## Strategyproofness-Exposing Mechanism Descriptions

Online experimental materials

The following advertised the survey on Prolific:



# A study in decision making (with bonus payments)

By Ori Heffetz

🗊 £1.49 • £5.96/hr 🕚 15 mins 🔹 200 places

This is a study in decision making, where you will be required to read and understand the rules of two different tasks. You will then be paid based on your performance in the two tasks. The survey will take around 15 minutes. You'll be paid at least \$2.00, **and often up to \$9.00**.

Devices you can use to take this study:



Our experiment contained two mechanisms, and two versions of the description of each mechanism.

### "Setup" Screens:

For each mechanism, the participants walked through four "setup" screens: an instruction screen, a practice round, the results of the practice round, and a screen of further examples and comprehension questions. In introduction screens, participants clicked a button labeled "More" to display further parts of the text. Call the text between these button presses a "frame". Below, we provide a screenshot of the entire page, along with marker where the "frames" are divided. Our "practice round" is similar, except that certain practice screen text disappears halfway through. Thus, we present the practice round before and after this disappearance. The further examples and comprehension questions are on one large page.

For each mechanism, we present the full text of the instructions and practice round for the "traditional" treatment, then specify the exact frames in which the "menu" treatment differs.

Some notes:

- Sometimes the "More" button changes text this is displayed on the frame boundary.
- Other commentary is sometimes provided in purple text below.
- The earnings table on the introduction page of the median mechanism is hard-coded, but all other are randomly drawn. All examples and questions are hard-coded.
- For each mechanism, the distribution of the private information of the participants is described below (after the practice round screen).

### **Round screens:**

After the "setup" screens, subject then played 10 rounds of the mechanism. Each round consisted of a round screen, where participants saw their "private information" and had 30 seconds to submit a "report", and then a "feedback screen" giving the outcome of each round before the next round starts. While each of these screens contains a "reminder" which is tailored to the treatment (traditional or menu), the feedback itself is the same regardless of treatment.

### Consent screen:

### Welcome

Thank you for participating in this survey! The survey asks you to make choices in different scenarios. Your participation is voluntary, and is greatly appreciated. We do not anticipate any risks from participating in this survey. We anticipate that your participation in this survey presents no greater risk than everyday use of the internet. We are committed to protecting your privacy. After validating that your response qualifies for payment, your answers will remain anonymous and will take part in an aggregate statistical analysis only. You may withdraw from the survey at any time or skip questions you feel uncomfortable answering.

We anticipate that this survey will take you about 20 minutes to complete.

It is very important that you complete this survey on your own and with adequate effort. Responding without adequate effort may result in your responses being flagged for low quality.

#### Additional Information

The main researcher conducting this study is Ori Heffetz, a professor at Cornell University. Please ask any questions you have at oh33@cornell.edu. If you have any questions or concerns regarding your rights as a subject in this study, you may contact the Institutional Review Board (IRB) for Human Participants at 607-255-5138 or access their website at http://www.irb.cornell.edu. You may also report your concerns or complaints anonymously through Ethicspoint online at www.hotline.cornell.edu or by calling toll free at 1-866-293-3077. Ethicspoint is an independent organization that serves as a liaison between the University and the person bringing the complaint so that anonymity can be ensured.

#### Confirmation

I confirm that I have read and understood the confirmation form. I believe I understood the purpose of the research and what I would be asked to do in it. I understand that I can stop my participation in this study at any time and that I have the right to refuse to answer any questions. I understand that my name will not be linked to the information I provide and that my participation is anonymous and confidential. I confirm that the research team will use the data and process it for the benefit of the current study. I understand that if the research requires contact with me more than once, I need to confirm my participation whenever I am contacted and it is my right to refuse. I hereby give my consent to voluntarily participate in this study.

- Yes, I agree to participate in the study
- No, I do not agree to participate in the study

Please fill your **Prolific ID**:



The data collected in this study will not be used for identification in any way. You are required to submit your Prolific ID in order to receive payment for participating. Your Prolific ID will be kept secure and will be removed from the data set following payment.

