Understanding Consumer Financial Behavior

Consumer financial behavior is a domain between micro-economics, behavioral finance, and marketing. It is based on insights and behavioral theories from cognitive, economic, and social psychology (biases, heuristics, social influences), in the context of and sometimes in conflict with micro-economic theories of consumers, investors, and markets. Behavioral finance has a descriptive approach, how people make financial decisions. Not always rational, but often in a systematic irrational way. Consumer financial behavior is also a basis and starting point for the marketing management of financial products and services, as well as for consumer education and protection policy. This monograph is on the determinants/drivers and consequences of spending, saving, borrowing, insuring, and investing. Ultimately, this monograph is on the financial requirements for financial inclusion, and participation in present society with its myriad of products and services, experiences, social media, information (overload), and the pursuit of meaning, satisfaction, happiness, and wellbeing.

In an ever-changing economy, market specialists strive to find new ways to evaluate the risks and potential reward of economic ventures by assessing the importance of human reaction during the economic planning process. The Handbook of Research on Behavioral Finance and Investment Strategies: Decision Making in the Financial Industry presents an interdisciplinary, comparative, and competitive analysis of the thought processes and planning necessary for individual and corporate economic management. This publication is an essential reference source for professionals, practitioners, and managers working in the field of finance, as well as researchers and academicians interested in an interdisciplinary approach to combine financial management, sociology, and psychology.

WINNER, Business: Personal Finance/Investing, 2015 USA Best Book Awards FINALIST, Business: Reference, 2015 USA Best Book Awards Investor Behavior provides readers with a comprehensive understanding and the latest research in the area of behavioral finance and investor decision making. Blending contributions from noted academics and experienced practitioners, this 30-chapter book will provide investment professionals with insights on how to understand and manage client behavior; a framework for interpreting financial market activity; and an in-depth understanding of this important new field of investment research. The book should also be of interest to academics, investors, and students. The book will cover the major principles of investor psychology, including heuristics, bounded rationality, regret theory, mental accounting, framing, prospect theory, and loss aversion. Specific sections of the book will delve into the role of personality traits, financial therapy, retirement planning, financial coaching, and emotions in investment decisions. Other topics covered include risk perception and tolerance, asset allocation decisions under inertia and inattention bias;

evidenced based financial planning, motivation and satisfaction, behavioral investment management, and neurofinance. Contributions will delve into the behavioral underpinnings of various trading and investment topics including trader psychology, stock momentum, earnings surprises, and anomalies. The final chapters of the book examine new research on socially responsible investing, mutual funds, and real estate investing from a behavioral perspective. Empirical evidence and current literature about each type of investment issue are featured. Cited research studies are presented in a straightforward manner focusing on the comprehension of study findings, rather than on the details of mathematical frameworks.

Are people ready to take pivotal financial decisions like choosing a mortgage, saving for retirement, or investing their savings? How does the degree of knowledge about financial products and services affect the quality of their choices? Can financial fraud be prevented by increasing consumer financial knowledge? Financial Literacy in Europe addresses these important questions and more. In the first part, the author investigates the concept of financial literacy by analyzing its components and comparing different definitions from previous studies. This then forms a comprehensive measure of financial literacy to be applied in empirical studies that analyze the role of financial literacy in explaining consumers' financial behaviors. In the second part of the study, the author uses brand new data collected by the Consumer Finance Research Center (CFRC) from several European countries (the UK, Germany, France, Italy, Sweden, and Spain) to assess financial literacy in Europe and highlight similarities and differences across countries. Filling an important gap in previous research, the author develops a rigorous approach in the measurement of financial literacy in order to examine European financial literacy issues in great detail. This book, therefore, is a useful resource for assessing the effectiveness of single financial education programs or planning national strategies on financial education. It can also support policy makers in developing financial regulation and consumer protection strategies, considering the consumer perspective and their ability to deal with financial markets and institutions.

