SHIVAJI COLLEGE

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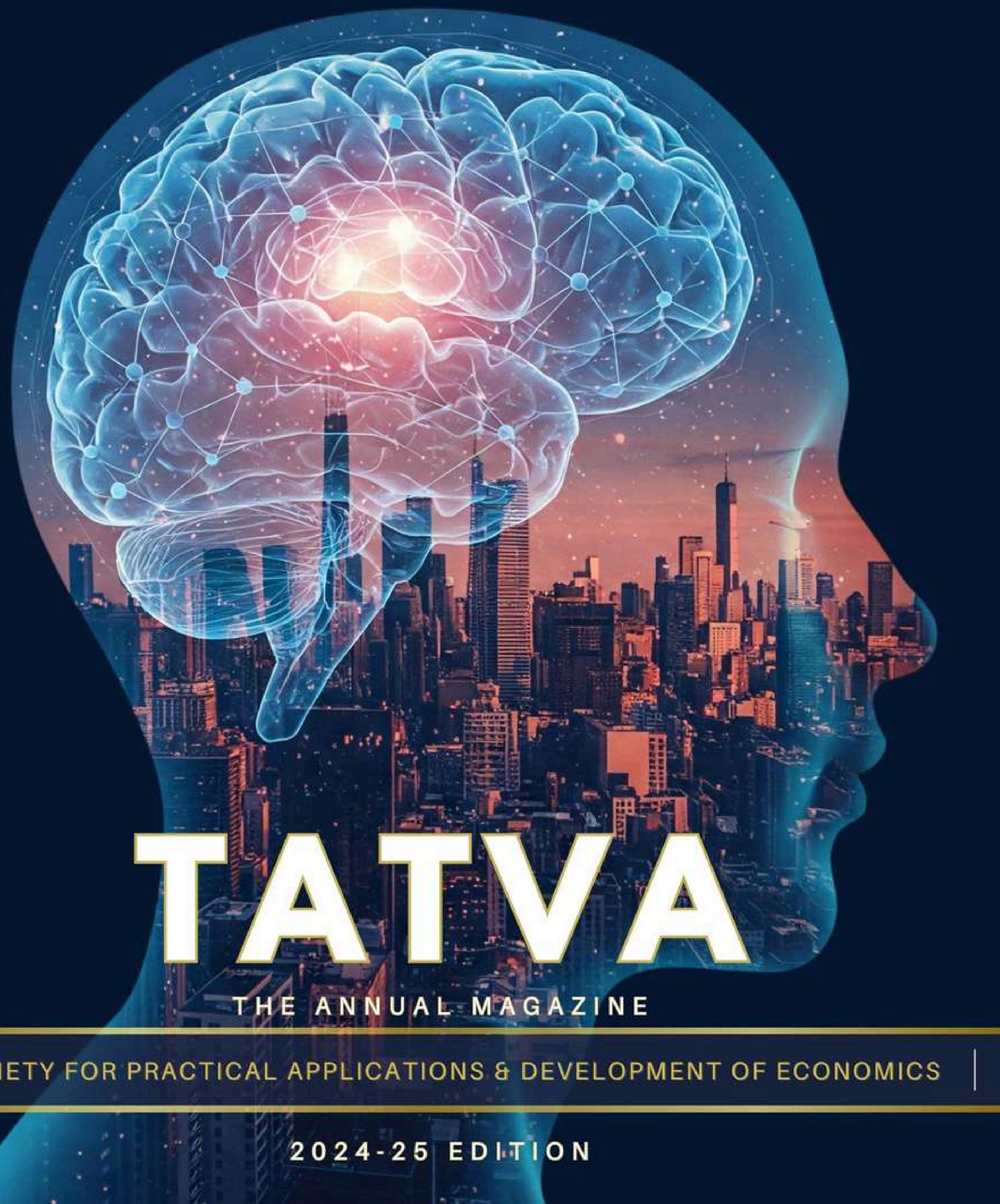
UNIVERSITY OF DELHI

SPADE



TATVA

THE ANNUAL MAGAZINE

SOCIETY FOR PRACTICAL APPLICATIONS & DEVELOPMENT OF ECONOMICS

2024-25 EDITION

NOTE FROM THE PRINCIPAL

Dear Readers,

It gives me immense pleasure to congratulate SPADE (Society for Practical Applications and Development of Economics) on the launch of their magazine, TATVA. This magazine is the culmination of months of dedication, creativity, and intellectual passion, serving as a remarkable milestone in the society's journey. TATVA beautifully captures the essence of the SPADE Society, reflecting its vision to critically engage with socio-economic issues and promote academic discourse beyond the classroom. This edition features the theme - Neuroeconomics: The Intersection of Commerce, Psychology and Decision-Making exploring how human minds and their decisions impacts the economy. TATVA illustrates the values of encouraging students to express themselves, think independently, and make meaningful contributions to the society. As you turn the pages of TATVA, you will find a celebration of ideas, critical reflections, and the dynamic energy of young minds determined to make a difference. The magazine also highlights the events, initiatives, and activities organized throughout the academic year, showcasing the hard work, collaborative spirit, and innovative thinking of its vibrant members.

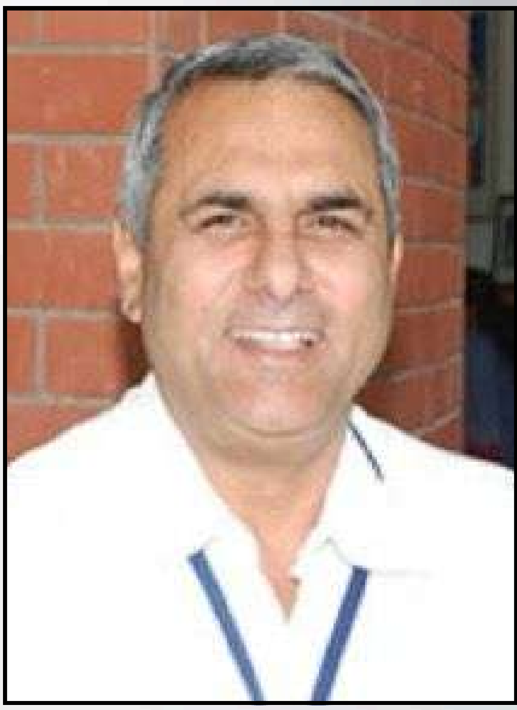
I would like to applaud the editorial board, the student writers, the faculty mentors, and everyone associated with this project for their unwavering commitment and effort. Your dedication to maintaining academic rigor while fostering creativity is truly commendable.

I am confident that this magazine will continue to grow and serve as a source of inspiration for future students and societies alike. Wishing TATVA and SPADE great success in all their future endeavors.

With my best wishes!

Prof. Virender Bhardwaj
Principal, Shivaji College
University of Delhi

NOTE FROM THE VICE PRINCIPAL



Dear Readers,

It is a matter of great pride to witness the launch of TATVA, the very first magazine by SPADE (Society for Practical Applications and Development of Economics) at Shivaji College. This publication is a significant achievement for the society, for the larger academic and creative spirit that thrives within our college community. TATVA is more than a magazine; it is a living archive of youthful ideas, the dynamic range of student-led initiatives, and intellectual discussions, that the society has championed over the year. It is heartening to see how thoughtfully the students have curated this platform to bring attention to relevant and often under-explored themes of our times.

The pages of TATVA are filled with that transformation—stories of engagement, analysis, and collaboration that go beyond academics to touch the core of social consciousness.
I would like to express my heartfelt gratitude to our respected Principal, Professor Virender Bhardwaj, for his constant support and encouragement. I also extend congratulations to the editorial board and faculty member involved in this initiative. The enthusiasm, hard work, and attention to detail that went into creating TATVA are clearly visible and deeply appreciated. May TATVA continue to grow as a space where students not only inform but inspire.

Wishing SPADE and TATVA continued success in all their future endeavors.

Warm regards,
Prof. Tejbir Singh Rana
Vice Principal
Shivaji College, University of Delhi

NOTE FROM THE CONVENOR

Dear Readers,

It is with immense joy and pride that I present to you this year's edition of TATVA – the official magazine of SPADE (Society for Practical Applications and Development of Economics), Shivaji College. This magazine is more than just pages bound together; it is a reflection of months of thought, effort, and passion poured in by a group of young, curious minds committed to exploring the real-world relevance and evolving dimensions of economics.

This inaugural edition holds a special place in our hearts as it dives deep into the fascinating world of neuroeconomics—an exciting, interdisciplinary space where economics meets neuroscience and psychology. This year's theme, "Neuroeconomics: The Intersection of Commerce, Psychology, and Decision-Making," invites readers to reflect on how deeply our economic choices are influenced by the mind. The articles in this issue not only inform but invite you to think, question, and explore how human emotions and cognitive processes shape economic decisions in ways we often overlook. Each piece is a testament to the depth of research, creativity, and critical thinking our contributors have brought to the table.

I would like to take this moment to express my heartfelt gratitude to our respected Principal, Professor Virender Bhardwaj, for his constant support, encouragement, and belief in the vision of SPADE. His guidance and faith in student-led initiatives have been a strong pillar in this journey.

A very special note of appreciation goes to the editorial board of TATVA. Their tireless dedication, attention to detail, and unwavering enthusiasm have brought this magazine to life. It has been truly inspiring to watch their hard work translate into something so meaningful and impactful.

As you flip through the pages of Tatva, I hope you enjoy reading it as much as we enjoyed putting it together. May it spark curiosity, encourage dialogue, and deepen your appreciation for the ever-evolving world of economics.

Warm regards,
Dr. Shivani Gupta
Convenor, SPADE
Shivaji College, University of Delhi

NOTE FROM EDITOR-IN-CHIEF

Dear Readers,

It is with immense pride — and no small measure of emotion — that I present to you the very first edition of Tatva, the official annual magazine of SPADE. This magazine is more than just a publication. It is the culmination of a year filled with questions, conversations, discoveries, and relentless effort. It is a reflection of a collective belief — that economics is not just a subject to be studied, but a lens through which we can better understand the world and ourselves.

SPADE has always stood for more than academia. It has been a space where ideas grow, where students step into roles of thinkers, researchers, and leaders. It has been, for me personally, a space of transformation.

As I write this, not just as the Editor-in-Chief, but also as the Vice President, I look back on a journey built on vision, late nights, shared dreams, and unshakeable commitment. Every step of the way, SPADE has given me more than I ever expected and Tatva is a tribute to that journey.

This edition brings together 20 original, deeply researched articles, each one rooted in curiosity, authenticity, and integrity. No AI has touched these words — because we wanted this to be a pure expression of student thought and effort. What you will read are the voices of young minds — questioning, analyzing, imagining.

Beyond the theme, Tatva also captures the heartbeat of SPADE — our structure, initiatives, student achievements, and the bonds we've built along the way. The featured documentary, The Rise of the Gig Economy, adds a timely dimension, with expert insights anchoring our broader understanding of evolving economic landscapes.

Creating Tatva has been a labor of love — and one of the most meaningful experiences of my life. To the editorial team, the authors, designers, mentors, and every single SPADE member who stood behind this dream — thank you. This magazine carries a part of each one of us.

To you, the reader: thank you for opening these pages. As you read, I hope you don't just absorb information — I hope you feel inspired, provoked, connected. I hope Tatva gives you pause to reflect — on your own tatva, your own way of thinking, choosing, and being.

Warm Regards

Mehul Thapar

Editor-in-Chief & Vice President

Tatva 2025, SPADE

EDITORIAL BOARD

Dear Readers,

With immense pride and excitement, we present to you the inaugural edition of Tatva, the official magazine of SPADE – the Society for Practical Application and Development of Economics.

Tatva, meaning essence, is a reflection of our collective pursuit of knowledge that goes beyond the textbook. This first edition ventures into the fascinating world of Neuroeconomics, exploring the intersection of neuroscience and economic decision-making through insightful student-written articles that are both thought-provoking and deeply researched.

This magazine also celebrates the achievements of our SPADE members, whose relentless passion and dedication have not only elevated the society but have also brought recognition to their individual journeys. From academic accomplishments to leadership milestones, their stories remind us of the power of initiative and consistency.

We are equally thrilled to feature the transcript of our original documentary, "The Rise of the Gig Economy," a timely exploration into the evolving world of work. From candid interviews with real delivery partners to expert perspectives, this transcript offers readers a front-row seat to the socio-economic shifts shaping the future of labor.Tatva is more than just a publication—it is a platform for expression, curiosity, and critical thinking. We hope this edition ignites your interest, challenges your perspectives, and invites you to engage more deeply with the world around you.

Here's to new beginnings, bold ideas, and the spirit of inquiry.
Happy reading!

Warmly,
Khushi Halder
On behalf of the Editorial Board
SPADE | 2025

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Neuroeconomics: The Intersection of Commerce, Psychology, and Decision-Making

Mehul Thapar, B.com (prog), 2nd Year

Introduction: Why We Spend the Way We Do

Have you ever wondered why people rush to buy things during flash sales? Or why some investors make risky financial moves, while others hesitate? The truth is, most financial decisions are not purely logical—they are driven by a mix of psychology, emotions, and subconscious biases.

Neuroeconomics, a field that blends commerce, psychology, and decision making, helps us to explain why people behave the way they do in consumer markets. Businesses use neuroeconomic insights to shape pricing, marketing, and branding strategies, while investors rely on it to avoid common financial pitfalls.

A recent study found that 73% of purchasing decisions are made subconsciously, influenced by emotional and psychological factors rather than pure logic (Kowalska, 2024).

How Consumer Psychology Shapes Commerce

1. The Science Behind Impulse Buying

Companies spend billions crafting ads, promotions, and pricing strategies to make consumers buy impulsively. Studies show that emotion-driven purchases account for nearly 62% of all retail sales (Zúñiga Aguilar, 2024).

<u>Data on Impulse Buying suggests that</u>

- 41% of consumers admit to making impulse purchases at least once a month.
- Discounted pricing increases impulse spending by 28%.
- Neuroscientific studies show that “limited-time offers” activate the brain’s fear response, triggering a need to buy before losing out.

<u>What This Means for Businesses</u>:

Retailers use tactics like flash sales, countdown timers, and exclusive deals to push buyers into making decisions quickly. E-commerce platforms like Amazon and Flipkart use “Only 2 left in stock” alerts to increase conversion rates by 35%.

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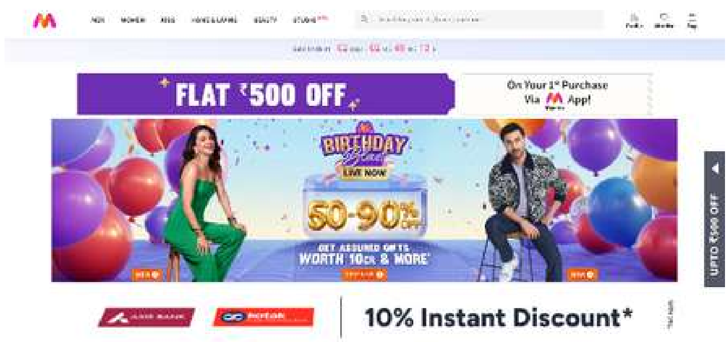
2. The Pricing Tricks That Make Us Spend More



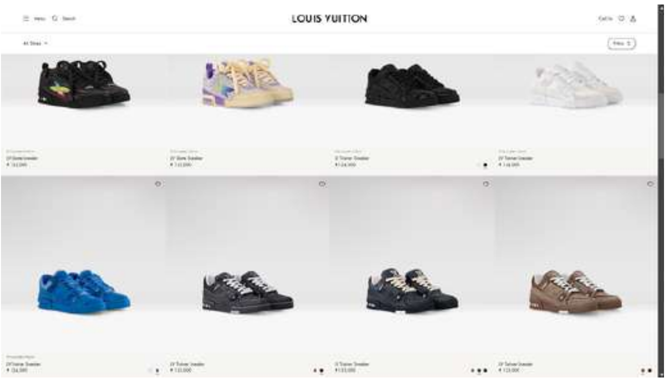
Most people think they compare prices logically—but research proves otherwise. 99-ending prices (e.g., ₹999 instead of ₹1000) make products seem significantly cheaper, even though the actual difference is ₹1.

<u>2024 Consumer Spending Insights</u>:

- 84% of shoppers perceive ₹999 as far cheaper than ₹1000.
- Luxury brands avoid 99-ending prices because round numbers (₹50,000 instead of ₹49,999) create a premium perception.
- Retailers using 99-ending pricing see a 15-20% boost in sales.

<u>What This Means for Businesses</u>:

- Supermarkets, online stores, and discount brands use psychological pricing to increase revenue.
- Luxury brands, on the other hand, price in whole numbers to maintain a high-end brand image.



LV MARCH 9 2025 LUXURY BRAND PRICING IN WHOLE NO.s

3. The Role of Brand Loyalty in Consumer Choices

Why do people pay a premium for Apple products or stay loyal to brands like Nike, Louis Vuitton, and Tesla? The answer lies in emotional attachment and identity association.

<u>2024 Brand Loyalty Data</u>:

- 52% of Apple users say they will not switch to another brand, even if a better product is available.
- Consumers are 35% more likely to purchase from a brand that aligns with their personal identity and values.
- Emotionally connected customers spend 23% more than non-loyal buyers.

<u>What This Means for Businesses</u>:

- Companies invest in storytelling, influencer marketing, and personalized advertising to build strong emotional connections with consumers.
- Social responsibility and brand values (e.g., sustainability, ethical sourcing) increase long-term brand loyalty.

How Psychology Affects Financial Decision-Making

4. Why Investors Make Emotional Mistakes

Investors like to think they make rational decison but fear, greed, and overconfidence often dictate financial behavior.

<u>2024 Data on Investor Psychology</u>:

- 63% of investors have sold stocks in panic during a market downturn.
- 72% of cryptocurrency traders invest based on social media trends rather than fundamental analysis.
- Overconfident investors trade 50% more frequently, yet earn 7% lower annual returns.

<u>What This Means for Investors</u>:

- Avoid emotional trading by following long-term investment strategies.
- Regulate fear and overconfidence to reduce risky financial decisions.
- Financial literacy and behavioral training can help investors increase their success rate by 40%.

5. The Psychology of Risk: Why We Fear Losing Money

Loss aversion—the tendency to fear losses more than we enjoy gains—explains why people hold onto losing stocks too long or avoid investing altogether.

<u>2024 Findings on Risk Perception</u>:

- 78% of investors hold onto losing stocks too long, hoping they will recover.
- Fear-based financial decisions account for 60% of investment mistakes.
- Investors trained to reduce fear-based reactions outperform others by 18% annually.

<u>What This Means for Financial Decision-Making</u>:

- Panic-selling is a common mistake—investors should focus on long-term goals rather than short-term fear.
- Companies use risk perception data to design financial products and insurance plans that appeal to consumers' fears and security needs.

The Future of Decision-Making in Commerce and Finance

6. How AI and Neuromarketing Will Shape the Future

Artificial intelligence (AI) and neuroeconomic data analysis are transforming the way businesses predict consumer behavior.

<u>2024 AI & Consumer Trends</u>:

- 68% of companies use AI-driven marketing to analyze shopping patterns and personalize offers.
- AI-powered financial advisors are increasing investor returns by 12% by reducing emotional trading.
- Neuro-marketing tools like eye-tracking and biometric analysis help companies optimize ads and packaging to trigger emotional responses.

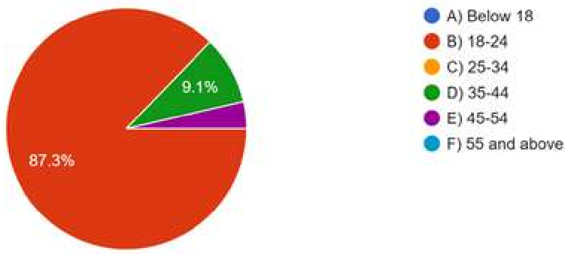
<u>What This Means for the Future</u>:

- AI will make marketing more personalized, influencing consumers at a subconscious level.
- Smart investment tools will help investors manage emotions and make better financial choices.
- Data privacy will become a major concern as companies gain deeper insights into consumer behavior.

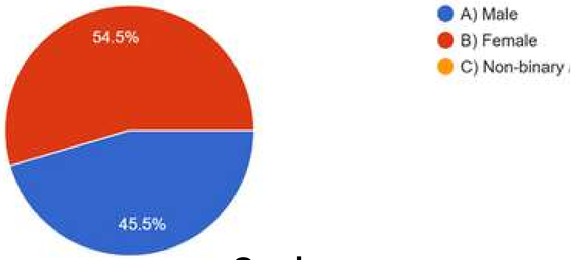
To substantiate the theoretical framework of neuroeconomics, a survey was conducted across the Shivaji College campus using a Google Form. The intent was to gauge behavioral patterns in purchasing and financial behavior, with over 100 responses collected from students and faculty.

1. Age, Gender, and Occupation

Participants belonged primarily to the 18–24 age group, with a fairly even gender distribution and a majority identifying as students.

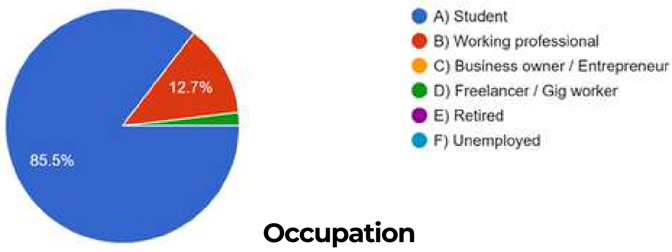


Age Group



Gender

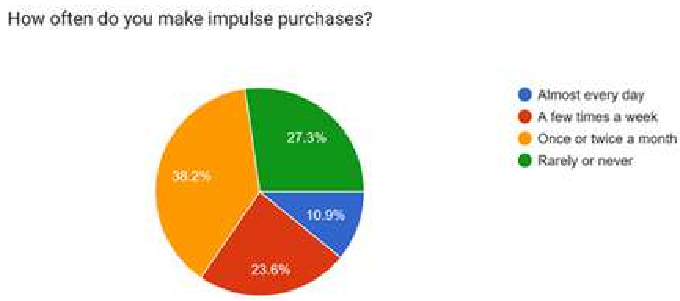
This demographic suggests a tech-savvy, emotionally aware, but still financially cautious audience—ideal for examining neuroeconomic behavior in emerging consumers.



Occupation

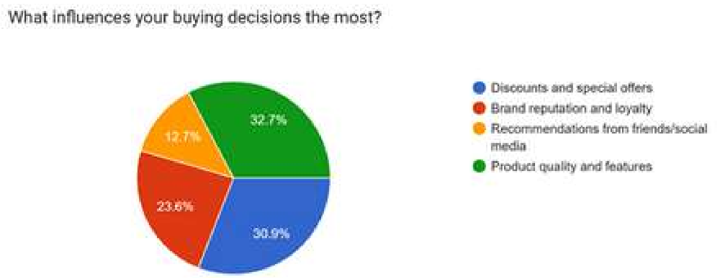
2. Impulse Purchases Are Common

When asked about how often they make impulse purchases, responses varied, but the tendency leaned toward "sometimes." This supports the idea that emotional or spontaneous decisions aren't anomalies—they're part of everyday behavior, especially when incentives like sales or social pressure are involved.