### Introductory screen:

Welcome! In this survey, you will participate in **two different tasks**. You will earn **\$2.00** for completing this survey. You can also make extra money, often up to **\$7.00**, which will be added on top of the \$2.00. These extra earnings will depend on your performance in the two tasks. Note: Your accumulated extra earnings can both increase and decrease throughout the different tasks. Your accumulated extra earnings can also drop below zero. Nevertheless, you will always earn at least \$2.00 if you complete the survey. The survey takes around 20 minutes to complete. Read the instructions and choose actions carefully to maximize your earnings! Note: The instructions of this survey provide a complete and accurate description of both tasks, including how you will earn money. The instructions will not trick or deceive you in any way. **Begin Survey** 

# Median

Transition Screen:



## Median, Introduction:

### **Traditional Description:**



### **Menu Description:**

This differs from the traditional description only in frames 5 and 6:



## **Median Practice Round**

## **Traditional Description:**

Frames 1 and 2:

	PR	RACTI	CE RO	UND		
The system will now w Text displayed in these	alk you t bubbles	hrough Will exp	a practic plain how	e round. ⁄ the rou	nds worl	Frame 1
In the beginning of the Your earnings table this rou	round, y Ind:	ou see	your ear	nings tal	ble.	Next
Number	1	2	3	4	5	Frame 2
Money you earn if this number is elected	2¢	6¢	14¢	<b>46¢</b>	<b>20</b> ¢	
You will get a new, rand	domly ch	osen ea	nrnings ta	able eacl	h round.	
		1	Next			

### Frames 3 to 5:

	PRACTICE ROUND				Frame 3	
Your earnings table this ro	ound:					
Number	1	2	3	4	5	An animation causes the numbers (1 to 5) in this table to flash for 4 seconds
Money you earn if this number is elected	2¢	6¢	14¢	46¢	20¢	when this frame starts
In order to vote, you	will first se	elect a n	umber b	v clickin	a on it in	the earnings
table.		incerta m		y chekin	g on it in	
Thermonithelister						Next
Note: In real rounds,			our vote <u>econds</u> t	o vote.		Frame 4
To select a vote, click on	a number	in the ea	arning ta	ble abov	e.	
Then click below:		Sub	mitvoto			Frame 5
Then click below:		Sub	mit vote			Frame 5
Then click below: In each round, you ca	n also rev	Sub	mit vote full rules	s of the e	election <b>I</b>	Frame 5
Then click below: In each round, you ca Remember, the system wi	in also rev Il randoml <u>i</u>	Sub view the y pick the	mit vote full rules e votes of	s of the e	election I	Frame 5
Then click below: In each round, you ca Remember, the system wi The three votes will b out of the three will b	n also rev Il randomly e sorted f pe elected	Sub riew the y pick the from the	mit vote full rules e votes of e lowest	s of the e f two oth to the h	election f er "citize ighest, a	Frame 5 pelow. ns". Then: and the <i>middle vote</i>

### Frame 5, expanded:



## **Menu Description:**

This differs from the traditional description only in the reminder at the bottom of frame 5:



Like in the traditional description, the examples are collapsed by default.

Selected numbers look like this:

Number		2	3	4	5
Money you earn if this number is elected	5¢	25¢	42¢	16¢	9¢

In both descriptions, this message appears if you click "submit vote" without a vote selected:



## **Median, Practice Round Results:**

PRACTICE ROUND RESULTS								
Your earning	s table this rou	nd was	:					
Number		1	2	3	4	5		
Money you number is o	earn if this elected	2¢	6¢	14¢	46¢	20¢		
After you	ı vote, you will	see th	ne resu	lts of the	e round:			
Round Summ	пагу:							
Your Vote	Other citizen #1's vote		Other o #2's vo	itizen ite	Elect	ed numb	er	
3	5			3		3		
Your earning	gs in such a rou	ınd wo	uld hav	Continue	\$0.14			
Remember, i Then:	n each round, t	he syst	em will	randoml	y pick the	e votes of	<sup>-</sup> two other "citizens".	
The three out of the	e votes will be e three will be	sorteo electe	d from ed.	the low	est to th	e highes	t, and the <i>middle vot</i>	
► For example: ( Remember: the each citizen.	(click to expand) other two citizens'	votes ar	e chosen	at random	, with each '	vote betwe	en 1 and 5 equally likely for	

The above gives the traditional description.

The "click to expand" expandable contains the same content as the practice round.

The menu description differs only in the reminder, in the same way that it did for the practice round.

## **Median: Distribution of earnings table**

The distribution of earnings tables in the median experiment follows a asymmetric single peaked distribution. The peak is equally likely to be each number between 1 and 5. The distribution is also "translation invariant" i.e. the distribution of the value at any number "peak+i" depends only on i.

Let [x, y] denote the uniform distribution over all dollar numbers which are an integer multiple of 0.01 between (and including) x and y.