As Elizabeth Warren memorably wrote, “It is impossible to buy a toaster that has a one-in-five chance of bursting into flames and burning down your house. But it is possible to refinance an existing home with a mortgage that has the same one-in-five chance of putting the family out on the street.” More than a century after the government embraced credit to fuel the American economy, consumer financial protections in the increasingly complex financial system still place the onus on individuals to sift through fine print for assurance that they are not vulnerable to predatory lending and other pitfalls of consumer financing and growing debt. In Democracy Declined, Mallory E. SoRelle argues that the failure of federal policy makers to curb risky practices can be explained by the evolution of consumer finance policies aimed at encouraging easy credit in part by foregoing more stringent regulation. Furthermore, SoRelle explains how angry borrowers' experiences with these policies teach them to focus their attention primarily on banks and lenders instead of demanding that lawmakers address predatory behavior. As a result, advocacy groups have been mostly unsuccessful in mobilizing borrowers in support of stronger consumer financial protections. The absence of safeguards on consumer financing is particularly dangerous because the consequences extend well beyond harm to individuals—they threaten the stability of entire economies. SoRelle identifies pathways to mitigate these potentially disastrous consequences through greater public participation.

Understanding Consumer Financial BehaviorMoney Management in an Age of Financial IlliteracySpringer

No time in the history, consumption is considered to be as important as in today's world. It defines who we are, how well/perfect we perform our multiroles within the society (buying the most expensive clothes means being the best mom for instances), what symbolic meanings we attribute to our belongings, and how rich/clever/fashion conscious or innovative we are. Due to multidisciplinary and multimethod character of the concept of consumer behavior, it is appropriate to study it accordingly in order to understand the subject with its different aspects and holistically. Especially with the cultural, social, and technological changes within today's world, this issue becomes prominent. This book is a modest try for that end.

Argues that public finance--the study of the government's role in economics--should incorporate principles from behavior economics and other branches of psychology.

This handbook surveys the social aspects of consumer behavior, offering latest data and original research on current consumer needs as well as identifying emerging areas of research. This accessible volume (which can be read without advanced training in the field) starts with current concepts of risk tolerance, consumer socialization, and financial well-being, and moves on to salient data on specific settings and populations such as high school students and the older consumer.

In late 2016, the CFPB fielded for the first time the financial well-being scale in a nationwide survey of adults in the United States. In addition to measuring individuals' financial well-being, the survey collected a host of other measures, including items related to: (1) individual characteristics; (2) household and family characteristics; (3) income and employment characteristics; (4) savings and safety nets; (5) financial experiences; and (6) financial behaviors, skills, and attitudes. This report presents the survey's findings on the distribution of financial well-being scores for the U.S. adult population overall and for selected subgroups defined by these additional measures. These descriptive findings provide insight into which subgroups are faring relatively well and which ones are facing greater financial challenges. At the same time, the report raises important questions about what may drive variations in financial well-being within subgroups and how these factors may work together to determine an individual's level of financial well-being.This report provides a first-of-its-kind view into the state of financial well-being in America. By showing whether and how a wide range of characteristics, opportunities, experiences, behaviors, skills, and attitudes are associated with financial well-being, we hope this report will catalyze researchers, policymakers, and practitioners to further explore these relationships to determine the factors that drive an individual's financial well-being and opportunities to help improve people's financial lives through financial education and related supports.

Executives, investors, and the business press routinely chant the mantra that corporations are required to “maximize shareholder value.” In this pathbreaking book, renowned corporate expert Lynn Stout debunks the myth that corporate law mandates shareholder primacy. Stout shows how shareholder value thinking endangers not only investors but the rest of us as well, leading managers to focus myopically on short-term earnings; discouraging investment and innovation; harming employees, customers, and communities; and causing companies to indulge in reckless, sociopathic, and irresponsible behaviors. And she looks at new models of corporate purpose that better serve the needs of investors, corporations, and society.