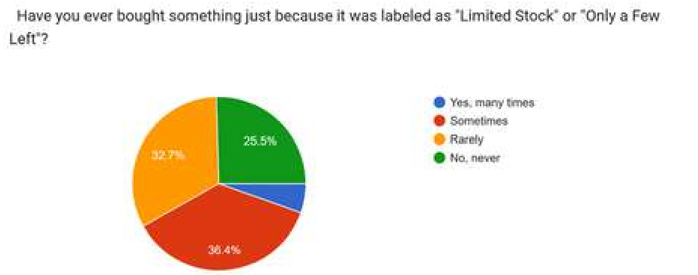
3. Drivers of Purchase Decisions

A striking insight came from the question on what influences buying behavior. While traditional factors like product quality and features were mentioned, discounts, social media recommendations, and brand reputation also held considerable sway—indicating the power of cognitive shortcuts and trust-based triggers in decision-making.



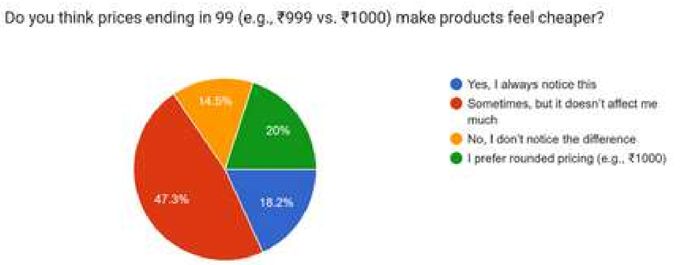
4. Scarcity Triggers Action

A notable number of participants admitted to purchasing items labeled as “Limited Stock” or “Only a Few Left.” This affirms the scarcity bias—our brains are hardwired to assign greater value to things that seem scarce, whether it’s logical or not.



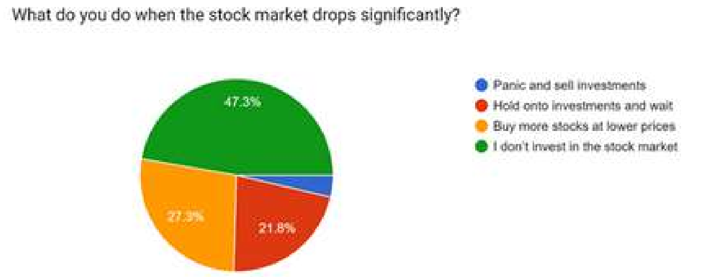
5. The Illusion of the ₹999 Price Tag

The survey confirmed that psychological pricing still works. Many participants stated that ₹999 feels more affordable than ₹1000, despite the negligible difference. This perception gap, rooted in left-digit bias, reveals how our brains process prices irrationally.



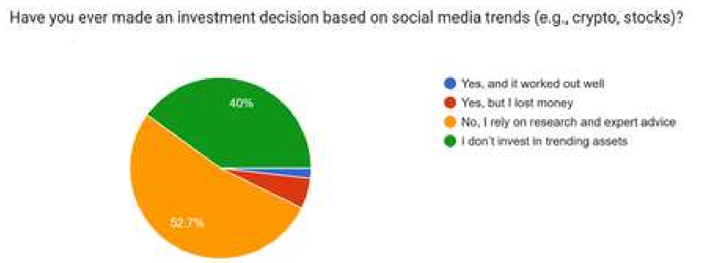
6. Behavior in Market Declines

In response to stock market dips, most respondents said they prefer to hold onto investments or buy at lower prices, showing awareness of long-term strategy. However, a few admitted to panic-selling, indicating that fear often overrides logic in high-stress financial scenarios.



7. Social Media Influence on Investments

A small yet significant portion of respondents confessed to investing based on social media trends, such as crypto or meme stocks. This is a classic case of herd behavior—a cognitive bias where individuals mimic the actions of a larger group, even when irrational.



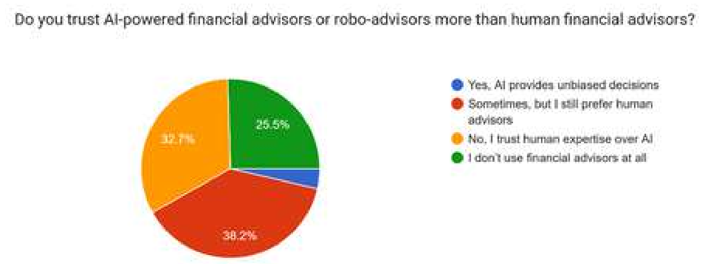
8. Fear of Loss Shapes Investment Strategy

While 56% claimed to manage risks logically, nearly 40% confessed that fear of loss makes them avoid risk altogether or causes worry. This validates the loss aversion theory, where the pain of losing outweighs the joy of gaining.

9. Trust in AI? Not Quite

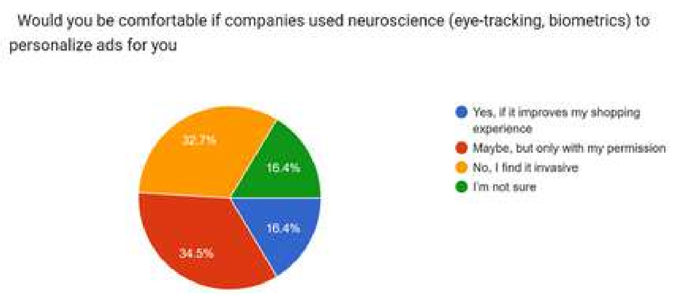
Trust in AI-powered financial advisors remains low. 33% preferred human experts, while 38%

used AI occasionally but were hesitant to rely on it. Only a small fraction fully trusted AI. This highlights the psychological comfort derived from human interaction—something machines still struggle to replicate.



10. Neuroscience in Advertising: A Mixed Bag

When asked if they'd be comfortable with companies using eye-tracking or biometrics for ad personalization, 33% found it invasive, while 35% were open to it with consent. This ethical dilemma showcases the tension between personalization and privacy in a neuro-driven economy.



Conclusion: Why Neuroeconomics Matters

Neuroeconomics is revolutionizing commerce, marketing, and financial decision-making by explaining how emotions, psychology, and biases shape human behavior. Consumer decisions are 73% emotion-driven—businesses use this to influence pricing and marketing. Investors often make irrational choices—understanding psychology can improve financial success. AI and neuromarketing will shape future commerce, making ads, pricing, and financial tools more personalized. For businesses, investors, and policymakers, mastering neuroeconomics is the key to making smarter, more informed decisions in the modern economy.

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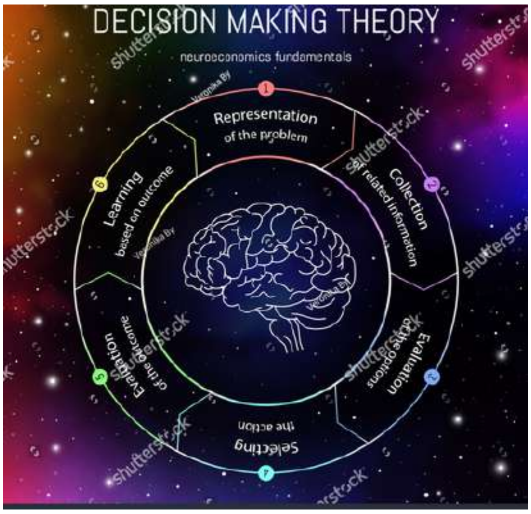
The insights in this article are supported by primary data collected via a Google Form survey conducted across the Shivaji College campus. Over 100 responses were recorded, offering diverse perspectives on consumer and financial behavior.

From Neurons to Negotiations: The role of Neuroeconomics in Commerce and Psychology

Divyanshi Shukla, B.com (prog), 2nd Year

What is Neuroeconomics?



Neuroeconomics, a multidisciplinary field that draws insights and methods from neuroscience, economics and psychology, is at the heart of this research. It aims to elucidate the cognitive and neural mechanisms that underlie individuals economic decision making abilities, such as evaluation , risk taking and choice behavior (Ragel et al.,2008 ; Westbrook & Braver, 2015)

It is the scientific endeavor that is used to specify the foremost role of biology in our decision making. Neuroeconomics offers a new perspective on how people manage risks, rewards and navigate social situations. This field has severely grasped various industries including marketing, healthcare, legislation as well as finance related markets. It provides valuable weightage in transforming our approach to [productivity in business and computations of mind related to decision making.

The primary objective of neuroeconomics is to analyze the behavior of every human in the decision making process. It also defines the vast scope in neuropsychology.

The Emergence of Neuroeconomics

The birth of economics is often traced back to Adam Smith's publication 'The Wealth of Nations' in 1776. Smith described a number of phenomena critical for understanding choice behavior and the aggregation of choices into market activity. These were the Ad HOC rules that explained how features of the environment influences the behavior of a nation of consumers and producers. Neuroeconomics explores how human decisions are a mixture of emotions, biases and unconscious mental processes.

Neuroeconomics in Commerce

Neuroeconomics by studying the neural basis of economic decision making plays a pivotal role in commerce. It helps businesses understand customer behavior, change marketing trends and design better products and strategies to take over the market. Where the existing models of economics cannot explain certain human behaviors including many economically important decisions, neuroeconomics can improve the accuracy of economic theories by understanding the social cognitive and emotional factors into economic decision making.

- <u>Understanding Consumer Behavior</u>: Neuroeconomics computates the brain processes that controls consumer choices which comprises the impact of emotions, biases, and purchasing decisions.
- <u>Predicting Market Trends</u>: By understanding the neural mechanisms used in economic decision making, businesses can better foreshadow consumers preferences and trends in the market which can lead to bring a positive change in marketing and product development strategies.
- <u>Designing Better products and services</u>: Neuroeconomics can inform product design and involvement in marketing campaigns by identifying the features and messages that can resonate with consumers on a subconscious level.

- Improving Decision Making: Neuroeconomics can also help businesses make more informed decisions by providing perception into the analytical processes involved in strategic planning, risk assessment and resource allocation.

Cognitive Biases and Decision Making

One of the key areas explored by neuroeconomics is how cognitive biases impact economic decisions. Cognitive biases are systematic errors in thinking that can lead to irrational decisions. They can impact your judgement, values and social interactions. People however use shortcuts, thumb rules to make difficult judgements, as behavioral has shown. This often leads to quick but potentially inaccurate judgements. These shortcuts, however, have the potential to cause systematic mistakes and impact decisions in ways that are conflicting with environmental economic models.

For example -

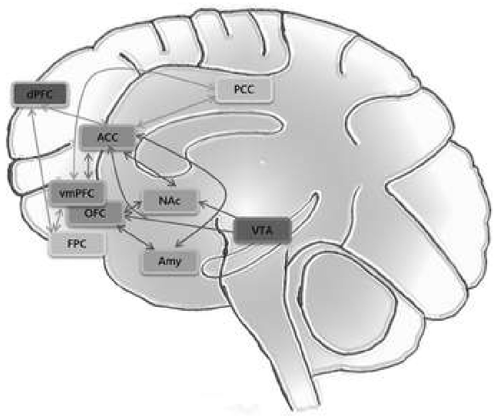
- Loss Aversion: It is a bias where the emotional impact of a loss is felt more intensely than the joy of an equivalent gain. Researchers indicate that when people experience losses, they become more fearful of negative outcomes. This enhanced response is linked to the stimulation of the brain which plays a crucial role in processing emotions.

- Hyperbolic Discounting: It is also called 'present bias' where people choose smaller immediate rewards rather than larger, later rewards. This tendency is associated with the interaction between the Prefrontal Cortex (PFC) and the Ventral striatum, which collaborates to evaluate rewards and balance current versus future benefits.

- Anchoring Effect: It is the tendency to rely totally on the very first piece of information received while making decisions, even if the information is irrelevant or misleading. Once an anchor is established, people tend to interpret subsequent information in relation to it, even if the anchor is inaccurate or irrelevant. For instance, the original price of a product can shape a buyer's perception of its value, even if that price is unpredictable. This tendency comes out from brain mechanisms that help in simplifying decision-making , but often leads to unacceptable choices.

Role of Neuroscience in Decision Making

Neuroscience helps us understand the brain processes behind decision making showing distinct regions of the brain and neurotransmitters like dopamine influence peoples' choices in areas like reward anticipation and risk management. Neuroeconomics shows that the decision making process is much more complex whereas economists track brain activities in decision making using techniques such as Electroencephalography (EEG) and Functional Magnetic Resonance Imaging (FMRI).The amygdala, hippocampus, and dopamine system significantly influence decision-making.



Several brain regions play a key role in economic decisions:

- The Prefrontal Cortex (PFC): This area plays a crucial role in higher level cognitive functions such as planning, reasoning and assessing risks and rewards. Different parts of PFC are involved in different aspects of decision making.

- The Ventral Striatum (VS): It is mainly the nucleus and known as the 'reward centre' of the brain. It activates when a person anticipates various monetary and social rewards. It acts as a key area for integrating information about the value of expected outcomes.

- The Amygdala: It is a small almond shaped structure in the brain's temporal lobe. It is responsible for processing emotions like fear and anxiety. It also plays a pivotal role in forming emotional memories linking to other brain functions like learning and senses.

Applications and Implications

There are numerous sectors in which neuroeconomics have extensive uses. It helps in improving policies, products and interventions and provides a deep understanding of how decisions are made.

For example:

- Marketing and Consumer Behavior: Companies can create more specialized and successful marketing policies. It can also show up with products and ads that are appealing to the targeted audience. Companies comprehend the psychological aspects that affect decisions of consumers.

- Policy Development: Neuroeconomic awareness can head on the creation of policies that more closely reflect the real decision making process of individuals. For cite, minor adjustments to the framing or presentation of options can encourage people to adopt healthier habits to make more prudent financial choices.

- Healthcare: By casting light upon how people balance the risks and benefits of medical treatments, neuroeconomics can help patients make better decisions. This can help healthcare professionals to adjust their communication and arbitration.

- Financial Markets: Neuroeconomics offers important intuition for inflating market efficiency and abetting people in making better financial decisions by examining how emotions and cognitive biases can impact investment decisions.

Conclusion

Neuroeconomics provides a more refined and realistic understanding of human decision making by blending neuroscience, psychology and economics. By combining the disciplines of all these sectors neuroeconomics offers a well enhanced perspective of human behaviour. It provides a more revolutionary method of making decisions by lighting up the complex relationship between emotion, unconscious biases and reason. Neuroeconomics has the power to completely change the variety of industries such as marketing, policy making, healthcare as well as finance. The further growth of neuroeconomics can prove to be a development which can grasp more effective tactics and treatments regarding complexities of humans.

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The Color-Dopamine Loop: How Brands Leverage Neuroscience to Drive Consumer Behavior

Khushi Halder, B.com (hons), 2nd Year

Introduction

Every day, we are faced with a great number of buying decisions, oftentimes not even being aware of the real reason that led us it to choosing one thing over another. While it is nice to think we are rational buyers, there are many influences acting under the threshold of our conscious awareness that greatly influence our choices. Color, amongst many of these influences, can significantly affect the way we perceive, feel, and act in ways that, in turn, trigger neurochemical reactions to make us more susceptible to a given buying decision.

Not merely a quirk of human nature, this has been examined in-depth as a neuroeconomic strategy. Colors not only attract attention, but they are able to interact with the dopamine system in the brain, a very relevant factor in achieving rewards. This Color-Dopamine Loop creates an invisible circuit, where visual inputs fire the pleasure and decision-making pathways deep in the brain, gently guiding the consumer in their purchase-led choices.

The positioning of neuroscience, marketing, and design as one of the significant subject areas of research has been lifting these days, as firms increasingly turn to scientific research to develop tactics for driving engagement and boosting sales. Understanding how it works is important not only for marketers but also for consumers wanting to make decisions awareness.

Case Studies: How Leading Brands Use Color Psychology to Drive Sales

<u>Red and Impulsive Buying: Amazon and McDonald's</u>

The use of red, in advertising, evokes arousal, urgency, and attention. Red is the one color influential enough to stimulate the autonomic nervous system by increasing heart rate, thus causing one to feel the need to act quickly.

Amazon implements red beautifully in its flash sale alerts, countdown clocks, and limited-time deals. Research on consumer behaviour conducted for sales shows that discount stickers in red attracted a larger number of shoppers, whilst neutral - colored labels didn't.

Similarly, yellow is merged with red to stimulate hunger and a sense of urgency in their decision-making by McDonald's. Red speeds ordering, and yellow makes the place seem warm for a quick yet satisfying meal. So effective is this combination that its imitators include KFC, Burger King, and Pizza Hut, a clear illustration of color psychology's consistency with influencing consumer behaviour.

<u>Blue and Trust: The Branding strategy of PayPal and Facebook</u>

Instead of the stimulating impacts of red, blue brings a relaxing feature with elements of trustworthiness, stability, and safety. This explains why such a popular color for corporate branding is blue, especially among the financial institutions, the technology industry, and social media enterprises.

PayPal uses blue to engender user confidence during online transactions. Online payments, after all, require quite a bit of trust. Such a color lends an air of security, easing the hesitation. Research shows that financial brands using blue are perceived as more trustworthy than others using different colors.

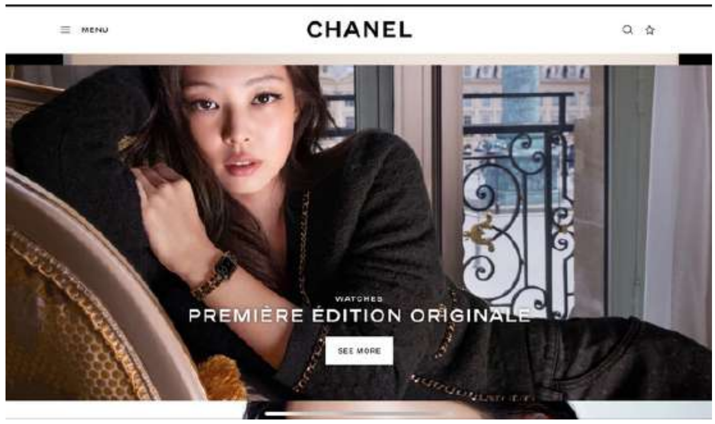
Furthermore, Facebook's dark blue design is meant to lessen user apprehension in order to maintain attachment. The design of social media occurs through the principle of habit-making, while a pleasant and homely color scheme makes the return visits stronger, as well as loyalty in the long term.

<u>Luxury and Exclusivity: Apple and Chanel's Use Black</u>

Black stands for power, elegance, and exclusivity: to enhance perception of super-priciness. Along the lines of red for urgency or blue for trust, black elevates considerations of any goods beyond price categorization, allowing such items to be perceived as luxurious.

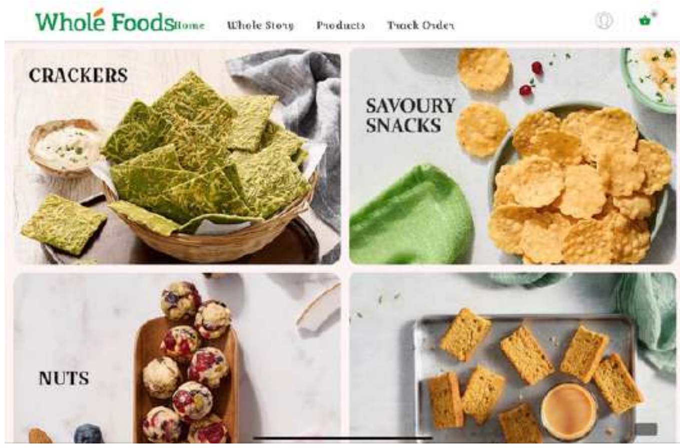
Apple's finely crafted black packing and minimalist style create a certain aura of technological superiority. Such lack of over-use of color makes way towards handing off the complete spotlight to the product and acknowledges it in all regards to be a "high-end, desirable item".

High-end fashion dealers such as Chanel, Prada, and Rolls-Royce use the exclusivity depicted by black. A research study in the Harvard Business Review revealed that customers tended to pay more for any black packaging product than an identical item presented in color packaging. The psychological effect extends beyond mere appearance; it changes the way in which consumers value things.



<u>Green and Ethical Consumption: Starbucks and Whole Foods</u>

Green is the color that carries the most associations with nature, sustainability, and social accountability. As consumers turn to eco-friendly brands, companies have adopted the color to illustrate their commitment to environmental and social causes.



For instance, by creating a loud and proud green marketing facet, Starbucks is amplifying its visually stated commitment to sustainability in sync with organic and fair-trade sourcing initiatives. Green, by connotation, almost always helps to relieve purchase guilt and allows the consumer to consider that he or she is doing good rather than just indulging in an extravagant product.

Whole Foods directs the same concept towards customers through thick green veins of marketing and stores to showcase natural, organic, and eco-friendly products. Consumer psychology research showed that green labelling enhanced preference for an eco-friendly alternative over a conventional one, as respondents were willing to pay more for the green one over a non-green alternative.

The Ethical Implications of Color manipulation in Marketing

Although color psychology is a big player, the ethics should be taken into consideration. The subliminal influence of color should raise questions about consumer autonomy and informed decisions.

Retailers have been known to employ color strategically to trigger cognitive biases, be it through red sale tickets invoking urgency or black packaging heightening perceived luxury. Such strategies help in sales, but they equally contribute to overconsumption and impulse buying.

Their decisions to resort to dishonest means could be examples of commercially unethical behaviour, as marketing should always be responsible and informative, not manipulative. A brand should be willing to transparently communicate its values while adhering to sustainability, making such labelling seemingly pointless.

Conclusion

Color is not just an aesthetic trait; scientific evidence shows that it also plays a significant role in influencing consumer behaviour. Through the Color-Dopamine Loop, brands create emotional responses that affect buying habits, encourage loyalty, and reinforce product perceptions.

To marketers and consumers alike, it is essential to know these dynamics. For businesses, it becomes a sandbox for developing effective branding strategies. Bit by bit, an unsuspecting consumer will learn these subtleties to makemore calculated and informed purchasing decisions.

While neuroeconomics is slowly taking form, the confluence of neuroscience, psychology, and commerce threatens to shape the future landscape of marketing. We are left to wonder just how much of a role need plays in decision-making versus the reactionary nature that colors incite in our brain's reward systems.

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The NETFLIX Effect: Unravelling Neural Economics behind Subscription Models

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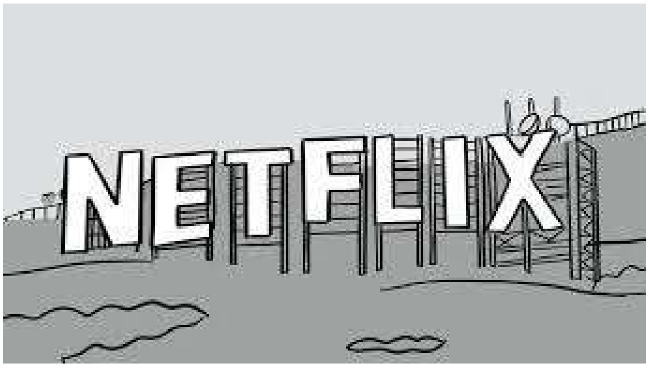
The business of subscription models has seen a staggering growth of 433% in the last decade. This data gives us useful insights into the consumer's changing behaviour. Leading this revolution is Netflix, a platform that not only redefined entertainment but also pioneered an addictive financial model. From Spotify to Amazon Prime, subscription products rely on behavioural economics to hook customers. Why don't customers cancel, then? Convenience, habit, or something deeper? This article looks at the neuroeconomic drivers of subscriptions—how our brains, biases, and emotions motivate financial choices.