Each round, the earnings table is independently randomly determined according to the following process:

- First, draw the values to put into the table
  - Draw **max** from [0.40, 0.60]
  - Draw v\_{1,a} from [0.20, maximum(30, floor((2/3)\*max)) 0.01]
  - Draw **v\_{1,b}** from [0.10, 0.19]
  - Draw  $v_{2,L}$  and  $v_{2,R}$  independently from [0.05, 0.09]
  - Draw **v\_{3}** from [0.02, 0.04] and draw **v\_{4}** from [0.01, **v\_{3}** 0.01]
- Uniformly draw a **peak** from {1,2,3,4,5}. Set the earnings table's value at the **peak** to **max**.
- Flip a coin to set the values at distance 1 from the peak:
  - If the coin is heads, set the value at peak-1 to v\_{1,a} and set the value at peak+1 to v\_{1,b}.
  - If the coin is tails, set the value at peak-1 to  $v_{1,b}$  and set the value at peak+1 to  $v_{1,a}$ .
- Set the value at **peak**-2 to **v\_{2,L}** and set the value at **peak**+2 to **v\_{2,R}**
- Now set the values at distance 3 and 4 from the peak:
  - If peak <= 2, set the value at peak+3 to v\_{3} and set the value at peak+4 to v\_{4}.</li>
  - If  $peak \ge 4$ , set the value at peak-3 to  $v_{3}$  and set the value at peak-4 to  $v_{4}$ .
- Truncate the earnings table to only contain the values of numbers in {1,2,3,4,5}, and return this earnings table.

Here are 100 random draws from this distribution, displayed as a whole number of cents:

	I	Numbe	r					Numbe	r	
1	2	3	4	5	_	1	2	3	4	5
27	57	12	7	2		34	54	13	7	2
6	17	53	28	7		3	7	10	51	32
2	5	29	60	15		2	6	28	48	13
2	6	14	55	28		44	21	9	4	1
2	8	22	51	14		5	27	56	10	6
4	5	20	44	17		17	53	32	7	2
9	20	40	13	9		52	14	6	2	1
43	26	8	4	1		54	18	6	4	2
7	21	42	12	5		20	45	12	8	2
2	3	6	11	49		2	3	9	21	45
1	2	5	31	50		30	49	12	6	3
9	29	49	13	8		54	33	9	4	2
46	24	8	3	1		2	7	26	43	10
2	8	23	54	15		2	9	14	49	22
8	29	57	15	8		2	4	9	15	60
45	20	7	2	1		5	30	60	14	6
7	18	45	22	7		4	5	26	58	18
1	2	7	11	60		5	14	49	29	5
52	30	8	4	3		1	2	5	19	50
56	33	5	3	1		57	28	7	4	2
46	27	7	2	1		43	17	5	3	1
7	28	41	12	7		10	57	28	9	2
26	54	12	6	4		8	24	55	16	6
2	8	10	41	24		5	18	45	21	8
1	3	6	13	59		5	11	59	25	9
11	57	20	7	3		7	17	48	25	6
1	2	9	16	55		2	6	18	54	31
18	46	23	7	3		1	4	8	28	40
48	23	8	3	2		4	9	15	59	22
2	8	18	41	27		51	14	9	4	2
7	21	54	18	9		1	2	5	17	43
8	34	55	16	7		3	5	17	49	21
12	54	32	6	3		1	3	9	10	52
4	5	26	55	12		7	13	47	25	6
21	48	12	7	4		3	4	8	18	51
4	9	23	42	13		19	43	25	8	4
15	42	29	9	3		7	28	59	17	7
21	48	19	7	3		1	3	5	29	44
2	9	20	51	19		30	47	19	5	2
	18	54	25	6		53	20	7	4	2
4	1	13	57	20		9	28	45	11	5
4	8	14	52	22		51	14	6	3	2
3	6	34	56	15		8	31	55	16	9
16	43	24	8	4		59	31	(	3	1
2	3	8	16	54		1	4	6	22	43
18	4/	30	6	2		10	41	25	9	4
3	(	19	4/	20		41	27	6	4	3
2	6	18	4/	23		41	20	6	2	1
2	3	8	28	48		2	(		42	21
3	9	15	60	31		8	20	55	17	6

## **Median Comprehension Screen:**

The Median mechanism's comprehension screen contained a reminder of the voting rules, three further examples, and three comprehension questions. All comprehension questions had to be attempted in order to submit the questions.

