The Science of Choices

Behavioural Economics · Practice Test · 8 Questions

1. What is the name for the mental shortcut our brain uses to make quick decisions without thinking too much?

A) Heuristic
B) Hyperactivity
C) Habitation
D) Hypothesis

2. When people value an item more simply because they own it, this is known as which effect?

A) The Giving Bias
B) The Endowment Effect
C) The Keeping Rule
D) The Possession Habit

3. What do economists call the tendency for people to stick with the default option provided to them instead of making a change?

A) Status Quo Bias
B) The Lazy Choice
C) The Automatic Rule
D) Preference Persistence

4. Which concept describes why people often make different choices depending on whether a situation is framed as a gain or a loss?

A) Perspective Theory
B) Prospect Theory
C) Point of View Logic
D) Positioning Principle

5. What is the term for when people copy the actions of others because they assume the group knows the best way to behave?

A) Social Proof
B) Group Thinking
C) Community Copying
D) Public Mirroring

6. In economics, what is the 'Present Bias' referring to?

A) The desire for birthday gifts
B) Preferring smaller rewards now over larger rewards later
C) The habit of waiting for better things
D) A focus on future planning

7. What is it called when a person focuses too much on the first piece of information they receive when making a judgment?

A) The Anchor Effect
B) The Primary Point
C) The Starting Line
D) The Initial Bias

8. What do behavioural scientists call the 'nudge' that influences choices without forbidding any options?

A) Choice Architecture
B) Decision Design
C) Option Engineering
D) Action Planning