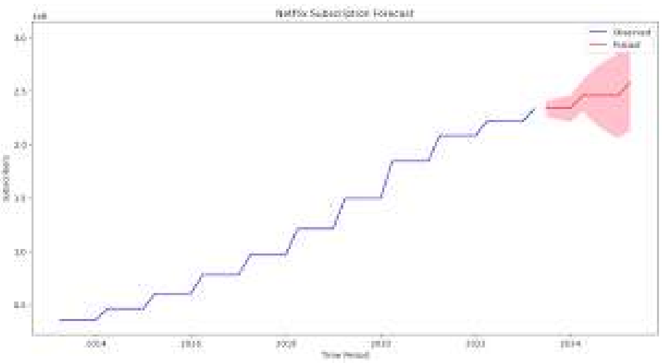


The core concept behind this tactic is loss aversion, a cognitive bias that makes people more sensitive to losing something than to gaining an equivalent benefit.
Hence, once a user purchases the subscription, he is psychologically resisted to cancel it. Research by Daniel Kahneman demonstrates that people experience the pain of loss twice as intensely as the pleasure of gain. This fear driven repetition of subscriptions has resulted in a churn rate of only 3.5% for the streaming giant. Once subscribed, users become psychologically committed, justifying continued payments even when their usage declines.
In addition to the cancellation fear, Netflix also benefits from another powerful psychological motivator—dopamine-fuelled engagement. Anticipation with entertainment triggers the release of the neurotransmitter, which promotes habitual consumption of content. A Princeton study highlights that even anticipation of viewing something pleasurable can trigger dopamine surges, thus establishing a craving-reward loop. As 80% of the content is algorithmically recommended, Netflix ensures that viewers are continuously bombarded with viewing options, thus reducing the cognitive effort required for decision-making. The autoplay feature, in turn, eliminates the need for conscious choice, and binge-watching becomes a close-to-mindless activity. In fact, the average viewer spends 18 minutes choosing what to watch, a phenomenon further reinforcing the strength of algorithmic recommendations.

The psychology of retention is more than habit formation. Netflix's once-revered free trial policy displayed the endowment effect, in which people overvalue things they already possess. By offering free access for a temporary time, Netflix ensured that, as people became accustomed to the platform, they were much less likely to cancel it. The policy was hugely successful, turning 93% of trial members into paying subscriptions. Even after discontinuing free trials, the service continues to take advantage of the sunk cost fallacy—the idea that the more time and money spent on a service, the more difficult it will be to justify leaving it. Data received by MIT's Behavioural Economics Lab shows customers are twice as likely to keep subscriptions after three billing cycles, because reducing spending would mean admitting previous expenditures were for nothing.

Netflix intentionally controls the release schedule of its content in order to foster long-term retention. Release times of popular series such as Stranger Things or Bridgerton are precisely planned in order to balance out user churn. When a highly awaited show premieres, users who had been contemplating cancellation of their subscriptions end up re-subscribing "for just one more month". This is a masterful and subtle move that keeps users continually retained, even those who might otherwise pull back their involvement. The genius behind this model is that it can retain users without them even realizing that they are being manipulated.

As subscription fatigue increasingly emerges, consumers are becoming more discerning in the services they opt to keep. A McKinsey study concluded that almost 40% of e-commerce subscribers drop their subscriptions, with more than one-third doing so within the first three months and more than half within a six-month time frame. This finding suggests that although consumers are initially drawn to subscription services, the challenge of long-term retention still remains. Similarly, Deloitte's 2024 Digital Media Trends Report shows that Millennials spend an average of $54 per month on streaming services; however, they also show the highest rates of churn compared to other generational groups. This pattern implies that even among frequent users, there is a desire to reevaluate subscriptions, most likely due to changing content interests or cost concerns. Many users stay active despite these trends, perhaps not to watch the available content but rather to prevent the imagined loss of future access, thanks to the psychological hooks built into websites like Netflix.



The question remains: Are we truly paying for content, or paying for fear of missing out? Netflix has gracefully mastered the art of habit formation, applying the principles of behavioural economics to make subscription payments less of a cost and more of an inevitability of modern life. Understanding these psychological dynamics gives consumers greater scope to make more insightful financial choices—because sometimes the best subscription is the one that we choose not to renew.

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The Neuroscience of FOMO: How the Fear of Missing Out Drives Modern Consumer Behavior

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Introduction

In the fast-paced digital age, where updates are instantaneous and connections boundless, the Fear of Missing Out (FOMO) has emerged as a defining psychological phenomenon. FOMO Refers to the anxious feeling that others might be experiencing something rewarding without us. Though this sentiment has existed for centuries, it is amplified in today's world through social media and marketing strategies. At its core, FOMO is not just a behavioral response but a process deeply rooted in the brain's neurology.

The Neuroscience Behind FOMO

The fear of missing out originates from the "neurobiological reward system," driven primarily by dopamine released in pleasurable experiences. Thus, dopamine is a substance that pushes people to conduct certain actions. In the course of FOMO, the amygdala triggers the thalamus to secrete dopamine, giving cranky impulses of social danger-but it gets dulled further owing to a) inertia and hence scooped stimuli from the relevant brain communities of desire and 'self-control'. Dopamine inescapably obliges an individual, on seeing others with something that one does not possess themselves, to draw an overt contrast of satisfaction in pursuit of something outside of themselves - an object of desire.

Every social media influencer adds to this desire. TikTok and Instagram are infamous for setting non-realistic life standards, which, in turn, fosters an even deeper elaborate sense of inadequacy within users. Various neuroimaging studies indicate that, during this time, users spend much greater time in the brain region called the ventral striatum, which is associated with reward and decision making. It pushes them to take action-based options: from a night out to some retail shopping to a win at just mindlessly scrolling through Instagram and open social media to ease the pain of being excluded from a social activity.

How Marketers Use FOMO

Business entities have carefully witnessed the impact that FOMO wields and harnessed that in their processes. Limited-edition offers and flash sales are carefully crafted to elicit this sense of hurry. For instance, the headlined messages could be "Only 2 remaining!" or "Sale ends within 24 hrs!" All those are attempts by the brain in a bid to scare off due to scarcity.

A different tool used by marketers is social proof. When influencers market products or experiences, they create aspirational content that taps into the FOMO. Consumers, seeing others seemingly benefitting from it, are sucked into a wormhole of envy leading to action. Research suggests this practice heightens impulsive buying and helps businesses but hurts consumers' financial well-being. While FOMO aggregates economic activity, it comes with a dark side.

Constant exposure to stimuli creating FOMO can, over time, lead to mental health issues like anxiety, stress, and discontentment. Individuals on the treadmill of chasing after the next bigger thing might suffer from low self-worth and fear of financial deprivation.

The first step to countering FOMO for consumers is awareness, and this awareness can, along with the mindset of JOMO and the practice of mindful consumption with intention, help break the cycle. In ethical marketing developed over the years, business seeks to embellish transparency and authenticity and never uses manipulation for such.

Conclusion

FOMO is a conspicuous junction between psychology, neuroscience, and commerce. While the driver of modern-day consumer behavior, a true understanding of its workings shall allow both individuals and marketers to develop a conscientious walking practice of FOMO. A rational awakening will equip societies to consume and market responsibly. As a biochemistry student, studying the brain's role in behaviour gives me valuable insight into the forces that make up today's consumer culture. And FOMO is not some extravaganza but a solid psychological mechanism embedded into us. Awareness pushes both consumers and marketers to make conscious choices.

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The Choice Conundrum: How Endless Options Shape Consumer Minds

Mudit Mehta, B.com (hons), 2nd Year

Introduction

The market of today celebrates abundance. From vast supermarket aisles to many streaming platforms, we are surrounded by an astounding range of choices. But against the promise of empowerment, this deluge of options sometimes results in uncertainty, anxiety, and decision fatigue. Appropriately called the "Paradox of Choice," this phenomena emphasises a remarkable junction of business, psychology, and decision-making. This article explores how the modern consumer negotiates the maze of infinite options and why too much choice can, ironically, reduce well-being and satisfaction.

The Paradox of Choice: Views from Psychology

Psychologist Barry Schwartz first proposed the "Paradox of Choice," contending that even while While autonomy and freedom depend on parad choice, too many options may overwhelm the human mind (Schwartz, 2004). Evaluating several options requires cognitive effort that can lead to decision fatigue—a condition in which our capacity for wise decisions reduces.

This overload of alternatives impacts satisfaction more than merely producing fatigue. Presenting too many alternatives causes customers at times to experience "buyer's remorse" or the apprehension of picking the incorrect alternative. For instance, with all the brands, flavors, and dietary types, even something simple as choosing a breakfast cereal seems daunting.

Neurologically, this excess triggers the prefrontal cortex of the brain, in charge of sophisticated decision-making. But the brain defaults to simpler, heuristic-based decisions as the cognitive load rises: such as sticking to familiar brands or avoiding decisions entirely.

Commerce and the Illusion of Freedom

Businesses and marketers have consistently equated abundance with value. By providing various product lines and myriad variations, brands try to appeal to a variety of tastes, but does it always pay off? According to studies, not always.

One well-known experiment, carried out by Iyengar and Lepper (2000), showed the paradox in practice. Customers who were given a choice of 24 varieties of jam bought less than customers who were given only six choices. Why? Because there are too many to choose from, and they end up doing nothing.

This is the reason why contemporary e-commerce websites are embracing choice architecture—measures to make choosing easier. Strategies such as curated collections, bestseller labels, and personalized suggestions try to manage the confusion introduced by too many options without making consumers feel like they are losing out on variety.

The Psychology of Regret and Satisfaction

More choices tend to bring more expectations. Customers are likely to expect that among all the many possibilities is the "perfect" one. But the more they have expected, the more likely they are to become dissatisfied. Even if an option is inherently good, it can seem worse when possible alternatives remain in their minds.

For example, think about streaming platforms that provide thousands of films. The user spends more time navigating than viewing, frequently second-guessing themselves. This "decision paralysis" arises from the possibility of missing out on a superior option, which results in less enjoyment of the selected experience.

Simplification: The Path to Better Decisions

Comprehension of the paradox has led companies to reconsider how they offer options. Consumers today pay attention to reducing the complexity of the customer experience. Capsule wardrobes, for instance, have become trendy in fashion, providing constrained but adaptable options to limit choice fatigue.

In the same way, subscription services such as meal kits simplify dinner preparation by pre-choosing ingredients and recipes, saving consumers from the trauma of choice. These tactics not only maximize customer satisfaction but also guarantee brand loyalty by lowering the cognitive burden of decision-making.

The Neuroscience of Herd Mentality: How Social Influence Shapes Economic Decisions

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Introduction

Humans are inherently social creatures bound to seek social validation and acceptance which activates reward centers in the brain. In today's socially driven world, people often find their economic choices swayed away by the "majority" or "BhedChaal" - A phenomenon known as the "Herd Mentality". This behaviour is deeply rooted in our neural network responsible for influencing one's personal financial decisions, investment decisions, everyday purchases and impulsive buying decisions. On the contrary, Herd Mentality serves as a powerful tool for brands to shape their brand image and build positive customer perceptions and behaviour.

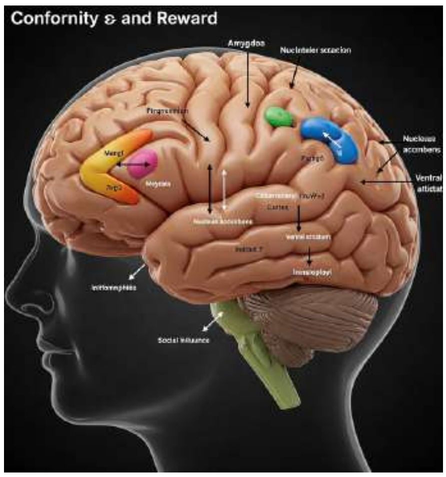
Deeper understanding of Herd Mentality

Herd Mentality is the tendency of people to align their beliefs and decisions with those of a larger group, often overriding their own independent judgements. This phenomenon is called "Herd Mentality" or "BhedChaal" because individuals blindly follow the majority just like animals in a herd. The phenomenon is more evident in the realm of economic decision making where individuals tend to follow market trends, buy risky assets and sell sabotaged assets, buy socially valuable goods and make financial decisions that are relevant in their social circle. Such economic decisions may lead to market bubbles or crashes. One such example lies in the biggest stock market dent of history - The 2008 financial crisis.

Where banks and investors, caught up in the prevailing optimism continued to invest in subprime mortgages, ignoring the underlying risk. The psychological understanding behind the same? Simply because everybody was doing so. Classic herd behaviour example which led to catastrophic market collapse.

Understanding the neuroscience behind Herd decision making - The scientific "why's" of Herd Behaviour

Neuroscience offers valuable insights into the mechanical "why's" of herd mentality. Studies using functional magnetic resonance imaging (fMRI) have revealed that when individuals' opinions diverge from the majority, areas of the brain associated with negative emotions and error detection gets activated suggesting that deviating from the "herd" triggers a sense of anxiety and discomfort. On the contrary, conforming to the majority activates reward-related brain regions creating a sense of pleasure and validation. This neurological reinforcement encourages individuals to align their beliefs and decisions with the group, even if they harbor doubts.



A classic study by Gregory Berns and his colleagues (2005) demonstrated this effect where Participants were asked to mentally rotate 3D objects and indicate whether they matched a target. Participants often agreed with wrong answers even when they knew the right answer. Brain scans showed that social pressure actually changed the way they saw the object, making the group's incorrect answer appear correct to them. Proving how social pressure and influence neurally shapes decision making.

How social influence shapes Herd Mentality?

There is a famous saying that goes like “You are the average of the five people you spend the most time with.” Herd Mentality functions in a similar pattern where your social surroundings shape your opinions and redirect your decision making process. These behavioural biases can be driven by factors such as peer pressure, authority figures, social norms, and the desire for acceptance and validation as:-

- People tend to follow the majority with an assumption that a popular choice is the right choice even if their consensus initially disagrees
- Individuals often look at others for guidance. This phenomenon makes product reviews, influencer recommendations and crowd behaviour a strong marketing tool.
- People often tend to believe in the advice of people who are experts in their opinion, making authority a strong driver of Herd Behaviour.
- These socially driven behavioural activities shape the theory behind Herd Mentality in a social network indicating the strong presence of social footprints on one's decision making.

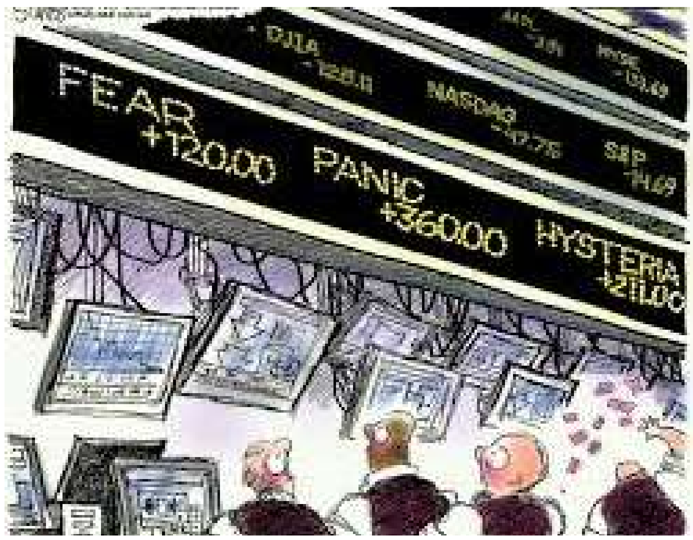
A 2020 study by Valassis revealed that over half (51%) of consumers had bought a product or service based on an influencer's endorsement within the previous two years. Moreover, during the Diwali season, a report by Qoruz found that 66% of shoppers made purchasing decisions influenced by recommendations from influencers.

These figures reveal that not only our close knit social circle but social media and social influencers also play a substantial role in consumer behaviour and shape buying decisions.

Herd behaviour in economic decision making

In financial markets, herd mentality can lead to boom-and-bust cycles. Investors, driven by fear of missing out (FOMO) or fear of loss, may follow the Herd, buying or selling assets based on prevailing sentiment rather than fundamental analysis. This can create bubbles where asset prices become inflated beyond their intrinsic value, only to crash when the herd reverses direction. For example during the dot-com bubble, many investors invested in tech stocks without any market analysis or prior knowledge simply because others were doing so, eventually leading to a market crash.

Beyond financial markets, herd influences everyday consumer behaviour. Social media intensifies the effect with trends and products getting viral quickly. For example The sudden popularity of fidget spinners in 2017 saw consumers purchasing them in masses, driven by social media trends and peer influence. Individuals are also driven by the need for social status where people tend to buy products that are of high social status quo only to satisfy their herd instincts.



Brands leveraging social influence

While herd behaviour might be negative when it comes to consumers point of view, but It is a major marketing technique for brands trying to build a long term consumer Market. By creating perceptions of popularity and quality, they influence individual purchasing decisions. For example, Tesla's association with cutting-edge technology and sustainability, gaining widespread media attention and celebrity endorsements, has made owning a Tesla a status symbol, influencing consumers to purchase based on perceived social standing.

Conclusion

Herd mentality, deeply engraved in our neural network, plays a pivotal role in consumer behaviour and decision making. While it can lead to collective behaviors that drive market trends and product popularity, it also poses risks potentially leading to unfavorable outcomes. Recognising the influence of social factors is essential in making independent judgements, in this way individuals can strive for more rational and informed economic decisions.

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Role of Neuroeconomics in Policy Formulation

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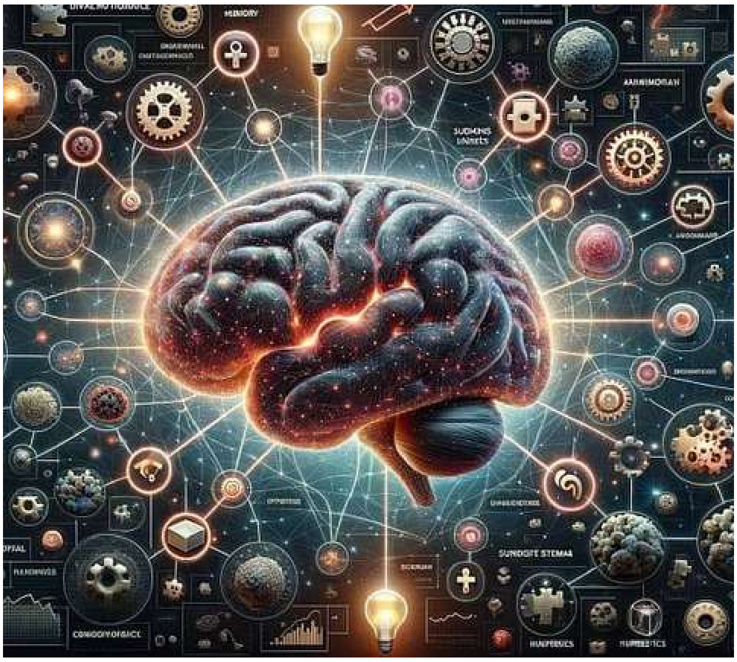
Abstract

Neuroeconomics is an interdisciplinary field that integrates economics, psychology, neuroscience, and computational science to explore the complexities of human decision-making. This paper examines the limitations of traditional economic models, which often assume that individuals are rational actors who prioritize immediate rewards over delayed ones, a principle known as positive time discounting. While this assumption has been validated in financial contexts, it falls short in the realm of public policy, where social, traditional, monetary, and emotional values significantly influence public acceptance. Drawing on neuroeconomic research, particularly the role of the anterior insula in processing negative emotional states, we highlight the importance of considering emotional responses alongside financial implications in policy formulation. By addressing the potential for perceived injustice and discontent among specific population segments, this study advocates for a balanced approach to policymaking that fosters economic equilibrium and enhances community well-being.

Introduction

Neuro Economics is an interdisciplinary field that studies how people make decisions. It combines economics ,psychology, neuroscience and computational science. It uses behavioral economic experiments to parameterize decision making. These results can be used to study the affects on public and reactions of public on the public policies. Traditionally, economics considered the consumers (here, public) to be rational self interest guided and un emotional. Most economic models assumed positive time discounting where people naturally value immediate rewards more than the delayed once.

This principle has been validated through observations in financial markets, where individuals typically assign greater value to a dollar in hand compared to a dollar expected in the future. They utilize a positive discount rate to determine the present value of future cash flows, effectively diminishing the worth of future money due to the potential for earning returns over time; this is a core tenet of the "time value of money" theory. However, this assumption holds true primarily due to its financial implications. In the realm of public policy formulation, it is essential to consider social, traditional, monetary, and emotional values to ensure broad acceptance of a policy.



Previous studies in neuroeconomics have demonstrated that this assumption has its limitations.

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Additionally the insula has been addressed in studies related to emotion particularly it's role in the assessment and representation of distinct negative emotional states. Therefore, activation of the anterior insula cells as an indicator of the negative emotional reactions experience by the individuals in response to an unfair offer. A policy may encounter opposition from specific segments of the population if they perceive it as unjust, resulting in discontent among policymakers. It is essential for policymakers to consider both the emotional responses and financial implications for the entire community when developing a policy. This approach should aim to create a balanced framework that promotes economic equilibrium.

Conclusion

Neuro Economics is an interdisciplinary field that studies people's decision-making processes, combining economics, psychology, neuroscience, and computational science. It uses behavioral economic experiments to parameterize decision making and understand public reactions to public policies. Traditionally, economic models assumed positive time discounting, where people value immediate rewards more than delayed ones. However, this assumption has limitations due to its financial implications. In public policy formulation, social, traditional, monetary, and emotional values must be considered to ensure broad acceptance. The anterior insula plays a role in assessing negative emotional states, and policymakers must consider both emotional responses and financial implications when developing policies. This approach aims to create a balanced framework that promotes economic equilibrium and addresses the emotional responses of individuals in response to unfair offers.

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Endocrine System Role in Economic Decision-Making

Diti Poddar, B.Sc. (hons) Biochemistry, 2nd Year

Abstract

Neuroscience primarily focuses on the neural process through the role of hormones by which individuals identify potential hazards and analyze the financial risks, while economists are majorly interested in how this impacts the assets' price and market stability. Steroid hormones secreted from the endocrine system provide the missing link in neuroeconomics and act as a transmission between economic events and the neural systems involved in economic decision-making.

Introduction

Emotions of excitement or fear in markets are generally considered subcortical emissions that disrupt logical reasoning and cause changes in confidence and risk choices due to the increased levels of steroid hormones. Steroids, a major class of hormones, are lipids cleaved from cholesterol produced mainly by the adrenal glands and the gonads. Steroid hormones (Testosterone, Oestradiol and Cortisol) initiate change in the target tissue and thus, are considered the dominant class of hormones that can influence financial decision-making in situations like search and struggle for status.