Consumer Credit and the American Economy examines the economics, behavioral science, sociology, history, institutions, law, and regulation of consumer credit in the United States. After discussing the origins and various kinds of consumer credit available in today's marketplace, this book reviews at some length the long run growth of consumer credit to explore the widely held belief that somehow consumer credit has risen "too fast for too long." It then turns to demand and supply with chapters discussing neoclassical theories of demand, new behavioral economics, and evidence on production costs and why consumer credit might seem expensive compared to some other kinds of credit like government finance. This discussion includes review of the economics of risk management and funding sources, as well discussion of the economic theory of why some people might be limited in their credit search, the phenomenon of credit rationing. This examination includes review of issues of risk management through mathematical methods of borrower screening known as credit scoring and financial market sources of funding for offerings of consumer credit. The book then discusses technological change in credit granting. It examines how modern automated information systems called credit reporting agencies, or more popularly "credit bureaus," reduce the costs of information acquisition and permit greater credit availability at less cost. This discussion is followed by examination of the logical offspring of technology, the ubiquitous credit card that permits consumers access to both payments and credit services worldwide virtually instantly. After a chapter on institutions that have arisen to supply credit to individuals for whom mainstream credit is often unavailable, including "payday loans" and other small dollar sources of loans, discussion turns to legal structure and the regulation of consumer credit. There are separate chapters on the theories behind the two main thrusts of federal regulation to this point, fairness for all and financial disclosure. Following these chapters, there is another on state regulation that has long focused on marketplace access and pricing. Before a final concluding chapter, another chapter focuses on two noncredit marketplace products that are closely related to credit. The first of them, debt protection including credit insurance and other forms of credit protection, is economically a complement. The second product, consumer leasing, is a substitute for credit use in many situations, especially involving acquisition of automobiles. This chapter is followed by a full review of consumer bankruptcy, what happens in the worst of cases when consumers find themselves unable to repay their loans. Because of the importance of consumer credit in consumers' financial affairs, the intended audience includes anyone interested in these issues, not only specialists who spend much of their time focused on them. For this reason, the authors have carefully avoided academic jargon and the mathematics that is the modern language of economics. It also examines the psychological, sociological, historical, and especially legal traditions that go into fully understanding what has led to the demand for consumer credit and to what the markets and institutions that provide these products have become today.

This book stresses the psychological perspective in explaining financial behavior. Traditionally, financial behaviors such as saving, spending, and investing have been explained using demographic and economic factors such as income and product pricing. The consequence of this way of thinking is that financial institutions view their clients mostly from the perspective of their income. By taking a psychological approach, this book stresses the perspective of consumers confronted with a quickly changing financial world: the changing of financial offers and products (savings, investments, loans), the changing of payment methods (from cash to cheques, cards and mobile payments), the accessibility and temptation of goods, and the changing of insurance and pension systems. The Psychology of Financial Consumer Behavior provides insight into the thought processes of consumers in a variety of financial topics. Coverage includes perceptions of wealth, the pleasure or pain of spending, cashless transactions, saving and investing, loans, planning for the future, taxes, and financial education. The book holds appeal for researchers, professionals, and students in economics, psychology, economic psychology, marketing and consumer science, or anyone interested in financial behaviors.

"This book, "Research on Firm Finance Performance and Consumer Behaviour", plugs on the essential demand of highlighting consumer behavior and financial performance of companies, including banking and modern fintech-based institutions, particularly at the backdrop of an emerging giant - Indonesia. Contributed by prominent researchers at Universitas Indonesia, the topmost Business School in Indonesia, this book offers how wide array of theories are tested and used to frame models to recommend evidence-informed strategies of effective management. It also covers conversations around the concept, measurement, determinant of middle-class millennials; anti-corruption disclosure and its impact on firm value; effect of behavioural finance, financial and zakat literacy to the public; to roles of various forms of financial technology- (fintech-) based institutions, including peer-to-peer lending and charitable crowdfunding to our society, and other thought-provoking questions and discussions. We are pleased to present this important book to government policymakers and lifelong practitioner learners who can use the information and insights contained here. And, for fellow researchers, librarians, and students especially those who are engaging with research practices, this book is a must-have as it provides various practical replicable examples and helps shape the direction future research of recent issues in its areas"--

Traditional financial markets are the most important lever of social and economic impact that can effectively regulate markets, industries, national economies, and international economic interactions, and form global and deeply integrated economic systems. Due to the global spread of financial instability and waves of financial crises, the problems of researching effective financial instruments to ensure national competitiveness becomes highly significant. Global Trends of Modernization in Budgeting and Finance is a pivotal reference source that provides vital research on the impacts of financial globalization in the context of economic digitalization and national financial markets. While highlighting topics such as entrepreneurship, international business, and socio-economic development, this publication explores modern conditions of rapid technological progress and financial market integration, as well as the methods of increasing regional intergovernmental organization efficiency. This book is ideally designed for policymakers, financial analysts, researchers, academicians, graduate-level students, business professionals, entrepreneurs, scholars, and managers seeking current research on new challenges and developments in national financial markets.

