

Decision Processes Colloquia

Monday, April 15th

Where: JMHH F 60

When: 12:00 – 1:30 pm

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ABSTRACT:

The neural autopilot theory of habit models habitual choice as one of two decision modes. The key construct is reward prediction error (RPE), the deviation between subjective reward and a reward prediction. Habits are formed when a choice's unsigned prediction error falls below a threshold. In this talk we'll motivate autopilot based on psychology and neuroscience and apply it to two sets of field data on purchases of tuna and social media (Weibo). Important unfinished business is how to include cues (aka state-dependence) which are known to be important in habit formation. We'll also contrast this habit model with adjacent complementarity as hypothesized in economics (e.g. Becker-Murphy).