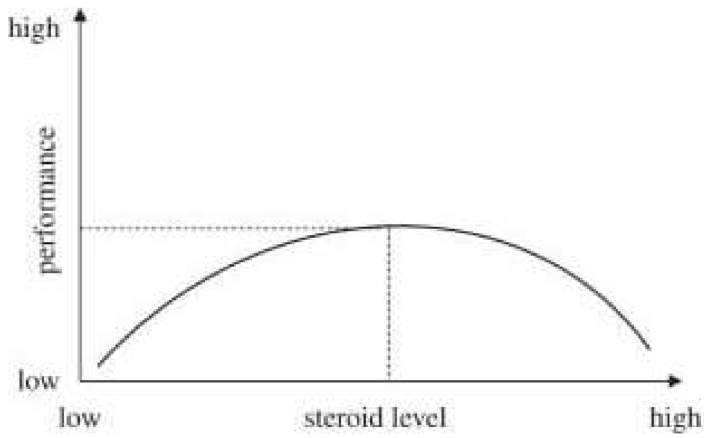
Sex Steroids

Testosterone and oestrogen, sex steroids, are produced by the Hypothalamic Pituitary-Gonadal (HPG) axis. The synthesized Gonadotrophin-releasing hormone (GnRH) in the hypothalamus, is released into a network of blood vessels connecting the hypothalamus and the pituitary gland. The GnRH stimulation and its action on the anterior pituitary gonadotrophs release Luteinizing Hormone (LH) and Follicle Stimulating Hormone (FSH).

LH stimulates testosterone production, whereas, coordinated actions of LH & FSH produce oestrogen. These produced gonadal steroids have been proven in the implementation of activational effects along with biological functions. The increased testosterone levels in males shift their utility and confidence and encourage competitive economic behaviour. In a winning male, the testosterone increases by 10-fold in 24 hours, than in the loser, which promotes a positive feedback loop and increased chances of entering the next round of competition. High testosterone levels also increase observational and visuomotor integration which helps traders spot trade price variations quickly.

Cortisol

Cortisol is a glucocorticoid stress hormone of the Hypothalamic-Pituitary-Adrenal (HPA) axis. Corticotrophin-releasing hormone (CRH) is secreted into the hypothalamic-pituitary portal system to stimulate the production of Adrenocorticotropic Hormone (ACTH), which, in turn, stimulates the production of adrenal glucocorticoids (cortisol). During a stressful stimulus, i.e. during the changes in the trading results or/and the unpredictability of the market, the cortisol rises and acts as a key factor in the behavioural response to physiological stress.



Source: Review. From molecules to market

An inverted U-shaped dose-response curve is shown by the cortisol meaning that the optimization increases with increasing cortisol up to a point, but beyond that point, excess cortisol starts to harm performance. This means that a balanced amount of cortisol helps act effectively, but the ability to perform can get impaired at lower and higher levels.

Steroids Hormones & Brain Function

The coordinated function of the nervous system and brain regions such as the prefrontal cortex, hippocampus, amygdala and nucleus accumbens influence economic decision-making and unreasonable responses to financial decisions. As identified in neuroeconomic research, steroid hormones, such as testosterone and cortisol, have receptors throughout the brain that fluctuate with risk and returns. The amygdala is involved in emotional decision-making; the insula rejects unequal financial offers in final warning games; while the nucleus accumbens and the insula can make traders avoid risks even when it might be beneficial to take them. Dopamine transmission is greatly influenced by both corticosteroids and testosterone in the nucleus accumbens via the dopaminergic neurotransmission which upholds motivation and reward-related behaviours.

Homeostatic Mechanism

Some other factors like the emotional state of the situation, and the amount and length of exposure to the hormone also determine the function of cortisol in humans. A short-term stress response, i.e. acute stress, elevates dopamine levels, whereas a prolonged feeling of pressure, i.e. chronic stress, downregulates dopamine levels and signalling molecules in the nucleus accumbens that would tend to decrease a trader's willingness for risk. Moreover, continuous elevation of chronic stress leads to reorientation of neuronal structure in the major brain regions and long-term changes in its plasticity.

Conclusion

Although there is a unique role of each hormone, under real-life situations both the hormones operate in a coordinated manner. Both testosterone and cortisol have a remarkable relationship between financial return and unpredictability respectively. Testosterone plays a role in winning & losing where higher testosterone may contribute to a greater economic return and a trader with its high levels may see only opportunities in a set of facts; while cortisol plays a role in response to stress and is increased by the risk factor and the same trader with its elevated levels may only find risk in the same given set of facts.

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The Neurobiology of Trust

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The Neural Currency of Trust

Ever curious why so many people are willing to give their private information to Google, buy the latest iPhone on impulse, trust Amazon to deliver exactly what they need—sometimes without even reading reviews? It's not just about brand loyalty; it's science. In an era where choices are endless and misinformation is everywhere, trust has become the ultimate currency. Our brains make split-second judgments about whether a brand, website, or business feels reliable—long before we even process the facts. This instinct is driven by a fascinating blend of neuroscience, psychology, and experience, a phenomenon known as "neuro-trust."

Deeper Understanding of Trust Network

Oxytocin, a neuropeptide linked to social bonding, plays a crucial role in fostering trust. A 2017 study published in the Journal of Neuroscience demonstrated that oxytocin enhances activity in brain regions associated with reward processing, reinforcing positive social interactions. Functional MRI (fMRI) studies have further elucidated the neural correlates of trust. When individuals evaluate the trustworthiness of faces, there is heightened activity in the amygdala which is the region of the brain primarily associated with emotional processes and the orbitofrontal cortex—regions associated with emotion processing and decision-making. This principle is evident in Dove's "Real Beauty" campaign, which resonated deeply with consumers by promoting authenticity and inclusivity. By challenging conventional beauty standards and showcasing diverse body types, Dove successfully cultivated trust and emotional engagement, reinforcing the profound impact of neuropsychology on consumer behavior.

The Role of Mirror Neurons And Emotional Resonance

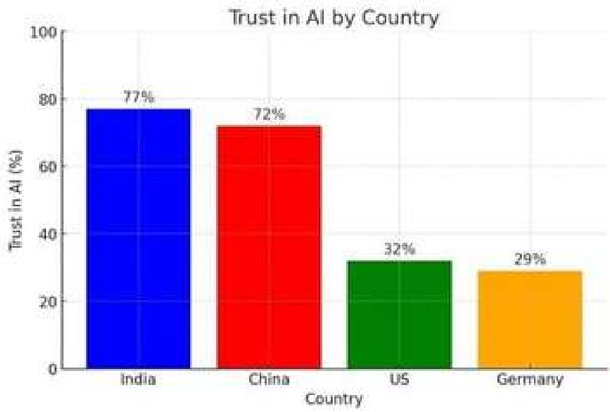
Mirror neurons, a network of brain cells that fire both when we perform an action and when we observe someone else performing the same action, also contribute to trust. These neurons enable us to empathize with others and understand their intentions. A 2023 report from Edelman's Trust Barometer showed that 63% of consumers say they need to trust a brand to buy from them. Consider the success of Airbnb. Their marketing often features real travelers sharing their unique experiences, fostering a sense of adventure and connection. By showcasing authentic stories, Airbnb activates mirror neurons in potential customers, creating a feeling of "I want to experience that too!"

The Neuroscience of Financial Trust: Risk and Reward

Financial trust isn't just about numbers—it's wired into our brains. The ventral striatum, our brain's reward center, lights up when we anticipate financial gains, pushing us toward risk-taking. On the other hand, the amygdala, linked to fear, drives risk aversion. Those with lower amygdala activity tend to take bolder financial risks. Cognitive biases also shape trust. Overconfidence leads investors to misjudge risks, while scammers exploit urgency and emotion to manipulate decisions. Surprisingly, young adults (18-24) often lose more money in scams than older individuals.

The Neuro-Future of Trust: AI and Beyond

As technology advances, brands are leveraging AI to personalize experiences and build deeper connections. AI-powered chatbots can provide instant support, while personalized recommendations can anticipate customer needs by tapping into the power of neurobiology.



Trust in AI varies significantly across cultures. According to the Edelman Trust Barometer, 72% of people in China trust AI, whereas only 32% of people in the United States share that sentiment. This disparity could influence the pace of AI adoption, as societal trust plays a crucial role in embracing new technologies.

Conclusion

The neurobiology of trust reveals that while interpersonal trust engages specific neural mechanisms involving oxytocin and brain regions like the amygdala and orbitofrontal cortex, brand trust may operate differently, possibly as cultural constructs. Brands that consistently deliver quality, align with consumer values, and effectively communicate their commitment to customer well-being can cultivate trust, leading to increased loyalty and sustained success. The "trust code" is being constantly rewritten and understood better, and the brands who focus on the brain, will be the brands we love.

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A lack of faith in societal institutions triggered by economic anxiety, disinformation, mass-class divide, and a failure of leadership has brought us to where we are today – deeply and dangerously polarized. 2023 report from Edelman's Trust Barometer

The neural correlates of trustworthiness evaluations of faces and brands: Implications for behavioral and consumer neuroscience

The Neuroscience of Brand Warmth

A 2017 study published in Developmental Neurobiology titled "Oxytocin modulation of neural circuits for social behavior" by Bianca J. Marlin and Robert C. Froemke explores how oxytocin influences neural circuits related to social behaviors.

Dollars & Dopamine: The Neurochemistry of Buying Behaviour

Avinash Kumar, B.com (hons), 2nd year

Imagine walking into one of those shops just to have a look around but then you see a sign that reads **"LIMITED TIME ONLY"**. You feel your heart beating, you're sweating through your fingers, and next thing you know you're at the cashier paying for it with your card. What just occurred? The dopamine system in your brain hijacked. ** Not only does money spent not create need; it also remittance, ** Delights, ** Expectation, ** Payback. Below each impulse buy or carefully planned splurge, there's a complex chemical process taking place between our ears.

Dopamine-The Human Brain Feel Good Neurotransmitter: Here is to Using Dopamine to Our Advantage, Understanding How Dopamine can be using to Help Us Spend Smarter and Avoid Getting Caught Up In This Magical Marketing Trap **

The Dopamine Behind Your Purchases:

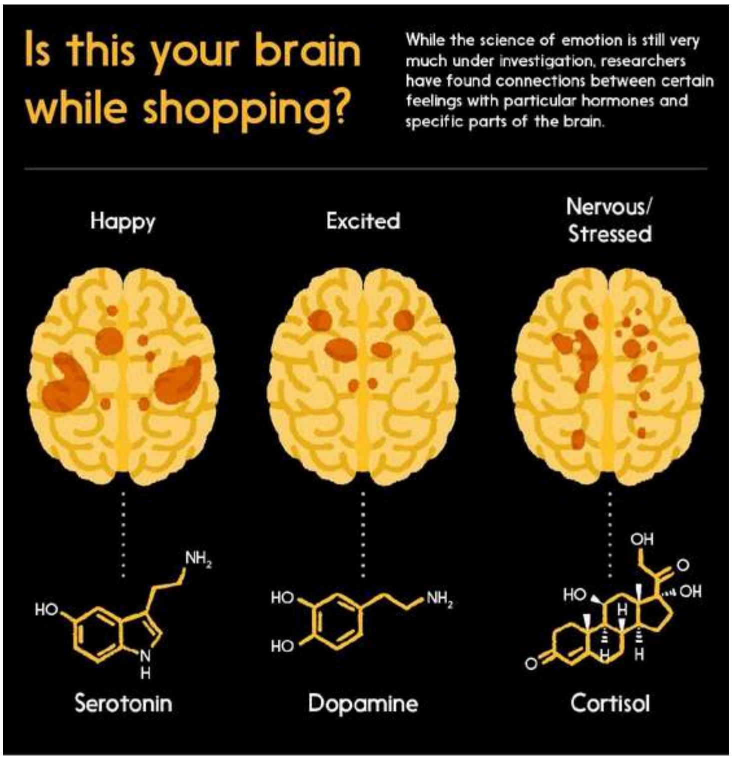
The Science of Spending Dopamine is known as "the pleasure chemical", yet its greatest power is in anticipation. When we look at something that we like – a **smartphone, a cup of pricey coffee, a branded handbag comparatively, our brain releases dopamine, and we experience a sense of **pleasure. This anticipation can often feel like **a larger reward than the action of purchasing it itself. ** This is known to retailers and they employ techniques such as:

• **Flash sales** to prompt urgency, which makes your brain becomes scared of missing out.

— Personalized ads that remind you of things you already like.

• **Smooth online shopping** with one-click buying – to minimize friction in decision-making.

The result? We purchase items we do not use out of a sense of hype**.**



The Spending Snare:

Why Dopamine is Bad Although dopamine makes it pleasurable to buy things, it can also be a **dangerous path to overspend and acquire debt. The "Buy Now, Pay Later" model separates the joy of buying from the pain of paying, thus breeding impulsive decisions that can ultimately culminate into buyer regret. That is why it is easier to swipe a credit card than it is to spend cash — the **dopamine rush is instant, but the financial consequence is postponed.

**Even more concerning is that research shows that financial stress impairs cognitive control, making people more prone to impulsive buying. We spend to feel good, regret it, and spend again to mend that bad feeling. In extreme cases, this might lead to obsessive purchasing addiction, whereby the act of purchasing becomes more about chasing the dopamine excitement than about the items themselves.

How to Outsmart Your Brain and Spend Smarter So we may shop better and ditch our impulse spending habits.

- To outsmart your brain and spend smarter, do this:
- Follow the 24-hour rule – Wait a day before buying something. The initial dopamine rush fades, helping you decide whether you really want it.
- Use cash instead of cards – Physically spend cash makes spending feel more real and lessens impulse buys.
- Turn saving into a dopamine trigger – Set small financial goals and reward yourself when you hit them. Watching your savings grow may be just as pleasurable as buying.
- Recognise marketing tricks – Every time you see "LIMITED OFFER," ask yourself: "Is this just pressure, or is my brain getting tricked?"

Conclusion

Rewiring Your Brain for Financial Success. Dopamine isn't the enemy – it's just doing its job. The problem isn't that we love spending; it's that we don't always know why we're doing it. By understanding how our brain chemistry affects financial decisions, we can make conscious choices rather than impulsive ones.

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The Cost of Overthinking: How Analysis Paralysis Affects Financial Decisions

Anshika Goyal, B.com (hons), 1st year

Introduction

In a world of overflowing choices, the biggest mistake one ever defers isn't making the wrong decision - it's not making one at all!
Imagine standing in a store, with 112 brands of the same product. You need just 1, yet these endless options will compel you to think, compare and overanalyze more. There in the end, instead of making a better decision - you feel exhausted and walk away with nothing .

Everyone meticulously calculates their cost of living, why not calculate the cost of overthinking - paid for in lost time and missed opportunities? In the World of Finance there is a saying, "Hesitate and stall, to watch your chances fall!". This perfectly captures the trap of Analysis and Paralysis - a condition where excessive thinking leads to inaction or poor choices.

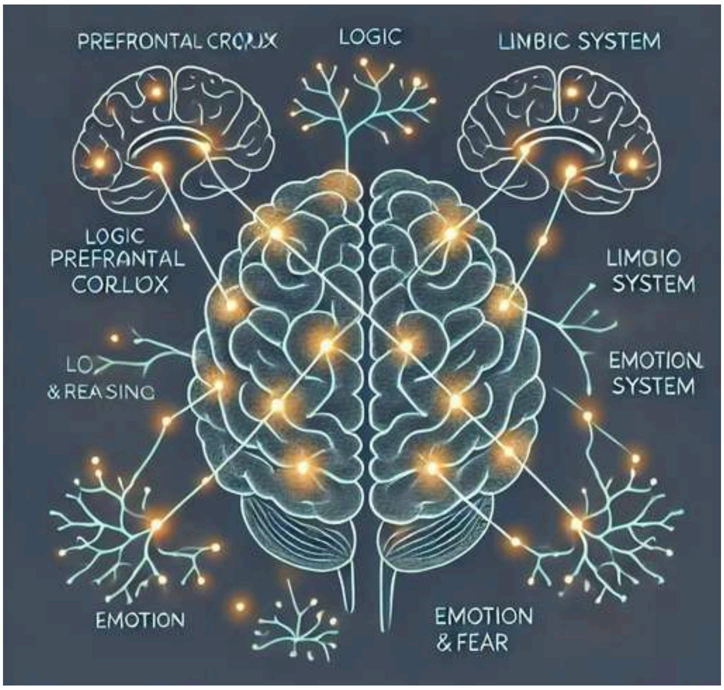

Image of brain activity in decision- making

The Neuroscience behind overthinking!

The human brain thinks in multiple directions, each linked to a unique thought & emotion. However, neuroscience explains that our brain has limited capacity to process complex decisions. Whenever faced with such choices, thinking upon it accounts for activation of the prefrontal cortex (logical thinking), but its overload triggers stress responses. There it becomes the battle of Prefrontal cortex (logic) v/s Limbic system (emotion). The limited energy often depletes due to it, resulting in:

- Decision fatigue, leading avoidance
- Reduced level of dopamine, weakening confidence
- The former picks fall flat on the ground
- One feels more stressful and uncertain.

You overthink when picking up a product, whose purpose you know. Ever wondered about the impact of this same overthinking on financial decisions, where your goal is in monetary terms, yet can't define it as clearly as you define the shampoo for your hair in a store?

How it Affects Financial Decisions??

Financial decisions involve choosing how to manage, invest or spend money in order to achieve monetary goals. From saving to spending, all decisions made in between affects one's financial stability and future. However, these decisions meet an accident when encountered with overthinking, the simple reason is the pessimistic mindset people opt in towards the market, which is dynamic in nature.
Ideally, such decisions should be made rationally and efficiently, but overthinking disrupts this process, here's how :

The Illusion of Infinite Possibilities

We often mistake choice with freedom, and our mind end up suffocating in uncertainty. The market provides multiple investment schemes, savings plans and business strategies, and here we crave for the perfect answer. But this desire for perfection, refuses us to settle for a “good enough” one.

A young investor eager to start their financial journey keeps studying the stock market waiting for the ‘perfect time’ to invest. Time passes, and by the time he feels “ready”, countless opportunities for wealth creation are lost.

Paralysis by Uncertainty

Human brain fears losses more than it celebrates gains, this psychological barrier is called Loss Aversion, where you overemphasise potential downsides even when rewards outweigh them. Small risks are picturised as catastrophic and it results – you stay in a comfort zone, avoiding crucial financial moves.

This is clearly explained with the scenario when an entrepreneur with a brilliant idea never steps ahead and gets caught in an endless loof of “what ifs”.
It's popularly said that ‘Regret often doesn't come from failing but, from never trying’

Endless Doubt Trap

Overthinking doesn't only leads to inaction but overcorrection too. Here, decisions once made are recalculated and altered out of fear rather than logic.
It's quite relatable with the situation where a trader picks a promising stock but a sudden doubt entrap, “What if it drops?”, selling it early and missing out on a massive price surge.
Elsewhere take it as a traveler books a flight at a good price but cancels it with second-guessing that a better deal will appear - only to end up paying more for it!

paying more for it!

There's a hidden cost of overthinking that we all pay, but never credit upon. The mind believes that thinking more means thinking better but reality is much harsher - the longer we wait, the more we lose. In finance, the hesitation is the silent thief of wealth, it ensures to keep you away from taking action at all.

Escape - Outsmarting your own mind

You think your overanalysis habit affects only you! No - it's a tool businesses proactively use to their advantages, intentionally creating confusion, urgency and fear. However, recognising these tactics can help reclaim control over your financial decisions and break free from this trap.

Businesses overwhelm consumers with excessive choices, mind struggles to process information effectively - hence people either postpone decisions or default to high margin products. The outcome landed up benefiting the company not the consumer. To counter this, apply the 80/20 rule - focusing on the few key factors instead of drifting in unnecessary details. The goal is to simplify decisions by filtering out distractions and haste to analyse everything.

Another powerful tool is Urgency Marketing, the most common example is 'Only a few left in stock!' - this message designs panic in consumers. Here, time pressure is added and the brain prioritises quick action over logical evaluation, you there make unnecessary purchases then. To overcome this, set your own decision deadlines. It says before committing a major financial decision, give yourself 24-48 hours to separate emotions from logic and importantly analyse on the basis of long term benefit rather than short term pressure.

Image representing marketing strategy to influence consumer decisions

Beyond these, also exploit Fear to manipulate financial decisions. Read again! Ironically, people get manipulated not just by external pressure but their own fear of being manipulated.

Thus, to test that you're not influenced by it, ask yourself - Am I genuinely opting for this financial decision or because I am afraid of what might happen if I don't? This will ensure rational decisions and beneficial rather than fear-driven.

Understand, it's not about simplifying choices, but to identify when external forces are shaping your decisions, which have the ability to shape your future!

Image symbolising missed opportunities turning into loss of growth opportunities

Conclusion

The cost of overthinking paralyses the power of rational decision-making, which directly impacts our future course of life. Financial decisions demad clarity and logical analysis which is usually interrupted due to over-scrutinization of data. While hesitation benefits markets and businesses, it costs individual's time, confidence and growth. To push off yourself from this trap of overanalysing, one needs to just have the courage to make a choice rather than finding a perfect one.

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Neuroeconomics: Deciphering the intricate Influencers of Decisions

Sampurna Chowdhury, B.Sc. (hons) Biochemistry, 2nd Year

Imagine you are at the market and choosing whether to purchase a costly product or conserve the money in your pocket. What is occurring in your head within that short millisecond? Logic, emotions, or something more? Neuroeconomics opens a new field for understanding economic choices, integrating economics, psychology, and neuroscience into one frame.

Neuroeconomics is changing how we alternate human behavior: an amalgamation of diverse disciplines provides a deeper perspective regarding why we choose and what we choose. Here's how this electrifying field will shape commerce, psychology, and calculative decision making while integrating perspective from the trailblazing research below.

The Brain's trading floor: Where Neuroscience Meets Economics

Conventionally, economics framed humans as structural and rational strategists. But a study has crumpled this ideal, showing that human preferences are riddled with biases. Neuroeconomics takes it a phase further by exploring the brain's role in strategizing. Using tools like fMRI and EEG, researchers can now peer into the mind as people weigh threats, rewards, and trade-offs. For example, the prefrontal cortex manages rational thinking and extended planning, while the amygdala is preoccupied with instinctive response. Together they generate a sort of tug-of-war between reason and impulse which can decide even what to spend money on versus saving it-to asset management as well as purchases for everyday consumption (2).

The Biology of Spending and Saving

Consider this: why do some people save meticulously while others indulge on impulse buys? Neuroeconomics reveals that decision-making is a conflict between immediate satisfaction (driven by dopamine in the brain's reward system) and future targets (managed by executive control areas like the dorsolateral prefrontal cortex).

Researchers discovered that individuals with stronger prefrontal activity were more likely to defer pleasure and preserve for the future. This insight has profound consequences for businesses, policymakers, and economic advisors aiming to encourage behavior in more robust pathways.