Behavioral finance presented in this book is the second-generation of behavioral finance. The first generation, starting in the early 1980s, largely accepted standard finance’s notion of people’s wants as “rational” wants—restricted to the utilitarian benefits of high returns and low risk. That first generation commonly described people as “irrational”—succumbing to cognitive and emotional errors and misled on their way to their rational wants. The second generation describes people as normal. It begins by acknowledging the full range of people’s normal wants and their benefits—utilitarian, expressive, and emotional—distinguishes normal wants from errors, and offers guidance on using shortcuts and avoiding errors on the way to satisfying normal wants. People’s normal wants include financial security, nurturing children and families, gaining high social status, and staying true to values. People’s normal wants, even more than their cognitive and emotional shortcuts and errors, underlie answers to important questions of finance, including saving and spending, portfolio construction, asset pricing, and market efficiency.

This book focuses on strategies for developing consumer markets in Africa using concepts and techniques from marketing, entrepreneurship, and project management. The authors argue that entrepreneurial activity in Africa is rapid, but limited, and requires a structured approach to drive success. Beginning with an introductory chapter that frames the socio-economic and technological developments in Africa, readers are introduced to the conceptual model that provides this structured approach in four logical parts: The creative stage Entrepreneurial and enterprise activities Understanding consumer behavior and market segments A project management-based framework. This multidisciplinary approach is supplemented with many examples and cases from a variety of sectors including health care, wind and solar power, and mobile technology. Through these, readers are able to understand how the model is implemented in reality to drive innovative economic and social development. Marketing Management in Africa will prove a valuable companion to any student of marketing or entrepreneurship with a particular interest in Africa.

This pathbreaking volume expands on the construct of psychological ownership, placing it in the contexts of both individual consumer behavior and the wider decision-making of consumer populations. An individual’s feeling of ownership toward a target represents the perception that something is “mine!”, and is highly relevant to buying and relating to specific goods, economic and health decision-making and, especially salient given today’s privacy concerns, psychological ownership of digital content and personal data. Experts analyze the social conditions and cognitive processes concerning shared consumer experiences and psychological ownership. Contributors also discuss possibilities for socially responsible forms of psychological ownership using examples from environmental causes, and the behavioral mechanisms involved when psychological ownership becomes problematic, as in cases of hoarding. Included among the topics: Evidence from young children suggesting that even legal ownership is fundamentally psychological. Ownership, the extended self, and the extended object. Psychological ownership in financial decisions. The intersection of ownership and design. Can consumers perceive collective psychological ownership of an organization? Whose experience is it, anyway? Psychological ownership and enjoyment of shared experiences. Psychological ownership as a facilitator of sustainable behaviors including stewardship. Future research avenues in psychological ownership. Psychological Ownership and Consumer Behavior pinpoints research topics and real-world issues that will define the field in the coming years. It will be especially useful in graduate classes in marketing, consumer behavior, policy interventions, and business psychology.

This second edition of the authoritative resource summarizes the state of consumer finance research across disciplines for expert findings on—and strategies for enhancing—consumers' economic health. New and revised chapters offer current research insights into familiar concepts (retirement saving, bankruptcy, marriage and finance) as well as the latest findings in emerging areas, including healthcare costs, online shopping, financial therapy, and the neuroscience behind buyer behavior. The expanded coverage also reviews economic challenges of diverse populations such as ethnic groups, youth, older adults, and entrepreneurs, reflecting the ubiquity of monetary issues and concerns. Underlying all chapters is the increasing importance of financial literacy training and other large-scale interventions in an era of economic transition. Among the topics covered: Consumer financial capability and well-being. Advancing financial literacy education using a framework for evaluation. Financial coaching: defining an emerging field. Consumer finance of low-income families. Financial parenting: promoting financial self-reliance of young consumers. Financial sustainability and personal finance education. Accessibly written for researchers and practitioners, this Second Edition of the Handbook of Consumer Finance Research will interest professionals involved in improving consumers' fiscal competence. It also makes a worthwhile text for graduate and advanced undergraduate courses in economics, family and consumer studies, and related fields.

