

## Celebrities & Loss Aversion

If I had to pick just one behavioral bias to help understand why people make the decisions that they do it would be loss aversion. Daniel Kahneman's research discovered that people regret losses around twice as much as gains make them feel good.

Some people will look at these types of biases and conclude that people are irrational, but really these types of emotions are what makes us human. It's part of our DNA. So the point is to recognize these ingrained psychological feelings and figure out how to avoid letting them control your decisions. Emotions are neither good nor bad. It's the reaction to your emotions that matters.

I've found a few example of celebrities who have recognized their own loss aversion that I have posted on Twitter in the past that I have found interesting.

Here's a recent interview with David Letterman about loss aversion and happiness in your career:

<https://twitter.com/awealthofcs/status/788354822059720704>

And this one on Andre Agassi does a good job of explaining how loss aversion can be a motivating factor:

<https://twitter.com/awealthofcs/status/564641997277773824>

And finally, here's an interview with Zac Efron and how loss aversion can effect your own perception of yourself based on what others say on social media:

<https://twitter.com/awealthofcs/status/761025384963907586>

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Further Reading:

[Why The Stock Market Makes You Feel Terrible Every Single Day](#)