

# Judgement and decision-making: Forecasting under emotional uncertainty

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## **Abstract**

Many people do not like the feeling of uncertainty, as they are usually not willing to adapt their perception of the world to accommodate uncertain events. We advance the proposition that uncertainty can also amplify the future desirability of a utility as well as increase forecasting accuracy. In three experiments, it was predicted and found that, when low certainty emotions, such as fear and surprise, are induced, they lead to higher predicted utility than high certainty emotions, such as anger, disgust and happiness. Furthermore, emotions characterized by certainty appraisals promote heuristic processing during prediction, which in turn increased forecasting error. These findings indicate that certainty is an important appraisal dimension of emotions, in determining whether people tend to over predict future utilities, as well as how accurate they are in their predictions.

**Keywords:** *uncertainty; predicted utility; forecasting error*

**Track:** Consumer Behaviour