

Is the description-experience gap in risky choice limited to rare events?

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Psychology researchers at the University of Alberta have found an interesting wrinkle in the decision-making process people use when gambling: People confronted with risky choices respond differently when they rely on past experiences, rather than when they just focus on the odds of winning or losing.

The research team gave [people](#) two kinds of choices. One was a choice between a sure win versus a double-or-nothing win. The other choice was between a sure loss versus a double-or-nothing loss. In some cases the odds were explained to the volunteer [gamblers](#), and sometimes the players were just left to learn their chances through their experience playing the game.

Surprisingly, most people made the exact opposite choices when they were told the odds, opposed to when they learned about them on their own. With experience, the test subjects started to gamble on the double-or-nothing for wins and they avoided the risky choice for losses. Their [gambling](#) tendencies were reversed when they were told the odds.

"We think that people choose in fundamentally different ways when they are remembering their past wins and losses than when they are thinking about abstract future possibilities," said U of A researcher Marcia Spetch. "When basing choices on memory, people may focus more on the bigger wins and the bigger losses."

Beyond this novel finding, this research provides a new task for studying

gambling behaviour that may one day help in understanding risky choice behaviour and gambling addictions. A follow-up study is being conducted by the same research group using the same gambling task, and participants will be hooked up to MRI equipment to identify areas of the brain involved in risky decision making.

The research was published June 1 in the journal *PLoS ONE*.

Provided by University of Alberta

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