CONSUMER BEHAVIOR combines a foundation in key concepts from marketing, psychology, sociology, and anthropology with a highly practical focus on real-world applications for today's business environment. The new edition of this popular, pioneering text incorporates the latest cutting-edge research and current business practices, including extensive coverage of social media influences, increased consumer power, emerging neuroscience findings, and emotion in consumer decision making. In addition, the Sixth Edition includes an increased emphasis on social responsibility and ethics in marketing. With even more real-world examples and application exercises, including new opening examples and closing cases in every chapter, CONSUMER BEHAVIOR provides a thorough, yet engaging and enjoyable guide to this essential subject, enabling students and professionals alike to master the skills they need to succeed. Important Notice: Media content referenced within the product description or the product text may not be available in the ebook version.

Financial markets are complex. Regulators strive to predict ways in which they can malfunction and create rules to prevent this from happening, yet behavioural impacts are often overlooked. This book explores how behavioural finance can go hand-in-hand with traditional methods to help banks and regulators create better policies. It also demonstrates how the behavioural finance revolution has opened the way to a more integrated approach to the analysis of economic phenomena.

This volume presents selected articles from the 21st Eurasia Business and Economics Society (EBES) Conference, which was held in Budapest (Hungary) in 2017. The theoretical and empirical papers in this volume cover various areas of business, economics, and finance from a diverse range of regions. In particular, this volume focuses on the latest trends in consumer behavior, new questions in the development of organizational strategy, and the interaction of financial economics with industrial economics and policy.

Financial Behavior: Players, Services, Products, and Markets provides a synthesis of the theoretical and empirical literature on the financial behavior of major stakeholders, financial services, investment products, and financial markets. The book offers a different way of looking at financial and emotional well-being and processing beliefs, emotions, and behaviors related to money. The book provides important insights about cognitive and emotional biases that influence various financial decision-makers, services, products, and markets. With diverse concepts and topics, the book brings together noted scholars and practitioners so readers can gain an in-depth understanding about this topic from experts from around the world. In today's financial setting, the discipline of behavioral finance is an ever-changing area that continues to evolve at a rapid pace. This book takes readers through the core topics and issues as well as the latest trends, cutting-edge research developments, and real-world situations. Additionally, discussion of research on various cognitive and emotional issues is covered throughout the book. Thus, this volume covers a breadth of content from theoretical to practical, while attempting to offer a useful balance of detailed and user-friendly coverage. Those interested in a broad survey will benefit as will those searching for more in-depth presentations of specific areas within this field of study. As the seventh book in the Financial Markets and Investment Series, Financial Behavior: Players, Services, Products, and Markets offers a fresh looks at the fascinating area of financial behavior.

Designed for advanced MBA and doctoral courses in Consumer Behavior and Customer Satisfaction, this is the definitive text on the meaning, causes, and consequences of customer satisfaction. It covers every psychological aspect of satisfaction formation, and the contents are applicable to all consumables - product or service.Author Richard L. Oliver traces the history of consumer satisfaction from its earliest roots, and brings together the very latest thinking on the consequences of satisfying (or not satisfying) a firm's customers. He describes today's best practices in business, and broadens the determinants of satisfaction to include needs, quality, fairness, and regret ('what might have been').The book culminates in Oliver's detailed model of consumption processing and his satisfaction measurement scale. The text concludes with a section on the long-term effects of satisfaction, and why an understanding of satisfaction psychology is vitally important to top management.

This proceedings volume explores the new and innovative ways in which marketers find new global customers and build meaningful bridges to them based on their wants and needs in order to ensure high levels of customer satisfaction. Customer loyalty is ensured through continuous engagement with an ever-changing and demanding customer base. Global forces are bringing cultures into collision, creating new challenges for firms wanting to reach geographically and culturally distant markets, and causing marketing managers to rethink how to build meaningful and stable relationships with evermore demanding customers. In an era of vast new data sources and a need for innovative analytics, the challenge for the marketer is to reach customers in new and powerful ways. Featuring the full proceedings from the 2018 Academy of Marketing Science (AMS) World Marketing Congress (WMC) held in Porto, Portugal, this volume provides current and emerging research from global scholars and practitioners that will help marketers to engage and promote customer satisfaction. Founded in 1971, the Academy of Marketing Science is an international organization dedicated to promoting timely explorations of phenomena related to the science of marketing in theory, research, and practice. Among its services to members and the community at large, the Academy offers conferences, congresses, and symposia that attract delegates from around the world. Presentations from these events are published in this Proceedings series, which offers a comprehensive archive of volumes reflecting the evolution of the field. Volumes deliver cutting-edge research and insights, complementing the Academy’s flagship journals, the Journal of the Academy of Marketing Science (JAMS) and AMS Review. Volumes are edited by leading scholars and practitioners across a wide range of subject areas in marketing science.