Trust and teamwork in the Marketplace

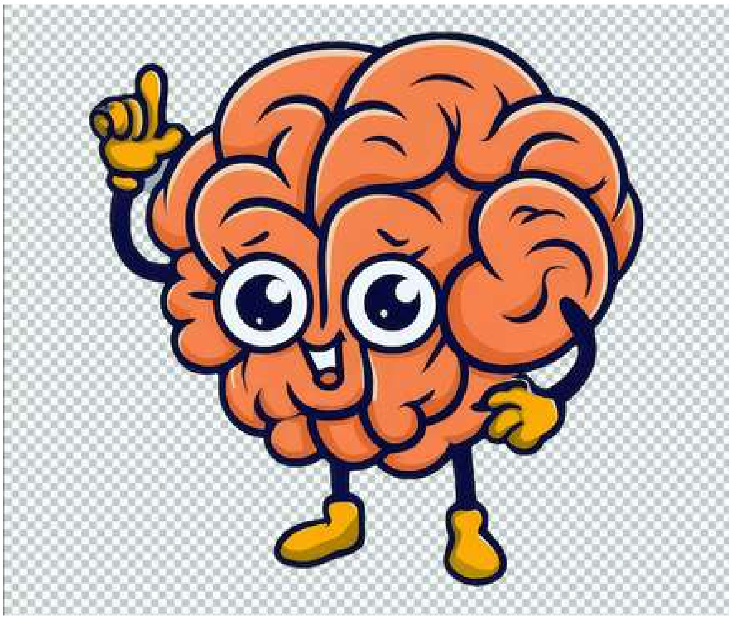
Neuroeconomics also sheds light on trust, a key element of commerce. Whether finalising contracts or sharing resources, trust decides much of our economic activity. One key study disclosed that the hormone oxytocin increases trust in individuals, even in high risk scenarios .This discovery has vibrations in numerous industries (3). For example, companies can help generate consumer trust by evolving, branding plans that sentimentally connect with their target audience, while governments can generate more impactful public policies based on the synaptic foundations of trustworthiness.

Risk-Taking: A Fine Balance Between Logic and Emotion

Why do some of us bet and others play it safe? Neuroeconomics has a lot to say about our bond with risk. The daredevils have elevated activity in

the ventromedial prefrontal cortex where benefits are differentiated. Simultaneously, people more detrimental to risk display resilient tasks in the insula, associated with anxiety and the expectations of losses. Such insights are very worthwhile for insurance industries, stock markets, and even gambling, as the knowledge of what customers desire can enlighten strategies.

Game Theory Meets Neuroscience



Neuroeconomics not only discusses the decision-making of individuals but also strategic interactions between people, which has been found to have a neurobiological equivalent in game theory (1). Researchers using fMRI scans studied participants as they played trust-based games; and they discovered cooperation activates reward-related brain areas and competition lights up regions related to social judgment. Such a study is useful to design the game dynamics of the workplace, strategies to esolve conflict and even to make AI negotiation.

Changing the Game with Practical Implications

The applications of neuroeconomics are vast. Marketers use it to craft campaigns that appeal directly to emotional triggers, governments employ it to design policies that encourage healthier financial habits, and businesses rely on it to enhance consumer experiences.

This interdisciplinary field, therefore, sparks deep questions on human behavior. Are we as rational as we believe ourselves to be? How do businesses and governments use these insights ethically? But most importantly, how do we keep the emotional world balanced with rational thinking in a world that strives for decisions?
By spanning commerce, psychology, and neuroscience, neuroeconomics provides a glimpse into the hidden mechanisms that drive our everyday lives. Whether you are a business leader, policymaker, or curious thinker, the very forces that influence our decisions could change the way you think about them—and maybe even improve your judgment on them.

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Game Theory and Decision-Making: The Psychology Behind Competitive Strategies in Business and Economics

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Introduction

Game theory has developed into a crucial strategic framework that describes people and business interactions for economic and business purposes. This theory shows how people and companies decide in competitive and uncertain situations. Two prominent mathematicians, John von Neumann along with Oskar Morgenstern, created game theory through their unified effort to bring together behavioral economics methods with human psychology in decision-making processes. This article explains the essential game theory principles and demonstrates its business and economic applications as well as the effect of psychological factors on strategic choices.

The Foundation of Game Theory

Game theory analyzes scenarios where the choice made by others affects the decision of participation. These tactical behavioral patterns between individual players fall under two game classifications: zero-sum game where one player gains the loss of another player, and non-zero-sum game which creates benefit for both players through collaborative strategies. The central idea in game theory is Nash equilibrium which describes situations where all players would maintain their current strategy since it provides the best possible result. One of the most famous illustrations in the Prisoner's Dilemma game theory which demonstrates how people avoid cooperation despite it creating mutual benefits for them.

Psychological Aspect of Decision-Making in Game Theory

People following traditional game theory pursue logical actions to maximize their benefits. However, Research in behavioral economics shows decision-making processes of people get affected by cognitive biases and emotional factors. Various psychological elements deeply affect the strategic decision-making procedure:

1. Loss and Risk Aversion Perception

Loss aversion which is strongly related to risk aversion. Suggested that people experience a greater impact from potential losses than equivalent gains (Tversky and Kahneman 1991). Businesses and consumers operate under this bias when making negotiations and setting prices by placing primary focus on loss prevention above profit maximization.

Risk-averse behavior determines the ways people deal with uncertain situations. According to Prospect Theory Adults prefer secure or predictable choices instead of exposing themselves to uncertain outcomes (Kahneman & Tversky, 1979). When individuals avoid taking risks that will affect their business strategies particularly in decisions making related to investment or pricing.

2. Overconfidence Bias

Decision-makers affected by overconfidence bias tend to both overvalue their capabilities as well as the precision of predictions they make (Moore & Healy, 2008). In business overconfidence can create aggressive market competition through unrealistic strategic planning which ignores potentially upcoming market declines.

3. Herd Mentality and Market Bubbles

Human nature unveils itself through group thinking even though it occasionally results in adverse consequences. Mass financial investments in cryptocurrencies together with speculative stocks generate dramatic market fluctuations. Investigations in behavioral economics demonstrate that no matter even the experienced investors cannot avoid behavioral tendencies.

Applications of Game Theory in Business and Economics

Business strategies heavily rely on the principles of game theory for their development. Businesses employ game theory for future competitor prediction purposes and to create the best-pricing strategies and improve negotiation results. This model allows businesses to understand the effects their pricing choices have on market behavior and consumer purchase behavior.

Another vital implementation of game theory application involves studying market entrance decisions along with competitive responses. Companies evaluate competitor response patterns before market entry to prevent price competition and counter attacks. Companies operating in markets characterized by dominant firms need this analysis most especially since oligopolistic markets contain only a few major participants.

The principles of game theory serve as foundations for advertising and marketing technique selection by businesses. Businesses deploy strategic budgeting to counteract their competitor's advertisements in order to obtain maximum customer gain. Brand perception together with visibility remain essential factors in consumer goods and technology industries as companies actively demonstrate this through their advertising and marketing strategies.

Challenges and Limitations of Game Theory

Game theory exists as a tool with a wide range of practical usage yet it contains specific restrictions. Decision-makers frequently experience challenges while obtaining information about their competitors' plans because of which they find it hard to correctly anticipate results. The assumption that all participants function logically fails to address emotional factors along with social elements and cognitive irrational tendencies. The applicability of game theory for practical use increases by combination of behavioral economics to analyze alongside empirical research data.

Conclusion

Strategic decision-making in business and economics receives strong analytical power from game theory circumstances. The practical application of decision-making strategies becomes difficult because psychological factors influence choices throughout the process. The combination of behavioral economics insights enables businesses and policymakers to create strong competitive strategies that handle reasonable as well as illogical behaviors. Businesses will continue to rely on game theory as a necessary tool to handle strategic market interactions because market complexity keeps increasing.

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THE RISE OF NEUROECONOMICS

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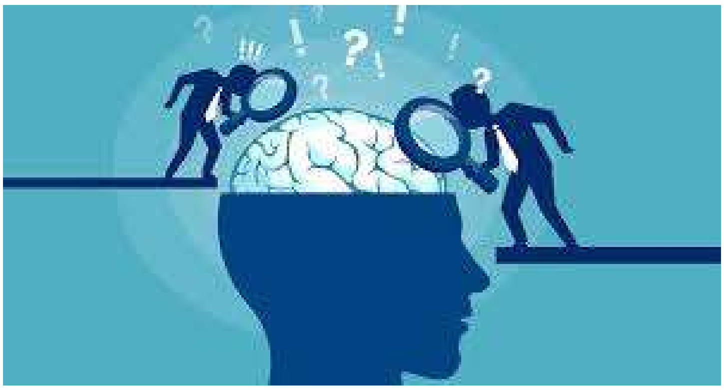
Neuroeconomics is an interdisciplinary field that has the combination of psychology, neuroscience and economics which guides people to make economic decisions. It helps people to understand cognitive and biological processes behind their decision-making skills, which includes all kinds of behaviour such as taking risks, evaluation of rewards and how one's triggering emotions influence their buying capabilities. There are also some key regions of the brain involved in making financial decisions, which include: PREFRONTAL CORTEX: This helps in rational thinking and planning, AMYGDALA: Emotional responses like fear and excitement. STRIATUM: Processing rewards and risks. NEUROECONOMICS is an important topic which has remained unexplored as it helps to understand the psychological behaviour of humans and why they make irrational choices such as overspending, panic selling during the crash of stock markets. By analyzing and synchronizing this behaviour of humans properly individuals can make better financial decisions.



Neuroeconomics and Social Media Influence on Financial Behaviour

SOCIAL MEDIA: Who isn't aware of social media in today's time? As most of the youngsters and even the older generation in today's time use social media apps such as Instagram, Facebook, Twitter, etc. social media has become a powerful source in influencing the decisions of people. in this article, we would get to know how neuroeconomics helps people make financial choices based on social media influence, emotions and cognitive biases. social media apps like Instagram and Facebook are designed in such a way that their algorithm keeps track of a person's daily interests, likes and dislikes, which creates a real-time economic hype in a human's mind and influences decision making. DECISION MAKING CAN BE OF VARIOUS TYPES: A) Emotional decision making: content created by influencers and promoted by various influencers create a hype of the product and creates a concept of (FOMO) i.e.: (fear of missing out) in the minds of people, which leads the consumer to make an impulsive buying decision. e.g.: MARS company launched a product named MATTE MUSE LIPSTICK which was promoted by influencers at a high pace..

Heard Mentality or Copycat Trend Following

Seeing thousands of people investing in a particular stock or cryptocurrency on social media leads to copycat investing. High engagement on social media and hearing people define a particular product or stock may influence a person's choice which triggers dopamine release, which may lead to making risky investments just for the sake of fitting into society.

Negative Social Media Trends

Social media trends such as stock market crashes trigger fear-based decision making in people, which may lead to panic selling. CONCLUSION: social media plays a significant role in economic decision making, which often leads to exploiting various consumers. study of neuroeconomics often guides people in making rational financial decisions rather than getting manipulated by various social media trends.

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Neuroeconomics: Decoding the Hidden Forces That Drive Our decision

Suman Kumari, B.A. (hons) Political Science, 3rd year

Introduction

The present era of fast-moving technology along with a weaving economy requires deep knowledge about how people make financial choices. Neuroeconomics, an interdisciplinary field that connects neuroscience, psychology and economics to reveal the force behind the decision making. The article examines how neuroeconomic research shapes commercial operations while revealing consumer behaviors and generating insights about economic choice procedures.

The Science Behind Neuroeconomics

Researchers in neuroeconomics use economic rules linked to neurological measurement data to understand how brains evaluate potential opportunities as well as determine the impact of certainty. Through functional magnetic resonance imaging (FMRI) and electroencephalography (EEG) that help scientists to identify decisions. The prefrontal cortex handles rational thinking while the amygdala focuses on emotions to impact economic behavior (Glimcher & Fehr, 2013).

Neuro Economists use studies of brain signals to forecast individual responses toward monetary benefits as well as marketing messages and buying decisions. Brain reward system dopamine release controls people to make impulsive purchases (Knutson et al., 2007). The knowledge of neurological principles enables companies to create marketing approaches which correspond to psychological human responses.

Consumer Behavior and Neuromarketing

Neuromarketing stands as a prime practical use of neuroeconomics by enabling businesses to utilize neuroscientific discoveries to improve branding methods as well as advertising and product arrangements. Companies use neuroscientific measurement of brain responses to create advertisements which heighten emotional connections between brands and consumers (Ariely & Berns 2010).

Research has proven that when consumers view high-priced items their valuation circuit within the brain starts to function (Plassmann et al., 2008). The "decoy effect" represents a pricing method which improves consumer views toward target products. Neuroeconomic principles enable businesses to improve pricing models together with promotional campaigns which optimizes their bottom line. Neuroeconomic research principles used for customization in marketing produce better client interaction and better conversion results.

Risk and Decision-Making in Financial Markets.

Financial analysts together with investors benefit from neuroeconomic knowledge. Neuroeconomic findings prove that financial decision making stems from emotions together with cognitive processes contrary to economic theory assumptions of rational conduct (Loewenstein et al., 2008). People exhibit an excessive fear of losses relative to equivalent gains which constitutes the established behavioral economic phenomenon of loss aversion. This bias is underlying in the amygdala and insular cortex mechanism which drives people to make ineffective investment decisions including panic selling when markets decline (Kahneman & Tversky, 1979). Financial advisors who grasp cognitive biases should develop systems which decrease risky equity investments over the long term.

The process of making financial decisions depends on individual understanding of their capabilities to handle uncertain situations. Scientific research shows that individuals with higher prefrontal cortex activity leads to better self-control therefore making logical investment choices even in market fluctuations. Financial institutions use knowledge of these neural mechanisms to create products and advisory services which address different risk tolerance levels of their clients.

The valuable information gained from neuroeconomics creates ethical dilemmas about setting behavioral standards for consumers. Businesses use unconscious emotional triggers as tools which create ethical problems concerning individual decision freedom. Each corporation must practice fair marketing together with transparency to protect consumer trust and social responsibility (Fisher et al., 2010).

Ethical Considerations and Future Directions

Neuroeconomic studies can extend their examination into various domains that go past commercial activities. Public policy benefits from field-derived knowledge which helps designers to develop financial guidelines for citizens to make decisions. For example - The government should create psychological intervention programs to motivate financial saving practices while investing in retirement benefits and proper credit handling.

Artificial intelligence through cooperation with neurotechnology will advance human understanding of how we choose between options. Rapid expansion in neuroeconomic research drives increased usage of commercial initiatives and public policies and behavioral finance methods that form the structure of worldwide economic systems.

Conclusion

Neuroeconomics facilitates the connection of cognitive psychology to decision making and consumer research to boost knowledge of human actions. The neuroeconomics strategic integration of economic practices depends on uniting the findings from neurosciences with economic principle, businesses and policymakers along with financial professionals can leverage to create solutions for humans. Research developments need ethical frameworks which will direct responsible and equitable economic practices.

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The Science of Decision-Making: How Neuroscience, Psychology, and Economics Intersect

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Neuroeconomics is an interdiscipline that borrows knowledge from neuroscience, psychology, and economics with the aim of making inferences regarding human decision in relation to risk and choice for money. Economics traditionally makes the assumption that agents act in economics by presenting utilitarian options maximally attending to their pecuniary interest. Neuroeconomics understands that individuals' choices are subjective, emotionally driven, biased, and grounded on automatic processes which are not always necessarily rational or only pecuniary in nature.

From scientific research into the psychological and biological processes of decision-making, neuroeconomics gives ample justification as to why human beings are sometimes economically irrational in their actions.

Three Fundamental Areas of Research in Neuroeconomics

1. Consumer Behavior:

Consumer neuroeconomics explores consumers' choice to buy through research into how thinking and emotions lead to decisions. They could be predicted by applying classical theory in economics, such that they will make utility- and price-driven choices. In neuroeconomics, individuals are shown to base their choices, when deciding to spend money, on intuition rather than substantially on utility or prices. To illustrate, marketing campaigns and advertisement are capable of triggering the brain's reward system, and, as a result, individuals end up purchasing such goods even though they do not need them. Thus, companies spend a whopping amount of capital on advertisement and branding—to achieve supremacy over the emotional side of customer preference.

2. Psychological Influences:

It also looks at the role played by psychological influences, such as cognitive biases and emotions, on economic choices. Loss aversion posits, with a prevailing idea, that individuals place greater values on losses than on equivalent gains. Neuroscientific evidence indicates that the amygdala, a region of the brain associated with emotional processing, is significantly activated when people are exposed to loss of money or the possibility of loss. Therefore, people choose to lose less by risking maximizing possible gains.

3. Risk and Uncertainty in Decision-Making

Basically, neuroeconomics is trying to find out why individuals choose to behave in risky or ambiguous circumstances. Human beings, when they make expenditures, e.g., do not always behave by economic principles. Loss aversion of money or emotional reactions of this sort may result in poor financial choices. A mixture of prefrontal cortex (the rational) and affect-processing regions of the brain will be what ultimately decides.

A Personal Account of Neuroeconomic Decision-Making

Recently, I had grappled with signing up for an expensive online course that would make me proficient at something I was doing poorly. Cost-wise, sensibly, the option was to cut costs and try and gain what could be gained for free. But the need to possess the ability for lessons organization, professional instruction, and a legitimate certificate was reassuring and gave me assurance.

Although I was aware that I could get the same information for free, my brain's reward system responded positively to the potential of gaining confidence and competence through a structured course. In the end, I spent the money and enrolled in the course, prioritizing emotional satisfaction and perceived value over economic thrift. This is proof that neuroeconomic principles —cognition and emotion—will shape economic decisions beyond rational factors alone.

Conclusion

Neuroeconomics provides a clearer explanation of human decision-making because it incorporates evidence from neuroscience, psychology, and economics. It demonstrates that decisions are not only based on economic theory but also on cognitive, emotional, and neural processes. Studying customer behavior, psychological conditions, or risk-based decisions, neuroeconomics gives an account of why individuals at times behave otherwise than classical economics would expect.

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SWIGGY - THE CASE STUDY

Ridhay Ahuja, B.com (prog), 1st Year

Swiggy-The Foundation

Founded in 2014 by Sriharsha Majety, Nandan Reddy, and Rahul Jaimini,Swiggy started with the idea of simplifying the process of getting food delivered to people's doorsteps. Over the years, Swiggy has grown from a small startup to a large-scale company offering a large range beyond just food delivery.
Swiggy, the Indian food delivery giant, launched its $1.35 billion IPO on November 6, 2024, with a price band of ₹371-₹390 per share.
Notably, celebrities like Amitabh Bachchan, Madhuri Dixit, and Rahul Dravid were among its investors.

Swiggy Vs Zomato

THE UI Battle
Swiggy is just like a shopping mall where u find stores in the same way there is swiggy and you various services enlisted in app itself-

- Instant delivery of food
- Swiggy Dineout
- Swiggy Genie
- Swiggy instamart

Zomato on the other hand uses different apps for it

- For Quick commerce it uses Blinkit
- For assisting cloud kitchen it uses Hyperpure
- Zomato has also entered into booking events with its app called 'District'

Swiggy has recently launched its event booking app called 'Scenes' in Dec 2024.It is a new addition to the swiggy app and also it has become one of the key competitors to Zomato's 'District'.Although district is more popular than scenes as it is much older launch than Swiggy Scenes and due to much famous events hosted by Zomato like 2024 Nov Dua Lipa concert.

The CAC Battle

Swiggy has a lesser cac (customer acquisition cost as compared to zomato due to above reason a average difference of 100 rupees due to above mentioned reasons like its diversification in various services and markets whereas swiggy primarily focus on its main expertise the food delivery.Zomato has also stepped it foots on various apps which is primarily owned by Zomato though BUT it also requires larger cost as compared to to maintaining a single app with unique services.It can use the existing user data which is stored in app to upsell or downsale any product or services they would like.IN- APP algorithm for various services.It may help later in increasing the CLV (customer lifetime value) and may also reduce some overhead expenses.

Face Value of CEO

Zomato is playing on is brand value of it's CEO Mr. Deepinder goel. He went to shark tank India Season 3 and maintains a good social presence and also goes to various podcasts does some marketing campaign which makes him a more familiar name. He also went to the The Great Indian Laughter Show which is hosted by Mr kapil Sharma and that episode also garnered a wide popularity rather Swiggy CEO which some of us we didnt even heard the name of Swiggy sponsored shark tank s4 just to kick Deepinder Goyal out showing how much brand presence he had maintained over the past year and how much a threat.

A Hub and Spoke Model

So hows its different from a normal delivery model Rather then going back to one by one swiggy first goes to restaurant then goes to instamart local store then goes to deliver which saves time but it can also backfire if it takes more time in instamart then customer make give some negative reviews leading to a negative impact it can also have a positive impact if imposed efficiently an increase of 20 percent can be seen.Swiggy is just like a super model app which gives a major advantage over zomato giving it a lesser delivery cost as compared to zomato it has three different apps to do the exact same thing which no need to say requires a greater cost but having three different apps could be a great help when providing customers responsiveness And customer attention while acquiring a greater costs itself.

Is it an app problem?

Indian consumers associate apps with specific functions due to habit formation and cognitive ease.

- Amazon = Shopping
- BookMyShow = Ticket Booking
- Swiggy/Zomato = Food Delivery

Even if an app offers multiple services (like Paytm or Facebook Marketplace), users instinctively gravitate towards a specialized app because it's perceived as more trustworthy, efficient, and expert in that domain.Indian have developed these maybe due to ads or stereotyping some app for that specific services only but the new generation is much more aware of these app features using them to save their time.It would be a great to look how swiggy operates in near future.

Conclusion

Originally a food delivery startup, Swiggy has added quick commerce, dine-in services, and event ticketing to its offerings. The company has its own advantages over Zomato, owing to the hub-and-spoke delivery system and low customer acquisition cost, however, it still faces some challenges in consumer behavior.
Indian consumers tend to stick to segregated apps which would create hurdles in Swiggy's expansion to event ticketing. The brand also suffers from insufficient CEO brand recall, as does Zomato with Deepinder Goyal, who has chosen to ride the wave of being the face of the company.
With an IPO of ₹11,446 crores, the open question is whether Swiggy will succeed in altering entrenched consumer behavior and seamlessly entrench itself as a true super app- or find itself grappling against the strong loyalty for specialized apps such as BookMyShow and Amazon? How the company deals with these psychological and market issues will determine the success of its IPO along with future expansions.

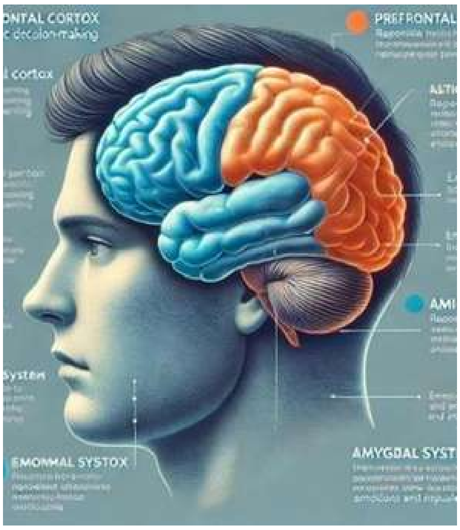
Mind, Money, and Markets: The Neuroeconomic Perspective

Harman Sareen, B.A. (prog), 1st year

The Brain Science Behind Decision-Making and Value

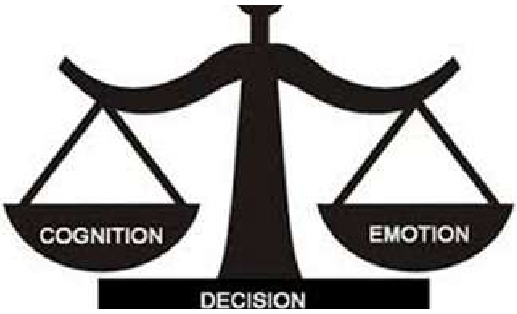
Traditional economic theory shows that people make rational decisions and weigh costs and benefits to improve wells. This idea is based on "Homo Economicus," a theoretical person who always makes logical and advantageous decisions. However, actual human behavior is often removed from this rational model. Many decisions are shaped by the emotional and psychological impacts of the neuroeconomy. Research in this field shows that human decisions are not only rational. They include a mixture of cognitive, emotional and social factors. By taking into account brain activity during decision making, neuroeconomics demonstrates the influence of the subconscious on our decisions, especially decisions that overlook traditional economic theories.

