-level. While activity in both the nucleus accumbens (NAcc) and medial prefrontal cortex (MPFC) predicted individual choices to fund on a trial-to-trial basis in the neuroimaging sample, only NAcc activity generalized to forecast market funding outcomes weeks later on the internet. Further, behavioral measures from the neuroimaging sample could not forecast market funding outcomes. These findings demonstrate that a subset of the neural predictors of individual choice can generalize to forecast market-level outcomes – even more effectively than choice itself.