This book describes the different types of financial education programmes currently available in OECD countries, evaluates their effectiveness, and makes suggestions to improve them.

Abstract: "This book discusses the indispensable value of understanding consumer activities and the crucial role they play in developing successful marketing strategies by focusing on concepts such as consumer perceptions, consumption culture, and the influence of information technology"--Provided by publisher

Financial literacy impacts the lives of individuals, families, and communities. Not all individuals appear to possess the basic financial knowledge necessary to plan for a comfortable lifestyle (Mandell, 2008). Some individuals possess financial knowledge but other psychosocial factors interfere with the ability of that knowledge to influence their actual consumer financial behavior (Dodaro, 2011; Estelami, 2008; Huston, 2010). Personal construct theory (Kelly, 1955) posits that behavior reflects self-constructed meaning and reality derived from a combination of experience and anticipation of future events that frame an individual's worldview. Meaning is self-constructed yet influenced by society's complex interrelationships. Thus, behavior reflects social aspects and psychological aspects in addition to factual knowledge. The purpose of this phenomenological qualitative study was to develop a deeper understanding of the phenomenon of financial literacy given the complex interrelationships between financial knowledge, consumer financial behavior, and psychosocial factors. This study used a phenomenological qualitative approach as the critical lens through which to view the meaning, structure, and essence of the lived experience of financial literacy. Viewed through a phenomenological lens, personal construct theory served as the theoretical framework for the study which used the

Zaltman Metaphor Elicitation Technique (ZMET) for data collection and analysis. Fourteen individuals who had completed a financial literacy program (i.e., Dave Ramsey's Financial Peace University) and 12 individuals who had not completed a financial literacy program participated in this study. ZMET was used to elicit participants' thoughts and feelings about financial literacy and how financial literacy affected their lives. Common themes elicited included the deep metaphors of journey, balance, connections, and resources. Of particular note, the deep metaphor of transformation was elicited as a theme for individuals who had participated in a financial literacy program. Participants' lives, the lives of their families, and, ultimately, broader society were transformed as a result of completion of a financial literacy program. Not only were lives transformed as a result of financial literacy, participants reported transformed attitudes towards financial literacy. A consensus map illustrating the essence of the lived experience of financial literacy was developed. Participants described financial literacy as a holistic phenomenon. Financial literacy resulted in financial well-being; a personally constructed concept that reflected individuals' aspirations for themselves, their families, and broader society. A holistic model of financial literacy that illustrated the relationships between financial knowledge, consumer financial behavior, and psychosocial factors was developed.

This timely text overviews theories, concepts, and contexts relating to the emerging field of behavioral economics. Research theories and data gathered across psychology, sociology, marketing, finance, and other relevant disciplines are synthesized to identify and elaborate on the defining aspects of consumer economic wellbeing. Against a background of consumer rights and responsibilities, the book discusses consumer phenomena of earning, spending, saving, and borrowing and their contributions to improving (and in some cases to worsening) economic wellness. In addition, the author presents effective ways consumers can be encouraged to navigate key economic environments such as the media, advertising, and the internet, and to change negative financial behaviors. Among the featured topics: Historical perspective on consumer economic wellbeing. Consumer financial capability and economic wellbeing. The role of government in promoting consumer economic wellbeing. Corporate social responsibility. Theories of online shopping and e-banking. Desirable and undesirable consumption behavior. Consumer Economic Wellbeing clarifies issues and provides insights for researchers in the fields of consumer psychology and economics, psychologists and mental health professionals, and policy analysts. It is also useful as a text for college courses in related subjects.