"How the Brain Shapes Our Decisions: The Science of Choice and Judgment"



Neuroeconomics examines how different brain regions influence economic decisions. Research shows that the ventral striatum is extremely important for assessing rewards and risk, especially in financial transactions. This area supports the brain in assessing the potential benefits of different options and represents values related to possible outcomes. Furthermore, prefrontal cortices that regulate complex thinking and self regulation are essentially important when decisions require the ability to delay long term planning or satisfaction. This brain region allows individuals to resist the appeal of immediate rewards in persecution of more beneficial future outcomes. It's not just logical thinking that makes decisions. Various regions of the brain, particularly emotionally related regions such as the amygdala, have a major impact on our decisions, especially when exposed to uncertainty and anxiety.

"The Power of Emotion and Society in Shaping Our Decisions"



Neuroeconomy examines how social and emotional components can have an effect on the way we make decisions. Because people are naturally social beings, we often rely on economic decisions about relationships, trust, and equity.Important brain regions such as the media's prefrontal cortex and comprehensive transition from Timcaliertal are activated in decisions that involve social interactions such as cooperation, bias, and negotiation. The outstanding study of neuroeconomics is an ultimatum game, showing that one participant divides a crowd into another. If the second participant perceives the offer as unfair , he has the opportunity to reject it, which is not in the favour of both parties. Neuropathy in those who rejected unfair suggestions indicates an increase i n island activity, a brain region associated with a sense of disgust and moral thinking. This finding shows that fair considerations influence decisions and sometimes promote self-interest.

"Real-World Applications of Neuroeconomics in Business and Economics"

Neuroeconomics offers important insights that can have a significant impact on business strategy and economic policy. By improving understanding of the decision-making process, businesses can better coordinate their marketing strategies, create financial products, and improve customer loyalty. For example, knowledge about how consumers respond to risk and reward s can help companies design pricing strategies and loyalty programs that correspond to brain perceptions of value and reward. Traditional economic models usually assume that people make rational decisions. In contrast, neuroeconomics shows how emotions and cognitive distortions influence economic decisions.This knowledge will help financial advisors understand why customers make suboptimal financial decisions and provide more effective instructions. Neuroeconomic research also has an important impact on public order. Political decisions - Makers can use these findings to design interventions that use people to make better decisions. For example, automatic employee registration in older regulations uses people's tendencies from an inertia perspective and promotes better long term financial behavior without limiting freedom of choice.

Conclusion

Neuroeconomics is a field of development that combines insights from neuroscience, psychology and economics to improve an understanding of how people make economic decisions. By investigating the decision process, the brain's participation in the neurological economy of the problem, we highlight the psychological and emotional components that influence our decisions. The discipline of progress may allow her to redesign our views on decisions in a variety of areas, including the economy, finances, and public order.

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Reward Processing; and Neuroeconomic

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Introduction

When we talk about the term "Neuroeconomics", we associate it with the relationship between economics and the psychology of the human brain in context to decision making. Neuroeconomics is now a full-fledged discipline which seeks to simplify the understanding of the behaviour of the brain; whether rational or irrational. It is a significant field of research merging the basic understanding of economics and the role of our brain. Neuroeconomics is simply the understanding of why our brain makes the choices of allocation, the way it does, by considering all the opportunity costs. Talking about Reward Processing, it is the response our brain produces to Reward Stimuli.

When our brain sets goals with regard to also setting up a certain reward for each goal completed, it gets our dopamine levels high. This technique is often found very helpful while completing challenging tasks.

How is reward processing connected to economics?

The way the human brain makes choices is generally connected to reward processing. Our brain will always look for opportunities where there are favourable rewards. Thus, reward processing can help understand a consumer's mind and their choices as well as how decision-making is often influenced by reward stimuli. Surviving in a competitive market will be extremely challenging for firms if their consumers are not rewarded as they will be the loss bearers. Reward processing and loss avoidance goes hand in hand. On one hand a consumer is continuously seeking profit in the market, his main motive is to avoid any major losses for survival. Neuroeconomics majorly helps a consumer in analyzing what the difference is between the expected reward and the actual reward to help influence decision-making.

Origin of Neuroeconomics

Neuroeconomics majorly started gaining recognition in the 1990's. Many economists and psychologists started experimenting with brain imaging to develop theories of decision-making. In 2008, the first edition of Neuroeconomics: Decision-Making and the Brain was published. This marked the growth of this field with various scholars working and experimenting in this field. It thus contributed to a lot of economic teachings.

Techniques of neuroscience and economics

With the evolution of technology, various techniques have come up which can be used to understand the biological basis of economic behaviour. One of the main Techniques is Neuroimaging, that focuses on the observation of the brain.

During economic decision-making, the brain activity has to be kept track of, to understand at what point the choice making factor made a huge impact on the brain. Overall, techniques that can directly or indirectly assess the structure or function of the nervous system also contribute in economic behaviour and decision-making process of the brain.

Conclusion

The working of the human brain is extremely complex, which makes it difficult to understand what lies behind the reasons for our choices. But with evolution various machines and tests have come up to ease out this complex structure. Neuroeconomic methods combine behavioural economic experiments to analyze aspects of reward-related decision-making with neuroimaging techniques to record corresponding brain activity. Choices of a consumer are also based on the utility of a commodity. Choices may seem simple but oftentimes they are not. Much effort has been made to study the working of the brain in processing the best choice. Thus, we can conclude that neuroscience and neuroeconomics is a field of discipline that is still being explored but can help contribute to understanding of the mind with relation to commerce, economics, and the important factor of decision-making. It is recognized as a significant field of study for grasping short-term as well as long-term economics and the consumer mind.

Abstract: Neuroeconomics is now a well-established discipline at the intersection of neuroscience, psychology and economics, yet its influence on mainstream economics has been smaller than on the other two fields. This is in part because, unlike neuroscientists and psychologists, most economists are not interested in the process of decision making per se. We argue that neuroscience is most likely to influence economics in the short run by providing new insights into the relationships between variables that economists already study. In recent years the field has made many such contributions, using models from cognitive neuroscience to better explain choice behavior. Here we review the work that we think has great promise to contribute to economics in the near future.

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DOCUMENTARY INTERVIEW WITH MR. SANDEEP JANGRA (FOUNDER)

Shivaji College, Raja Garden 110027 | 28 January 2025

Team of SPADE members went to meet Mr. Sandeep Jangra, who is the Founder and CEO of Pizza Galleria. The members, with our discussion and his extensive entrepreneurial experience, explored the evolving business landscape, the challenges and opportunities within the gig economy, and the principles that have driven his success. Join us as we uncover the key takeaways from this inspiring conversation, offering valuable lessons for aspiring entrepreneurs.

Mehul Thapar : What are your insights and perspectives as we explore the nuances of the gig economy together?

Sandeep Jangra : I believe the Gig economy plays a vital role of around 70% in Freelancing jobs or I should say the shopkeepers like us who start from scratch and by joining with other people make their business big. This is all due to the Gig economy. There are various processes while you start a business or after doing it you get to know about them but before that you model in Gig economy only. Various state vendors are examples of it, which are a big part of the Gig economy, a small scale shopkeeper or canteens in college campus or a tea stall vendor, who live their lives relying on daily wages.

After 2014, India is about to become a great economy, currently as 5th largest economy, with a vision of 3rd largest economy by 2050. If growth continues like this and people keep meeting and researching deeply in the same way then definitely it will play a pivotal role in the economy.

Pakhi Diwan : You have built such a big business starting from a small town like Gohana, Haryana. Do you think the gig economy has opened new doors for entrepreneurs coming from small towns like yours?

Sandeep Jangra : Yes certainly, the businesses starting from small towns are on their way to become really big. They have played a significant role since the era of the internet came into play, as through it people got to know about startups and communication has become quite easy. Thus, when Sandeep from a small town can make a Pizza brand and run the outlets in the metro city, there are many more businesses which are developing in tier 2 and tier 3 cities and whose dreams are way beyond. They want to take a flight, though they don't have any idea but according to the time and way business is growing, they are trying to extend their dreams at the same pace. Small towns have a significant role as businesses like ours are emerging, from there and turning into Unicorn.

Mehul Thapar : Third-party delivery platforms like Swiggy and Zomato play an important role in the gig economy. How has partnering with these platforms impacted your business model, and what changes have you experienced?

Sandeep Jangra : Going with a third-party becomes a challenge and there are many compulsions too. If you want the fast delivery then you need to tie up with them or if price parity is the concern, then you need to show a 30-40% hike in prices of the menu online to maintain the profit margin. In the beginning, when they were growing, it seemed profitable but with time I personally believe people are known to the details such as what to order and from which restaurant but instead of directly approaching that same restaurant, they order with a third party aggregator due to the benefits of promo codes, etc. They have also created their business model, which was great but now they are working like a parasite on restaurants, slowly draining them. Third-party platforms are now acting as salesmen as they have multiple restaurants on board and now for the same they pitch restaurants to opt for their advertisements and even if there's any discount on app then we as restaurants may pay up from our end, commissions are already paid on orders,etc. Earlier they operated quite strategically by providing discounts from their own end to establish their foothold, now only if a major unity is formed will we be able to break free from this trap. They have undoubtedly boosted the economy but now for restaurants they are parasite as earlier where you were running on 112% of profit margin now within 6-7% ,electricity, staff and all other expenses need to be catered ; also depency even increased.

Pakhi Diwan : There are frequent debates about worker sustainability and fairness in the gig economy. What steps has Pizza Galleria taken to ensure fair treatment and long-term opportunities for gig workers?

Sandeep Jangra : There are numerous challenges faced by employees, as evidenced by frequent strikes when workers perceive their job security to be at risk. We believe that when we hire someone then we should be loyal towards that employee by opening numerous doors for them so that if someone is joining as team or crew member, they aspire to grow beyond their initial role. In these industries, salaries are generally modest, but they increase with experience, to provide them the corporate feel you need to have meets and different get togethers. There are many government assistance schemes that we make them aware of by conducting seminars, this way, even if they earn a lower salary, they can still access valuable support. We also strive to create a strong sense of connection, encouraging employees to stay with us for the long term. I say regardless of the industry you enter, you will stay as per your own wish. There's nothing forceful but whenever you decide to leave, it should be better rather than downfall, this is something we keep special care to ensure.

Mehul Thapar : One more aspect we can add is that customers' expectations for fast and reliable delivery are increasing. How do you ensure that your collaboration with gig workers aligns with your brand's quality and service commitments?

Sandeep Jangra : That's not possible, customers expect everything at fast delivery and there are many products which can be delivered with proper handle but if I talk about pizza, without full process making like within 8-10 mins we prepare, and not packed properly and sent out for delivery then it will become a mess. Pizza is a product whose online complaints are highest, for say delivery person needs to just reach by taking a shortcut or time constraints are there, it can mess up the order. This is the biggest challenge in this industry. If you order any raw item like grocery then it's easily handleable but when a food item like Pizza is there then proper handling is required which needs time.

Pakhi Diwan : During the pandemic, the gig economy served as a lifeline for many

businesses. How did Pizza Galleria adapt during this period, and what role did gig workers play in keeping your operations running?

Sandeep Jangra : During the pandemic, every day brought uncertainty, and the future seemed unpredictable. However, amidst the challenges there was a strong sense of unity as our Pizza Galleria team stood together like a family and people stayed interconnected. They reassured that the crisis was not just ours to bear but a global one. As time passed, like during the second phase, the home delivery services resumed, many things were stable too, be it people, staff or their mindset. We never had that owner or staff bias. We embraced the crisis as a learning opportunity—understanding how to navigate challenges within limited timeframes while improving our operations.

There were two main industries working at that time: food and grocery. It was a crucial role, where gridlock was prevailing in the whole economy but these gig workers keeping our business alive.

Mehul Thapar : As an Indian brand, do you think Pizza Galleria can adapt its model for global markets?

Sandeep Jangra : Sure! Absolutely it will be a proud moment when an India originated Pizza brand will have its outlets in foreign. The people there will also be acknowledging the benefits and taste of Veg Pizza, though they are adopting it but still gradually it will be there. Currently, there's a lot more to cover within India but still it will definitely be established in other countries.

Pakhi Diwan : How are incentives and rewards structured for gig workers to keep their motivation and productivity high?

Sandeep Jangra : There are sales targets basically with team or occasional items sales targets during festivals with employees. There's Best employee of the month on the basis of regularity and working of the employee or gifts vouchers are offered to hard working workers. Thus, this competitiveness for recognition and monetary benefits on achievements of targets incentivize them to stay motivated.

Mehul Thapar : As we know, branding through social media marketing is very popular in the gig economy. So, after Shark Tank, which marketing channel has been the most effective for you – social media, influencer collaborations, or word of mouth?

Sandeep Jangra : Firstly, the biggest marketing platform was Shark Tank itself, where we got free advertisement, for 20 minutes aired on TV which equals to 20 crores advertisement and most importantly it is a lifetime memory. Except that, Instagram also played a major role after that and collaborating with influencers there helped us reach ground level consumers too. I would say that today if you want to grow your business then without social media, one can't. Working there can hit perfectly to boost the business.

Pakhi Diwan : Your competitors have started offering incentives and benefits to their gig workers, increasing the risk of workers shifting to their side. How will you redefine your gig worker retention strategy?

Sandeep Jangra : I don't believe in external competition, whereas if you have the competition then it's with yourself. Here Pizza Galleria's competition is with itself that, on what note it improves and keeps all workers intact. There is a difference, when you showcase the impact and incentives of their retention on a long-term frame. Also, if someone wants to leave then it should be better, we can't control that as anyhow we're generating employment opportunities, and if a worker has even worked for 10 days then they have learnt things and go with something better in hand.

Mehul Thapar : What's your advice to new entrepreneurs who aspire to enter the food industry?

Sandeep Jangra : Don't drop just because you thought once. Risk is another name of business, learn to take it. Everyday new ideas are generated but their implementation is rare. If you have a dream and work on it from heart, you may start small but will definitely end big. Similarly, I was not from the food industry but had passion then I am here so if I can you can too. Never stop, put it on the table and take risk.

DOCUMENTARY INTERVIEW WITH CA PARAG GUPTA

Shivaji College, Raja Garden 110027 | 3 February 2025

Team of SPADE members went to meet CA Parag Gupta who is a Chartered Accountant , CEO and founder of RKG institute.

He discussed the evolving landscape of the gig economy. The conversation focused on how gig work is reshaping traditional employment structures and creating new opportunities for both workers and businesses. They explored the challenges gig workers face, such as job security and benefits, and the potential for regulatory frameworks to support this growing sector.

Piyush Kapoor : What are your thoughts on the gig economy as a concept. How do you view its evolution and its impact on traditional work and economic systems?

CA Parag Gupta : I would like to share my thoughts as when our Hindi movies were made in the past, they often featured item songs, which still exist today. The main actors, the key artists, and the working crew used to work tirelessly, day and night. However, when it came to item songs, a single artist would come, work according to their own schedule, and then leave. This is what gig work means – being a small part of something big, without any restrictions on how you work.
The gig economy, in today's time, is necessary, and I can say that it has grown significantly after COVID. When work-from-home started, we saw a boom in the gig economy. Now, we no longer think that a 9-5 job is the only option, or that we have to work from Monday to Saturday. That's not the case anymore. In our institute, for example, when we hire services, the people often come once in ten days, work according to their own time, complete their tasks, and then leave. They provide full input into our project.
I believe that in the coming time, the gig economy will expand even more. It's a very unique concept with both pros and cons, which we will discuss further.

Pakhi Diwan : How do you see education adapting to equip students for self-employment and freelancing careers?

CA Parag Gupta : In education, I believe that if we want to empower self-employment, especially after the new education policy, the government's focus should be on promoting vocational studies and skill-based education, which is very important. Today, we are seeing this shift in the education system. If I look at Western countries, like Europe and the US, the pattern of education there emphasizes these things from a young age. For example, in Japan, motor training and other skills are taught from childhood. If we provide skill development to children today, they can easily move towards self-employment. Instead of wrote learning, if there is more focus on skill-based and vocational education, it will empower self-employment.

Piyush Kapoor : Should gig workers consider creating emergency funds or investing in instruments like SIPs or stock markets? How can they ensure financial stability?

CA Parag Gupta : Yes, gig workers should create emergency funds as the biggest drawback of the gig economy is that the workers there don't get the status of permanent workers. This creates a problem because they lack social security and labor laws, resulting as such that they don’t have a monthly or a fixed income, thus they lack financial stability. In such a situation, a gig worker needs to be more financially sound and make good financial decisions. As you mentioned, instruments like SIP or the stock market are even more important for them. If, let's say, they are earning a certain amount today, but in the next month or two, they might earn only one-tenth of that amount, so it becomes very important for them to manage their money wisely.

Piyush Kapoor : Are there any specific financial instruments or tax- savings scheme best suited for freelancers and gig workers?

CA Parag Gupta : To be honest, I would say that tax-saving instruments cannot be generalized because I myself am a chartered accountant. As we say in English, "One shoe doesn't fit all." Similarly, if I were to mention a single tax-saving instrument here, it might not be suitable for everyone. This is because we design instruments based on an individual's source of income, savings, and expenses. However, in general, if a gig worker wants to invest and make a balanced investment, it is very important to have a mix of equity, debt, and a little bit of gold to ensure they stay protected from risks and receive good long-term returns.

Pakhi Diwan : Building an Ed-Tech platform like RKG Institute, from developing its website to offering online coaching for CA exam preparation is a massive endeavor. As an author of over 20 books and an educator, how many gig workers have contributed to this journey, and in what roles?

CA Parag Gupta : I don’t have the exact numbers, but I do remember a very interesting story. When COVID hit and we started shifting towards online platforms, we began designing apps and working late into the night, trying to figure out how things would work, how to conduct tests for children, and how to deliver them online. When we had to conduct online tests for children, we had to design the test completely on the online portal because giving a physical question paper is one thing, but creating questions on the portal, setting options for the kids, and presenting them in an MCQ format was a different challenge. That’s when I first encountered what could be called a gig worker. I found someone to do this customized work, something that neither my team nor I could do. We searched for this person, and there was no market for it at that time. There were both pros and cons to this, the person agreed, saying, "Okay, Sir, I will do it," and quoted 500 Rs for typing each question. That was my first experience, and it was a memorable one working with gig workers. After that, we worked with many gig workers on different tasks, whether it was designing, video editing, or social media management. Today, even in our processes, there are gig workers at different stages who help us with various tasks.

Piyush Kapoor : With the rise of online education, more educators are shifting from traditional coaching centers to independent, gig-based teaching models. Do you see this as a sustainable future for the education industry?

CA Parag Gupta : My thought on this is that, obviously, the future is shifting towards the gig economy and gig-based teaching. However, I feel that the main concern here is sustainability and reliability. In education, if things are not sustainable, the consequences are eventually faced by the students, and if the student suffers, as an institution, we also feel that we are lacking or falling short. So, we also want to build a system, a team, and a process where the end result is smooth and stable. I believe stability is a major concern, and with gig workers or the gig pattern, that stability might be compromised. Right now, I am concerned about that, but definitely, in the future, this will grow and develop. However, there is still some doubt regarding sustainability and adaptability.

Pakhi Diwan : Self-publishing is growing, with freelancers offering services like ghostwriting, cover design, and digital marketing. Do you think this has made it easier for aspiring authors to enter the field? Also, have you ever opted for self-publishing among your 20+ already published books?

CA PARAG GUPTA : Since the rise of gig work, like ghostwriting, there have been many times when I thought, "Okay, I'll hire someone quickly to do this work for me." As a writer, yes, it's good because platforms are easily accessible, and you can catch opportunities quickly. But if I critically look at this from a creative angle, I feel that it's not quite right. If it's my story and I am an author, I would want to write every word of it myself. The more deeply we connect with something, the better it becomes. Having said that, regarding the second question you raised — if I have taken the help of such services in a book — honestly, all my books have been academic, and the things that need to be incorporated in them, I have to do them myself. Even if I do seek someone's help, the person seeking help would ask me what needs to be done, so for now, such services don't play a big role in my books.

Piyush Kapoor : You've built a successful Ed-Tech platform while also working as an index options trader. Many gig workers today explore multiple income streams. How important do you think financial diversification is for freelancers?

CA PARAG GUPTA : It is very important, extremely important, because, as I mentioned earlier, the biggest drawback for a gig worker is the lack of stability. When it comes to income sources, again, the same issue arises—if the income is X in one month, it could be reduced to one-tenth in the next month or the month after that.
So, the first requirement is to have an additional source of income. Also, whatever financial savings they have, they should invest wisely. If they can invest in the equity market, debt market, or bond market—basically anywhere they can grow their money—they should definitely do so.
And like you mentioned, I do index options trading, which is something different—it's a skill-based trading activity that I personally engage in. I don't recommend beginners or gig workers to start something like that. The safest and simplest way for them to invest is through mutual funds or SIPs (Systematic Investment Plans). This allows them to invest small amounts in a safer manner, and in the long run, it will definitely provide them with good returns.

Pakhi Diwan : As a CA and an edupreneur, do you believe India needs better financial policies to support the growing gig workforce?

CA PARAG GUPTA : Absolutely, and in fact, I would say that there have probably been some changes in labor laws over the past 2–3 years. Obviously, it will take time for them to be fully implemented, and more policies must be introduced gradually. What I mentioned earlier about gig workers not getting proper status still holds true, so labor laws, security issues, and social security concerns remain significant. However, policy formulation will eventually change—I am sure of that. In the future, the safety and security of gig workers will definitely be considered, and that is surely going to happen.

Piyush Kapoor : What role do you see CAs and financial experts playing in shaping the future of the gig economy?

CA Parag Gupta : It plays a very big role. First of all, from every angle, if we look at the gig economy's track record over the past five years, it has obviously experienced a significant boom. A lot of money has flowed into it, and even more will come in the future.
Now, as you asked earlier about where gig workers should invest or not invest, from a financial perspective, I would say that our role as Chartered Accountants (CAs) becomes even more crucial. Since the gig economy is growing and expanding, the financial aspects need to be handled and managed carefully. This is where the role of a CA becomes very important and even more significant. On a micro level, for example, if a gig worker approaches us and asks for guidance on whether to invest or save their money, a Chartered Accountant or financial advisor can assist them in a much better way. So, I believe this is definitely a requirement.

Pakhi Diwan : Looking ahead 10 years, do you think the gig economy will dominate the global workforce, or will traditional employment models still hold strong?

CA Parag Gupta : I would say that the traditional model will continue to exist, just as it does in many places today, because stability is required, as I mentioned earlier. However, if we talk about the absolute number of gig workers, it will definitely increase. Even percentage-wise, I believe the ratio will grow.
This is because new-age companies and entrepreneurs are emerging, and as we can already see with Gen Z, they are more open and flexible. When founders and companies adopt this mindset, the gig economy and gig workers will definitely see a boom, and their numbers will certainly rise.

Piyush Kapoor : What's your advice for aspiring professionals who are considering a career in the gig economy—whether as independent finance consultants, educators, traders, or entrepreneurs. What key lessons should they keep in mind as they navigate this dynamic and evolving space?

CA Parag Gupta : For aspiring gig workers, I would say that the number one priority is acquiring skills—it is extremely important. In today's world, the most crucial factor is how well you do your work. For example, if we assign a project and hire a gig worker for it, the first things we evaluate are how quickly they complete it and how efficiently and effectively they deliver the results. So, if you are looking at it from that perspective and doing freelancing, the more clients you want to acquire, the more important it is to give each client proper attention and understand their specific requirements. I also believe that creativity is essential for a gig worker because every client and every project is different. This is not a typical 9-to-5 job where you do the same work everywhere. If you want to be a successful gig worker, you must be creative and adaptive, as every work environment and its requirements will vary.
So, in my opinion, if gig workers want to succeed, two things are absolutely crucial—adaptability and creativity. And of course, always hope for the best!

DOCUMENTARY INTERVIEW WITH MR. CHARCHIT KURRA

Shivaji College, Raja Garden 110027 | 25 January 2025

Team of SPADE members invited Mr. Charchit Kurra, who is currently a product analyst at BCG i.e. Boston Consulting Group, He's a recent graduate in Economic Honours from Shaheed Bhagat Singh College.

Pakhi Diwan : To start, could you share a bit about your journey — your academic and professional experiences, and what fuels your passion for economics and problem-solving?

Charchit Kurra : I'm currently a Product Analyst at BCG. My journey started as an Economics student at Shaheed Bhagat Singh College, where I aspired to be in North Campus institutions like SRCC. Determined to grow, I connected with seniors, studied their LinkedIn profiles, and started exploring internships.
It took me two years to land my first internship at Blinkit, where I realized I was learning everything the hard way. I shared my experience on LinkedIn, and it went viral, highlighting that students across Tier 1, 2, and 3 colleges face similar struggles with internships. This led me to mentoring through Topmate, which gained over 4,000 bookings and eventually made me financially independent in my third year. Later, I launched Offcampus, a platform to connect students from non-traditional backgrounds with mentors who had successfully cracked off-campus placements. In just 22 days, it's growing fast, and we're looking to expand further.

Mehul : After listening to all it hit me it took 2 years to crack your 1st internship and you learnt the whole process all by yourself, so give a glimpse of these 2 years.

Charchit Kurra : During COVID, I interned at Clarity, a startup, through a school senior's WhatsApp post. The work was vague—mostly asking people to install an app and leave reviews. That's when I realized I needed meaningful experience. I joined NSS and the Economics Society but found their marketing work similarly unproductive. After four months, I left and started exploring real internships. Cold emailing was a struggle — I targeted EY but made mistakes like emailing on weekends and using generic resumes. Through trial and error, I figured out what works and launched Topmate to help others navigate internships. It gained traction, and now, people willingly pay for quality mentorship, something I wish had existed when I started.

Rupam Sarkar : What's your perspective on the rise of the gig economy? What, in your view, are the main factors driving its rapid growth, especially in India?

Charchit Kurra : The gig economy has two sides — contractual workers and those balancing jobs with side hustles, like me. Relying on one income source isn't enough today. At 21-22, instead of chasing work-life balance, you should explore and build skills. Most people I mentor follow consulting and finance just because their peers do. But gig work offers real opportunities—freelancers, like graphic designers and web developers, are earning well. I hired a developer for ₹10,000, helped him

find clients, and now he's charging ₹25,000 per project, earning more than me. The key? Work with foreign clients — they pay better than Indian ones. Balancing a side hustle means compromising time with family, but in return, I've gained skills. If you compare my early mentorship sessions to now, there's a huge difference. The best part of Topmate as a side hustle is the recognition, you walk into a company, and people already know you from LinkedIn. That's why personal branding is so important. However, the drawback is that many companies don't allow moonlighting. They don't want you dividing your focus or neglecting their work. A lot of people who start a business leave their jobs because you can't have two income sources under the same PAN, and many companies don't permit it. But I believe everyone should have a side hustle for their passion. If I weren't doing Topmate, I'd definitely be teaching and making that my secondary income.
Take Topmate's founder, Ankit Aggarwal, he built a $3.85M company, charging 9% from experts. I feel the job culture will shift, and fewer people will chase traditional jobs. The gig economy is going to redefine the way we work.

Rupam Sarkar : The gig economy is often seen as a flexible option for professionals. In your opinion, can it serve as a reliable, long-term career path? If so, what factors determine its sustainability, and what strategies can gig workers adopt to ensure financial and career stability over time?

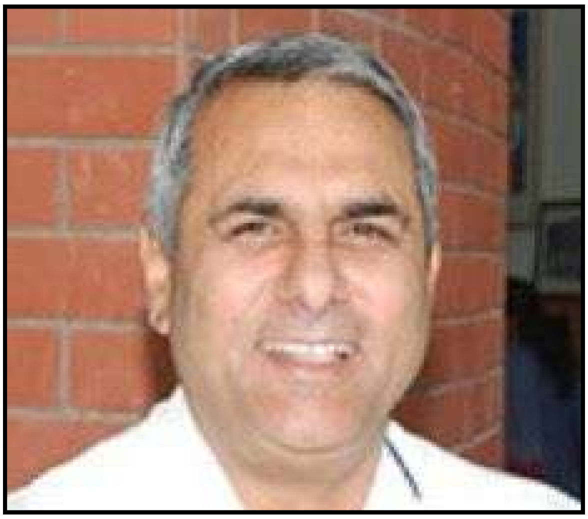
Charchit Kurra : Sustainability is about balance. With Offcampus, I spend 6 hours on it, but increasing that would mean sacrificing my company work, impacting performance. The real challenge is when you go from 6 to 16 hours—that's when you know it's time to go full-time. A lot of my batchmates are doing both — side hustling on Topmate while working at Big 4 firms. When I ask them why they don't go full-time with Topmate, they say it's because of financial security, which is fair. But, if you put 16 hours into your side hustle, that time will multiply into something bigger, eventually equaling or even surpassing corporate income. I believe if your passion becomes your profession, it's a game-changer because you'll naturally understand things better and enjoy the work more. However, true reliability only comes when your focus fully shifts to your own venture. There's always a trade-off like in economics, where you sacrifice one thing to gain another. If Offcampus grows, I'll leave my corporate job. If it doesn't, I can return. The key is recognizing the worst-case scenario and still taking the shot.

Rupam Sarkar : How important is personal branding for gig workers, and how can it impact their ability to attract opportunities?

Charchit Kurra : When it comes to LinkedIn, I never aimed to be a creator, it requires creativity and consistent posting. My goal was simply to help students in various ways. My main purpose for writing was to build trust. Now, I've reached a stage where, if someone is looking for internships, my name gets recommended. That has been a major boost for my personal branding.

DOCUMENTARY INTERVIEW WITH PROF. TEJBIR SINGH RANA

Shivaji College, Raja Garden 110027 | 18 February 2025



Team of SPADE members interviewed Prof. Tejbir Singh Rana, Vice Principal of Shivaji College, University of Delhi. He is a visionary, a mentor, and a mentor whose contributions have significantly shaped the field of Geography and higher education. The members, with our discussion and his extensive experience, explored the evolving landscape research, the challenges and opportunities within the gig economy, and the principles that have driven him to impact lives beyond classrooms. Join us as we share the key takeaways from this inspiring conversation - offering valuable lessons for the future.

Mehul Thapar : What is the meaning of Gig economy in your opinion, and in today's scenario, what is its impact on businesses?

Vice Principal : With the advent of technology and the widespread diffusion of innovation among the masses, there's immense scope and requirement of the Gig economy. It is expanding in all the horizons of social life - whether in urban or rural India, in planned or unplanned habitats. In every section of society, the gig economy is rapidly growing. A few decades ago, when in India, the economy was primarily dependent on agriculture, there still agriculture was dependent on the gig economy. Employment was provided on a mass scale during sowing and harvesting seasons. In between these two periods, a large population remained unemployed - this is where the Gig economy became part of the agrarian system. Now, with the introduction of machines in agriculture, it has lost its importance and switched to urban areas. Thus, the Gig economy today is temporary, instant and lacks any formal guarantees for those involved. Though it may have a great range of income from high to only sustainable, it gives assurance of livelihood to the large scale of masses in India.

I'd like to add that after the mechanization of agriculture - and given that India is a feudalistic society, there was a massive outflux of youth from rural areas. Most of the rural youth are semi-skilled or unskilled people, they were actually available to sell out their labour instantly as they require money for their minimum survival. So the rural outflux and influx in the few primate cities, the cities which have infrastructure to sustain the largest population, like Delhi. All over the world, most of the urban population is living near the coast. In India, Delhi is the only city in the world which is continental and the largest city in the world. The infrastructure already existed earlier and this attracted the youth at large. The youth which shifted earlier, evolved in all sources of income based in the Gig economy. Gig economy is not perennial, it keeps on changing with requirements and modifications in technology. This is the importance of the Gig economy particularly in urban areas holding great significance.

Mehul Thapar : The gig economy with its flexible work model, is reshaping how people interact with urban spaces, particularly in cities like Delhi. How do you see the rise of the Gig economy influencing these urban spaces? How does it align with the trends of Generic

urbanization or does it present a new set of challenges for urban planning?

Vice Principal : In my research paper, the topic - Generic urbanization, as Indian Urbanization system is entirely different to the western world, like in America, all the cities are superimposed cities. So, all the rules, regulations, the customs and traditions in Europe and America are not ruling the system. Whereas, in India, the customs and traditions largely influence urban habitation. For example, the temple is there then architects, policymakers, planners, etc., don't touch that temple in the center while designing the layout of that city. We have a generic evolution of urbanisation and there a large number of youth migrates to the cities, where most of them are unskilled. Similarly in other cities like Bangalore, Chennai, Hyderabad, Mumbai, Pune, etc., there's a large demand of urban services which are basically from tertiary sector not secondary. Here, partially skilled people are required at least to deal with super specialised tertiary sector services. For example, the introduction of Uber services led to instant requirement of drivers, loan facilities, insurance services, etc., the youth migrated to the cities from their unplanned habitats. In India, generic urbanisation with youth rush to the cities, is a safety valve of the economy as they are controlling the labour rates. Sometimes, it's felt that we are cherishing most of the facilities at the cost of the poverty of the gig economy workers. They provide all the services at the door steps with information technology providing great support to them. Apart from the gig economy, a paid form of economy, where distant technology like software technology, experts provide services from Tokyo to Melbourne to New York to London, all over the world just by sitting on a platform in Delhi. This is another form of economy of skilled people.

Stuti Sharma : You were deeply involved in the CSR project for the sustainable development and upkeep of five natural water bodies at Hazratpur, Barabanki district of U.P., funded by SEWA and THDC. This initiative focused on environmental sustainability and community welfare. Considering the rise of the gig economy, how do you see such CSR projects, particularly those focused on environmental sustainability, being impacted or supported by gig workers? Could the gig economy play a role in implementing similar community-driven initiatives in rural or underdeveloped areas?

Vice Principal : In my Corporate Social Responsibility projects, I was the third-party observer, nominated by SEWA. It was to visit those places to check the authenticity of CSR projects in order to release the funds. Apart from working in Bodhi, Tehri and surrounding areas of Tehri Hydel projects, I also worked in Hazratpur of Barabanki, Sultanpur, Lucknow, and Sitapur districts also. Under the THDC sewa, signed the job for tree plantation, digging the local water body to store the water, enhance the sustainability, develop the nursery for plantation and to provide the loan for livestock rearing. In this, my observation was that it's a very important sector of society where development is required, the source of gig workers are the rural youth, also this project was to find the reason for youth rushing to urban areas. In any part of the world, the development takes place where it's youth and if they migrate from a place then the rate of development at that place slows down. So basically, the youth migration was taking up because we know that in India it's pertinent that there's an unequal distribution of resources as we are a feudalistic country. Particular caste is owning the agricultural land which is the source of economy in rural areas, and the rest of large sections are not rendering services with dependence on agricultural land. After the introduction of machines in agriculture, that symbiotic association among the communities in rural areas got dismantled. Thus,

they are not getting sufficient livelihood which is leading them to search for opportunities in urban areas, where there's an assurance of high wages in urban areas by just moving out. Agriculture has started on the law of diminishing return as with investment, profit must increase but here, profit is rather decreasing. So, the law of diminishing return applies because we have not consolidated agricultural land but it's divided into scattered pieces where the approach is not commercial but subsistence. Marketing of agricultural products is not organised thus it's only for local subsistence, not reaching international markets, also not providing competitive rate to international markets. Therefore, their income is not increasing in rural areas and the service providers aren't getting appropriate remuneration for the services they provide, so they rush to the urban areas and this project had the purpose to check the out migration, to enhance the carrying capacity of the rural area through plantation. Plantation of fruit plants like mango and providing subsidy on the small scale food processing industries like, why not the farmers make Frooti? Why the Frooti makers in urban area like Delhi ,Faridabad and Noida process the mango and put the preservant and supply it to the market on very exorbitant rate? If the farmer started manufacturing such type of frooti products, it’s almost half of the cost and purity of the product would be better.
This is to enhance the rural economy. Such CSR (Corporate Social Responsibility) project, actually….many corporations have stopped giving CSR funds to Uttar Pradesh after the division of Uttarakhand and Uttar Pradesh. Little amount is shared by UP, most of the CSR project was in Uttarakhand only. So, it was very important and certainly, the type of investment on digging the water. Digging the water bodies means maintaing the sustainable environment, maintaining the ecology, increasing the soil moisture, increasing the biomass, increasing the fertility of the soil and providing water in the water stressed seasons.
So what is preserving the water body? Putting the saplings of fruit plants and rearing the livestock. Rearing the livestock is a very important component of rural economy which is ignored as well.
Let me tell you, since independence, maximum enhancement and maximum production is seen in the milk industry, more than the food grain products. Milk production has increased exorbitantly in the country. Still, there is immense potential in the sector.
So these projects gave immense insight for me and the society for the rural development in the country. This was the purpose of this project.

Mehul Thapar : Sir you mentioned about youth leadership in your answer right now. So here as in a publication, “youth leadership , skills and challenges focuses on developing skills and leadership among young professionals. In today’s world, gig economy is creating a new model of leadership where individuals rely on their own skills to become self employed or entreprenuers.” In your opinion, how is gig economy influencing the youth leadership? Does it represent a new era of independent skill based leadership or are there challenges that young professionals must overcome to acheive the long term process?

Vice Principal : Well…Mehul, for every society, for the development , youth participation is required. It is inevitably required. Without the participation of youth….. well , youth are the torch bearers. Youth are the leaders of the system. They always give better yield, better result. In this youth leadership program, purpose of this paper was that in India, the pattern of leadership is changing, in political arena, in academic arena, in economic arena. In the feudalistic society, because we are in the post modernism phase in the country where the old taboos and traditions are dismantling and new ethos and new social values are evolving rapidly and we are accepting it. So the postmodernism which changed values in the society, this youth leadership is coming from the ignored section of the society on the basis of talent, not on the basis of birth.

So every section, every person is getting opportunity to perform in different field as per their natural interest and instinct. It is also giving very good result as well.

And this leadership is the one quality…..leadership means being in the forefront, coming out of the traditional way of life, coming out of the limitations of social resistances.

Society itself is the resistance for it's development. When the youth overcome those resistances, the development is registered. Purpose of this is that every section of society participate in different arena of their life and contribute.

When the youth of the rural areas out migrate, bypassing the limitations of caste system, in urban areas they are giving immense result, exemplary result because they have no shame in working in the urban area. But in rural area, they are not allowed. Society is not allowing them to perform as per their talent. When the youth comes to urban areas, they are coming on the forefront of the economy.They are the part of the gig economy. Wherever they find opportunity, they perform exemplary.

Actually the etymology of the terminology ‘gig economy’ is ‘ instant income in one event’. But now, we are considering perennial income for short time, though it is not giving life long economic security, it is not giving conditions of leave, it is not giving advantages of pension, economic security after retirement. Etymology is that initially when for entertainment, different musicians playing the tabla and banjo and pakhawaj and everything, they are performing. Going to an event, playing the instrument and getting huge money in one event that is sufficient for one month of their survival. So there was the etymology. Same happened like in the merchant navy, the navigators,...they stay underwater for 6 months and rest of the 6 months on the continent. So it is a type of gig economy but in the natural and patterned changing. Navigators have the pension, the security but gig workers don't. So for youth leadership, once they are able to break the social taboos, the gig economy is making them self dependent, determined and self empowered, specifically for girls. And girls from the SC's and ST's this is very unique. And this is giving good result because they are the last ones in the queue of the development.

The Government of India started antyoday Yojana for the last in the economic development process. So definitely, the youth leadership is the genesis of the economy mainly in urban areas.

Stuti Sharma: Sir you have been a member of a college research cell for over 5 years, fostering research initiatives and academic discussions. Even your experience went to your students and faculty members as they began stressing the need to conduct more research on the gig economy. What are the factors do you believe contributed to this growing interest in the study of gig economy and especially in academic circles?

Vice Principal : I happened to be the member of college Research and innovation cell and not only the member, but I also steered three research projects on different issues, basically on rural economy, for sustainability. One of them was the ‘Rainwater Conversation Harvesting in Nagaur, semi arid region in Rajasthan’ and the other was the ‘ Water Conservation Techniques overall in western Rajasthan’. ‘Impact of Climate Change’ was also one of them. After being the member of College Research Cell you are talking about, and the principal investigator of the three research projects of University of Delhi, I involved 10 students in all the three projects. Ten students and two young teachers worked with me and there for there was the team of thirteen to fourteen members.

When we were in the rural area with the students, students provided amazing and innovative ideas. They found out the genesis of the problem and the opportunity to overcome those problems.

But my projects were concentrated in the rural economy like in one project I wanted to say, in western Rajasthan, 50% of the unskilled youth or the kind of Semi skilled youth or the unemployed youth or the youth involved in agrarian activities and the associated activities, are involved in the gig economy of extraction of groundwater in the sub soil. Rajasthan is the semi arid region, but what a technology! , the submersible tube well. When this technology diffused in Rajasthan, youth is involved in digging more depth in no water regions and the variable to dig 700 feet deep and get the water because they have all mechanised drilling machines.

So what happened is that when they got 200 feet deep, they got little water, it worked for 2 years. After 2 years, they digged deep until 300 metres. So upto 700 feet deep, increasing the horsepower of the drilling machine as they got deeper into the tubewell. If the technical issue arised in the machine deep into the tubewell, the had to take it out all the way up. So youth as a part of gig economy in this context is involved in digging the well and repairing the machine which is environmentally not viable for Rajasthan because they don't have the sub soil water.

What happened in Rajasthan was that government stopped the electricity supply to farmers in Rajasthan because they used the electricity to dig the tubewell for extracting water as water was a limited resource. So they started using solar panels in the day and electricity in the night for digging.

This is gig economy. In every house of Rajasthan, in Bikaner, in Nagaur , in Jodhpur , in Jaselmer, you will find one youth involved in digging the well and repairing the drilling machine all throughout the year. So, this is a new technology and more interesting. Let me tell you the side effect of it. Wherever there was a tubewell 20 years ago, if you check the satellite photo of that place, that is barren now because they have extracted the entire subsoil water. Even tree cannot survive in that particular area. No vegetation can survive. So this is the gig economy.

Another gig economy that I found in one of my project was in Rajasthan where they were involved in quarrying and extracting the sand and stone. Quarrying around Makrana they extract marble and around Jodhpur they extract limestone to provide limestone as the raw material to the cement plant in Gotan and another areas they extract sand for building material. Coarse sand or stony sand that is called ‘Bajri’ there. Bari is used for making building structure along with cement.

So once the groundwater is extracted completely, groundwater is not feasible. The quarrying and mining obstructed the channel of rivers. Because of this, the rivers don't get water in the rainy season and hence the groundwater is not recharged.

And ultimately what happened is that both the activities of gig workers in western Rajasthan, both are environmentally unsustainable.

Mehul Thapar : Sir, do you believe that the gig economy poses challenges to the conventional education system and how can a curriculum adapt to the demands of a gig based workforce?

Vice Principal : The traditional education system was not giving any possibility for a gig economy, in new education policy, the syllabus is framed in such a way which can provide access to technology to youth and help them in facing market challenges, the technology and industries requirements are also changing, governments are changing.

New curriculum is fulfilling partial to 100% demand of the market , it is not like the new syllabus is fulling market demands upto 100% but in previous education system we try to upgrade the syllabus but there are two things in a system- one is change in structure and one is structural change.

New education policy is a kind of structural change, it has replaced entirely.

Before, we used to do some minor changes in the structure of syllabus , but now we have replaced everything with the new education policy. So this is providing immense opportunities for the gig

workers. When I compare the gig economy to Europe or America, most of the Economy in Europe is based on gig. They hire Indian youth in America or New york.
For example Bank of America hires Indians for auditing and investment for the short term. For youth, the gig economy is coming up and a new education policy is providing opportunities to adapt whatever the requirement comes in the market and grab it with maximum capabilities and potential.

Stuti Sharma : In your view, what role research plays in shaping the future of gig economic policy? How can academic institutions contribute to making gig worker more effective and beneficial for workers, businesses and societies?

Vice Principal : We are really always concerned when we discuss the accreditation of Shivaji college, we always think about youth involvement in the future avenues, how they can be productive for the market and economy of the country. So, in view of that we are linking syllabus with internships, research projects, outreach activities, experiential learnings and with the help of this, certainly after this pure academic course when students encounter experiential learnings we become able to tap the opportunities of gig economy. In NEP, the syllabus is framed in such a way that even in one semester most of the part of the syllabus are synchronized according to the requirements of the market. Students have to go to field to explore the potential in the market, requirements of technologies and how the technology is working. Certainly it will help the gig activities but still I feel skilled youth should come out of Shivaji college as gig economy is not giving economic security, it provides instant support. We have large population coming from very poor societies in college, they are in search of gig economy. Some of the students do part time jobs like in the morning they distribute newspapers at houses and by 10 they reach college, in evening they again supply milk in houses and this is a type of instant income. I met one student in the morning, who is blind and had a talk with him. He said all his family members are blind except his mother who is illiterate, so they do the job of garbage picker of their colony and earn Rs.1000-1500 per day, with this income, he also supports his elder brother in his studies. This is a gig economy which provides instant support. Still I feel Shivaji college should produce youth with assured income, security and not be dependent on partial economic security.

Mehul Thapar : Sir, you are the Vice Principal of Shivaji College, and you must get to see the daily interactions between students and faculty. What do you think is influencing the career choices and learning patterns of college students as the gig economy rises, gradually?