Achieve investing success by understanding your behaviortype This groundbreaking book shows how to invest wisely by managingyour behavior, and not just your money. Step by step, MichaelPompian (a leading authority in the practical application ofBehavioral Finance concepts to wealth management) helps you plan astrategy targeted to your personality. The book includes a test fordetermining your investment type and offers strategies you can putinto use when investing. It also includes a brief history of thestock market, and easy-to-comprehend information about stocks andinvesting to help you lay a solid foundation for your investmentdecisions. Behavioral Finance and Investor Types is divided into twoparts. Test Your Type, gives an overview of Behavioral Finance aswell as the elements that come into play when figuring out BIT,like active or passive traits, risk tolerance, and biases. The bookincludes a quiz to help you discover what category you are in. Planand Act, contains the traits common to your type; an analysis ofthe biases associated with your type; and strategies and solutionsthat compliment and capitalize on your BIT. Offers a practical guide to an investing strategy that fitsboth your financial situation and your personality type Includes a test for determining your tolerance for risk andother traits that will determine your investment type Written by the Director of the Private Wealth Practice forHammond Associates—an investment consulting firm servinginstitutional and private wealth clients Behavioral Finance and Investor Types offers investors abetter sense of what drives them and what puts on their breaks. Byusing the information found here, you'll quickly become savvy aboutthe world of investing because you'll come to understand your placein it.

Consumer behaviour is more than buying things; it also embraces the study of how having (or not having) things affects our lives and how possessions influence the way we feel about ourselves and each other - our state of being. The 3rd edition of Consumer Behaviour is presented in a contemporary framework based around the buying, having and being model and in an Australasian context. Students will be engaged and excited by the most current research, real-world examples, global coverage, managerial applications and ethical examples to cover all facets of consumer behaviour. With new coverage of Personality and incorporating real consumer data, Consumer Behaviour is fresh, relevant and up-to-date. It provides students with the best possible introduction to this fascinating discipline.

This book sheds light on financial decision making and lays down the major biases in human behavioral decision making, such as over-confidence, naive extrapolation, attention, and risk aversion, and how they lead investors and corporations to make considerable mistakes in investment. It draws on a large body of literature, from psychology and social psychology to, most importantly, behavioral economics and behavioral finance. It also looks at the progress in behavioral finance research over recent decades and includes research outputs based on retail and institutional investors from the United States, China, and many other international financial markets. The book focuses on China’s financial reforms and economic transition and includes many cases from that country to highlight the importance of behavioral finance and investor education. It therefore provides much needed in-depth understanding of the Chinese capital market.

Government policies, marketing campaigns of banks, insurance companies, and other financial institutions, and consumers' protective actions all depend on assumptions about consumer financial behavior. Unfortunately, many consumers have no or little knowledge of budgeting, financial products, and financial planning. It is therefore important that organizations and market authorities know why consumers spend, borrow, insure, invest, and save for their retirement - or why they do not. Understanding Consumer Financial Behavior provides a systemic economic and behavioral approach to the way people handle their finances. It discusses the different types of financial behaviors consumers may engage in and explores the psychological explanations for their behavior and choices. This exciting new book is essential reading for scholars of marketing, finance, and management; financial professionals; and consumer policy makers.

There has been an increasing recognition that financial knowledge (i.e., literacy) is lacking across the population. Moreover, there is recognition that this lack of knowledge poses real problems as credit, mortgages, health insurance, retirement benefits, and savings and investment decisions become increasingly complex. Financial Decisions Across the Lifespan brings together the work of scholars from various disciplines (family and consumer sciences, economics, law, finance, sociology, and public policy) to provide a broad range of perspectives on financial knowledge, financial decisions, and policies. For consistency across the volume each chapter follows a similar format: (1) what individuals know or need to know (2) how what they know or need to know affects financial decisions and outcomes (3) ways in which policies or programs or financial innovations can enhance their knowledge, or decisions, or outcomes. Contributors will provide both new and existing research to create a valuable picture of the state of financial literacy and how it can be improved.

Handbook of U.S. Consumer Economics presents a deep understanding on key, current topics and a primer on the landscape of contemporary research on the U.S. consumer. This volume reveals new insights into household decision-making on consumption and saving, borrowing and investing, portfolio allocation, demand of professional advice, and retirement choices. Nearly 70% of U.S. gross domestic product is devoted to consumption, making an understanding of the consumer a first order issue in macroeconomics. After all, understanding how households played an important role in the boom and bust cycle that led to the financial crisis and recent great recession is a key metric. Introduces household finance by examining consumption and borrowing choices Tackles macro-problems by observing new, original micro-data Looks into the future of consumer spending by using data, not questionnaires