Vice Principal : Shivaji college is the platform of amalgamation and has heterogeneous composition having students from rural, urban, government school, private school, Kendriya Vidyalaya, Navodaya Vidyalaya. Also, having students from hindi speaking regions as well as non-hindi speaking regions, students with local dialects or students from north-east, having different cultural and ethnics groups. This college provides platforms where all students have different capabilities, talents, potentials and different economic limitations. When I interact as a vice principal with students and faculty members we are highly concerned about the economic security of students. In every college, the principal of Shivaji college discusses the assurance of internships, placements and outreach activities that should be provided by the departments. To explore the potential of the gig economy market, the faculty members of Shivaji college are also held accountable to interact with institutes, research institutes, industries , technology driven institutes where the demand of youth is required and type of technology is required. We don't want our youth to be involved in jobs like delivery works as they don't provide security having risks such as no time limitations, like working in every situation such as working at night also in cold, as well as rainy weather and also overtiming having limited remunerations, we try to give skilled outcomes of youth. So, students can start their own platforms to provide businesses to others. Students should be employers with innovative ideas and innovative constructs .

For example, one student in the USA designed an incredible software which designs the clothes. The idea was telling every minute details of clothes and also telling ways to style it.

It helped various people in every field. All the tailor and all the youths are using the software, it is so popular, patented and intellectual property right which is copyrighted. Shivaji college has the same vision that our youth should adapt to the new potential of technologies. Economy is expanding, we have the demographic dividend and we have India as only country in the world where large sections is shifting from poverty by crossing the level of poverty which means the purchase capacity is increasing and the market flow is increasing, that's why all multinational companies come to India for exploring the opportunities of the gig economy.

India is having large demographic dividends which have working age group youth who are talented and educated in large numbers. Economic flow and money flow are increasing, so in this condition we have immense potential to nurture the possibilities of the market

In Shivaji college, we are training our students through internships and experiential learning, research projects and through outreach activities apart from regular curriculum to explore the possibilities of rise of gig economy in the country.

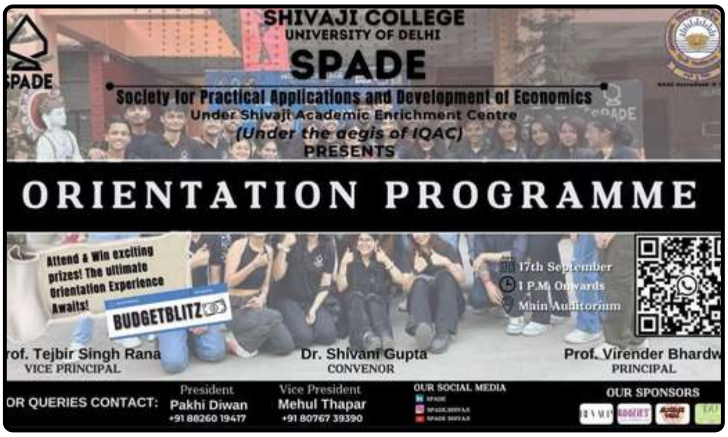
Mehul Thapar : Do you have any advice for the students who are navigating this evolving job market and preparing for a career in such a dynamic economic landscape where they want to be entrepreneurs or self-employed?

Vice Principal : We have the vision as I am the academician and now the administrator, I am the parent and I have certain responsibilities to society. But, my generation is having only the perception where happiness comes from economic stability of youth and we are the most privileged section in the country. Our responsibility is to manure the youth in such a way that they can become economically safer and stable in their professional life. So, they always have this skill where we nurture skill according to possibilities, that is the part of curriculum, we provide all opportunities through interdisciplinary academic curriculum in the college. University of Delhi has reframed the new education policy UGCF 2022 which is interdisciplinary. I am teaching geography, where there are student from various fields like biochemistry, sanskrit, botany, physics, chemistry. It means that a particular student has an interest in that particular discipline. The main purpose is to nurture potential, as every student has possibilities and potential in different perspectives as all are not equal. All students come from different backgrounds, possibilities, avenues and different thought processes. Some students when they come to Shivaji college, their goals are already fixed and determined like they have to pursue a competitive exam or go into management fields or military services. But, some students come without future goals and we always try to nurture possibilities in the best possible manner through the new academic curriculum which is interdisciplinary and experiential learning oriented.

SPADE HIGHLIGHTS

ORIENTATION

On **17th September 2024**, SPADE, Shivaji College, held its **Orientation** Programme at Chanakya Sabhagar, beginning at 1:00 PM. The event was graced by **Prof. Tejbir Singh Rana**, Vice Principal, and **Dr. Shivani Gupta**, Convenor of SPADE, and witnessed enthusiastic participation of more than 200 students across all streams and years.



The session opened with an insightful address by Prof. Rana, who emphasized the importance of research, education, and economic awareness in shaping future-ready students. This was followed by an introduction to SPADE's vision and initiatives by President **Pakhi Diwan** and Vice President **Mehul Thapar**, who outlined the society's structure and leadership roles.

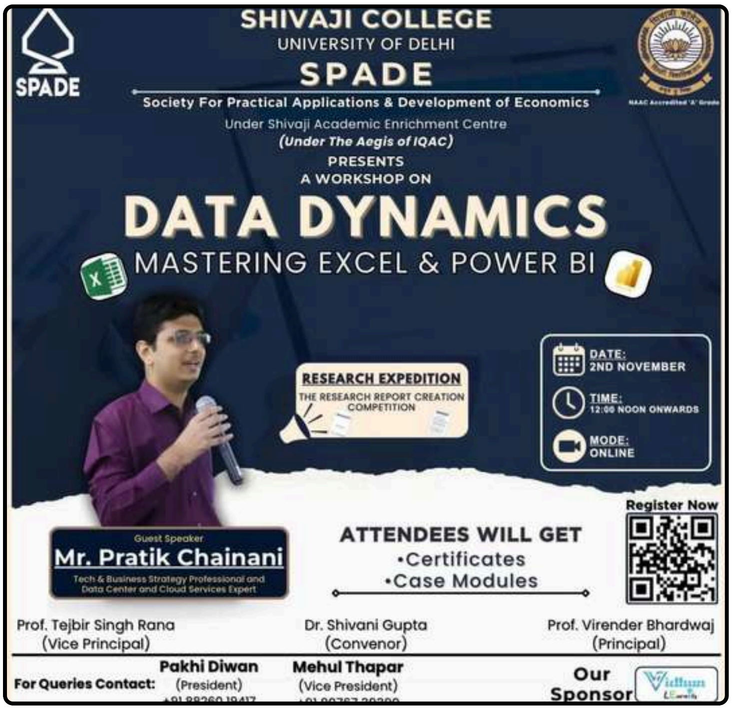
Council members, team heads, and core members further elaborated on SPADE's ongoing projects and collaborative opportunities. The event concluded with '**Ecovision 2.0**', an interactive game that engaged attendees in economic thinking. Winners were awarded a **Golden Ticket** for direct induction into the society.

The orientation was well-received, leaving participants informed, inspired, and eager to contribute to SPADE's upcoming endeavours.

WORKSHOPS

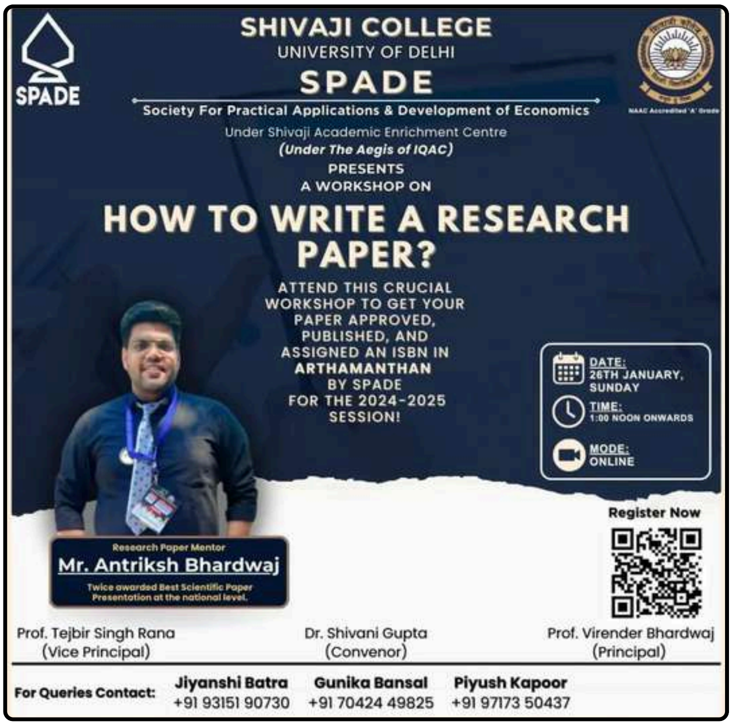
- **Data Dynamics: Mastering Excel and Power BI**

On **2 November 2024**, SPADE under SAEC organized a workshop on "**Data Dynamics: Mastering Excel and Power BI**". **Mr. Pratik Chainani**, Senior Engineer (Business Strategy) at (CEO's office) Larsen and Toubro was the guest speaker. This workshop trained more than 150 students to analyze data sets and examine the results proficiently through several indicators and graphical illustrations. Students also learned to write report based on empirical research work.



- **Workshop on "How to Write a Research Paper" by SPADE**

On **January 26th 2025**, SPADE hosted a transformative online workshop titled "**How to Write a Research Paper**", led by acclaimed academician **Mr. Antriksh Bhardwaj**. Over 200 students attended the session, gaining valuable insights into the art of research writing, from selecting compelling topics to building powerful thesis statements and crafting impactful conclusions. Mr. Bhardwaj's expertise and engaging style made the session both informative and inspiring. The workshop concluded with an interactive Q&A, leaving participants empowered and equipped to excel in academic writing. SPADE's initiative was widely appreciated for its practical value and inspiring delivery. This session is also availabe on our youtube page



SEMINARS

- **A Seminar on Career Insights for success by SPADE**

On **17th February 2025**, SPADE, Shivaji College, organized an engaging **seminar on cracking competitive exams and mastering career communication**. Held in the **Chanakya Sabhagar**, the session featured renowned career strategist Meenakshi Aggarwal, who shared valuable insights on exam strategies, time management, and professional communication. Her dynamic talk empowered more than 200 students with practical tips for interviews and career growth.

The seminar concluded with an engaging and insightful interactive Q&A session, leaving attendees not only inspired but also better equipped to tackle future challenges with confidence. SPADE's initiative was widely appreciated by participants and guests alike, proving to be both informative and deeply motivating. It successfully fostered meaningful discussions, encouraged the exchange of innovative ideas, and created valuable networking opportunities, ensuring that the event's impact would extend well beyond its conclusion.

- **SPADE x AIESEC Digital Marketing Skill-Building Session**

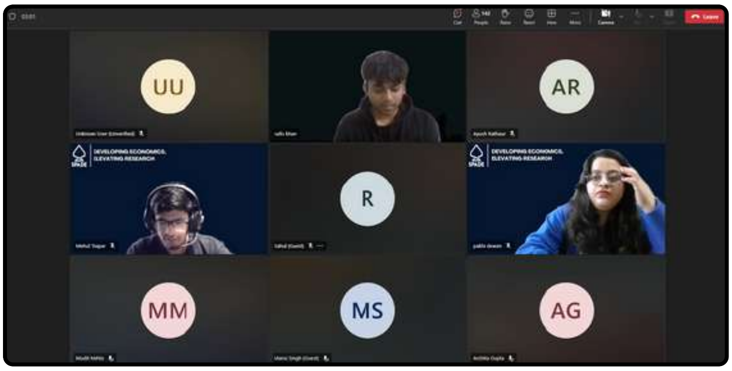
On **13th March 2025**, SPADE, in collaboration with **AIESEC in Delhi University**, successfully conducted **a LIVE online skill-building session on Digital Marketing**. The session featured **Mr. Nafis Khan**, an industry expert in **Cold Outreach and AI-driven Marketing**, and was aimed at equipping participants with practical strategies relevant to the current digital landscape.

The session began with an overview of digital content creation, where Mr. Khan emphasized that marketers spend nearly one-third of their week generating content, making efficiency in this domain essential. He introduced several **AI-based writing tools** that enable beginners to create high-quality content quickly, enhancing both productivity and consistency.

Moving forward, Mr. Nafis discussed the digital marketing and AI landscape for newcomers, advising participants to experiment with beginner-friendly tools, focus on fundamental concepts like content generation and data analysis, and use existing platforms instead of building custom solutions. He also stressed the importance of enrolling in **structured learning paths**, such as online courses and workshops, to stay updated in this ever-evolving field.

The session further covered strategies for **cold outreach, engagement, and digital branding**, providing attendees with actionable insights applicable in real-world scenarios. Mr. Khan's approach combined both strategic thinking and practical applications, making the session highly relevant and accessible.

The event witnessed **active participation** of more than 250 students, with attendees asking thoughtful questions and engaging in meaningful discussions. A **Certificate of Participation** was awarded to all, adding value to their learning experience. The workshop proved to be a highly enriching experience, bridging knowledge with implementation in the realm of digital marketing.



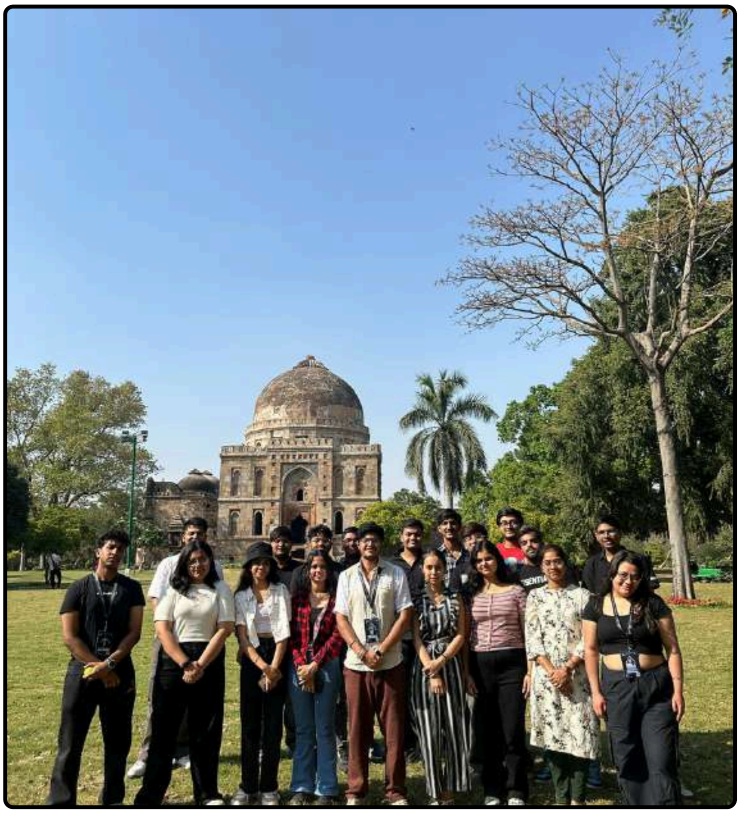
ANNUAL GENERAL MEETING

On **24th March 2025,** SPADE conducted its **Annual General Meeting** at **Lodhi Garden**, commencing at **11:00 AM**. The gathering aimed to rejuvenate the team spirit among members while fostering deeper intellectual exchange and collective reflection.

The meeting began with recreational games and engaging group activities, designed to refresh members and strengthen interpersonal bonds. These spirited interactions foster a relaxed and productive team atmosphere.

The meeting began with fun games and engaging group activities, designed to strengthen interpersonal bonds. These light-hearted interactions set a relaxed and spirited tone for the day, reinforcing SPADE's balance between productivity and community building.

Transitioning into a more contemplative space, members were invited to share their **personal insights, career goals, and long-term aspirations**, answering the reflective question: "*Where do you see yourself in 6 months?*" This segment encouraged self-expression and mutual motivation, cultivating an environment of support and intellectual curiosity.



Following this, the forum shifted focus to ongoing society projects. Discussions were held around SPADE's forthcoming **documentary and e-magazine**, with each member presenting the theme and progress of their respective articles. The session enabled constructive peer feedback and highlighted the society's commitment to research-driven, creative outputs.

A significant highlight of the meeting was the **announcement of event heads for SPADE's flagship event, *Ace of SPADE***, along with its scheduled date, 22nd April 2025. The newly appointed event heads shared their proposed structures, strategic plans, and interactive elements for the event. These presentations were met with **positive feedback**, reflecting the collective excitement and high expectations surrounding the upcoming fest.

The Annual General Meet concluded as a well-rounded convergence of **reflection, planning, and community building**, reaffirming SPADE's intellectual ethos and shared vision for excellence.

ACE OF SPADE

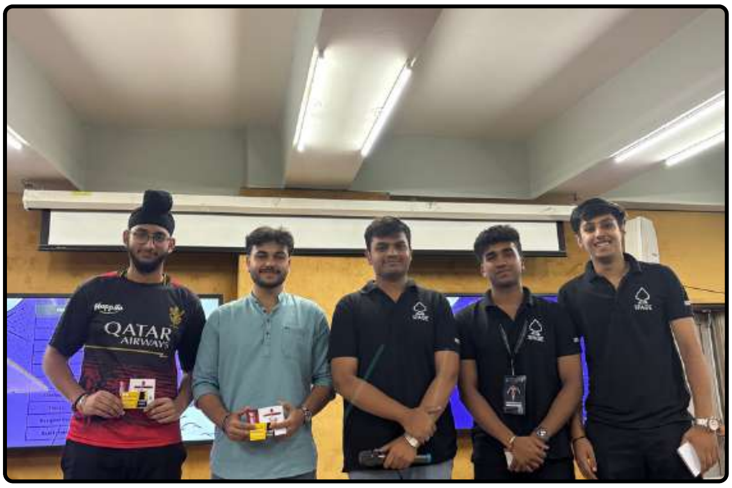
Ace of Spade 2025 emerged as a vibrant celebration of intellect, creativity, and collaboration, drawing an enthusiastic audience of **over 400+ attendees** for its inaugural ceremony. The day began with the soulful Saraswati Vandana and ceremonial Lamp Lighting, setting an auspicious tone. Guest speakers, **Mr. Nikhil Gaur,** Founder of HiveSchool and **Mr. Ajitesh Gupta,** Co - founder & CEO of Crowwd, were felicitated before SPADE unveiled its renewed vision for the future. A proud milestone followed with the launch of the first edition of **Tatva**, SPADE's annual magazine, themed **Neuroeconomics**. Featuring twenty original, research-driven articles, the magazine showcased the dedication of its Editorial Board, who were honoured on stage alongside **Editor-in-Chief, Mehul Thapar.**

The ceremony also witnessed the premiere of **SPADE's original documentary, The Rise of the Gig Economy**, offering a deep exploration of the freelance and gig work sector through expert insights and candid narratives from real gig workers. The screening concluded with an engaging Q&A session that added depth to the dialogue.

The day's competitions saw strong participation, with more than 400+ registrations in our flagship event. **Ace the Case,** powered by Ditto Insurance, **led by Mehul Thapar and Pakhi Diwani,** attracted participants from premier institutions across the country, culminating in three challenging rounds that tested analytical and creative prowess. The competition was judged by **prof. Rabinarayan Samantara.**

Inflation Auction, led by Mudit Mehta brought economic concepts to life, simulating multiple inflationary phases, while **Brand Wars, led by Saloni Gandhi** challenged participants to craft brands and navigate high-stakes crisis scenarios with strategic thinking.

The event concluded with a heartfelt **Vote of Thanks** by SPADE's convenor, **Dr. Shivani Gupta**, acknowledging the contributions of speakers, participants, and volunteers. With its blend of academic rigour, practical engagement, and vibrant participation, Ace of Spade 2025 successfully reinforced SPADE's mission to inspire critical thinking, strategic problem-solving, and meaningful industry-academia collaboration.



MEMBERS SPOTLIGHT

Pakhi Diwan
(President)

- Was selected by the admissions committee of Harvard as an International Delegate for the largest international conference arranged by Harvard Business School.
- NISM Certified Equity Research Analyst

Mehul Thapar
(Vice President)

- Worked in the Accounts Department of Shivaji College under the Principal Internship Scheme.
- Serving as an AIESECer, engaging in leadership and global initiatives.
- Excelled as an English Language Intern at Josh Talks, enhancing communication impact.
- Achieved National Runner-Up status in Case Competitions at Delhi Technological University and Shivaji College, University of Delhi.

Khushi Halder
(Research Core)

- Interned at VONG (Voices of the Next Generation) as part of the Marketing, Branding, and Designing Team. Responsibilities included lead generation, outreach, collaborations with schools and SMEs, marketing strategy development, and branding. Also contributed to enhancing engagement, visibility, and expanding VONG's reach through strategic partnerships and impactful designs.

Damak Chaudhary
(PR Core)

- Secured 2nd Position in Fractals and Focus competition organised under Infinity'25 by Tesseract : The Mathematics Society of Shivaji College, Delhi.

MEMBERS SPOTLIGHT

Ayush Rathaur
(Technical Head)

- Presented a research-based oral presentation on environmental sustainability at a national seminar organized by Shivaji College, Delhi University

- Completed python programming language and Arduino from IIT B which was collaborated with Shivaji College

Vivek Raj
(Research Executive)

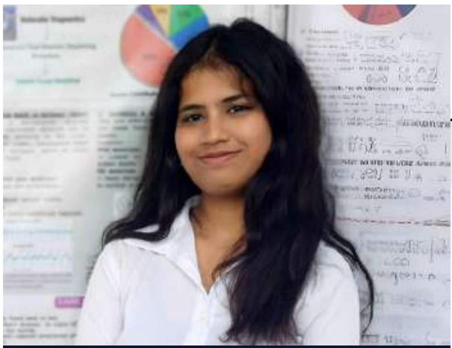
Harman Sareen
(Research Executive)

- Secured 2rd rank in Research Expedition, The Report Creation Competition; organised by SPADE

- Secured 3rd rank in Research Expedition, The Report Creation Competition; organised by SPADE

Mudit Mehta
(PR Executive)

MEMBERS SPOTLIGHT



Diti Poddar
(PR Executive)

- 1st position in the Online E-Poster Presentation Competition at the National Seminar on "Bioinformatic Tools and Approaches in Drug Design," organized by Aranyam – The Life Sciences Society, Shivaji College, University of Delhi, on March 21, 2025.
- 3rd position in poster presentation competition on the theme "Specific Evidence Based Case Study" organized by Inspire Forensics on February 23, 2025.
- 2nd position in poster presentation competition at Shaheed Rajguru College of Applied Sciences organized by Department of Biochemistry on October 23, 2024.

- Received Honourable Mention at Altior Delhi MUN 2.0 while representing Rwanda in the UNEP committee.
- Promoted to Head of the Marketing Department for Labyrinth International MUN, scheduled to take place on 5th and 6th of July.

Anshika Goyal
(PR Executive)

Aditya Pandey
(PR Executive)

- Interned as a Marketing intern at InsideIIM for a period of 1 month and secured the role of Team Leader of Marketing and User Acquisition in the very next month and continued in the role for a period of 2 months
- Worked as a Campus Ambassador Representative for E-Cell IIT Roorkee..

- Working as a CMO at a startup - UpForge Consultancy, focusing on providing economical consultancy solutions to MSME's and new age startups. Handling their marketing, outreach and strategy along with heading case studies.
- Working as a growth and marketing intern at study sage - an online learning platform
- Persuing a secondary hybrid degree from iim banglore - BBA(DBE)

Saloni Gandhi
(Editorial Executive)