### **Traditional Description:**



	QUESTIONS
о	proceed, please answer the following questions about how the election works:
1	. If the other two citizens vote for 1 and 5, and you vote for 3: Please sort the three votes from lowest to highest, and enter them below (separated b spaces):
	What is the elected number? 1 2 3 4 5
2	. If the other two citizens vote for 4 and 2, and you vote for 5: Please sort the three votes from lowest to highest, and enter them below (separated b spaces):
	What is the elected number? 1 2 3 4 5
3	. If the other two citizens vote for 3 and 3, and you vote for 1: Please sort the three votes from lowest to highest, and enter them below (separated b spaces):
	What is the elected number? 1 2 3 4 5
	Submit answers

Participants are not prevented from advancing if they cannot answer the questions. Instead, the system will eventually tell them the answer. Here is an example of this behavior on the first question (after submitting an incorrect answer):



### And after two more failed attempts:

1.     9	If the other two citizens vote for 1 and 5, and Please sort the three votes from lowest to hig spaces):	you vote for 3: ghest, and enter them below (separated by
	153	
٦	The correct answer is 1 3 5. Enter this answer	to proceed.
	What is the elected number? 1 2 3 4 <b>9</b> 5	
٦	The correct answer is 3. Select this answer to	proceed.

### **Menu Description:**

### EXAMPLES

Remember, you will submit a vote, and the system will randomly pick the votes of two other "citizens". Then:

The "obtainable numbers" will be the votes of the two other citizens, and all the numbers between them.

Out of these "obtainable numbers", the one *closest to your own vote* will be elected.

#### Let's go through some more examples of elections:

• If the other two citizens vote for 3 and 2, then the obtainable numbers are 2 and 3. If you vote for 5, then the elected number will be 3.

Obtainable Numbers



• If the other two citizens both vote for 4, then the only obtainable number is 4. If you vote for 5, then the elected number will be 4.

Obtainable Number



• If the other two citizens vote for 1 and 4, then the obtainable numbers are 1, 2, 3, and 4. If you vote for 2, then the elected number will be 2.



QUESTIONS
To proceed, please answer the following questions about how the election works:
1. If the other two citizens vote for 1 and 5, and you vote for 3: Please enter the obtainable numbers below (separated by spaces):
What is the elected number?
2. If the other two citizens vote for 4 and 2, and you vote for 5: Please enter the obtainable numbers below (separated by spaces):
What is the elected number?
3. If the other two citizens vote for 3 and 3, and you vote for 1: Please enter the obtainable numbers below (separated by spaces):
what is the elected number? $\bigcirc 1 \bigcirc 2 \bigcirc 3 \bigcirc 4 \bigcirc 5$
Submit answers

٦

### For more examples of the behavior upon incorrect answers:

<ol> <li>If the other two citizens vote for 1 and 5, and you vote for 3:</li> <li>Please enter the obtainable numbers below (separated by spaces):</li> </ol>	
1245	[
Please try writing the obtainable numbers again. If you enter a wrong answer 2 more times, the system will tell you the correct answer so that you can proceed.	)
What is the elected number?	
Please try selecting the elected number again. If you enter a wrong answer 2 more times, the system will tell you the correct answer so that you can proceed.	)

1. If the other two citizens vote for 1 and 5, and you vote for 3: Please enter the obtainable numbers below (separated by spaces):

1245

The correct answer is 1 2 3 4 5. Enter this answer to proceed.
What is the elected number?

1
2
3
4
5

The correct answer is 3. Select this answer to proceed.

This screen is displayed (in both descriptions) after all questions are correct:



## Median, Round:

Time left to complete this page: <b>0:13</b>
ROUND 1
Your earnings table this round is:
Number $(1)$ $(2)$ $(3)$ $(4)$ $(5)$
Money you earn if this number is elected 30¢ 48¢ 14¢ 9¢ 4¢
To select a vote, click on a number in the earning table above. Then click below: Submit vote
The "obtainable numbers" will be the votes of the two other c numbers between them. Out of these "obtainable numbers", the one <i>closest to your ow</i> elected.
<ul> <li>For example: (click to expand)</li> <li>Remember: the other two citizens' votes are chosen at random, with each vote between each citizen.</li> </ul>

The above gives the reminder for the menu description. The two treatments differ only in the "reminder" text at the bottom, in the same way as the practice screens. This statement holds true for the remainder of the screens for median, so going forward we omit it.

## Median, Round Results:

Үоцг еагліла	s table this rou	<b>RE</b>		'S OF F	ROUNI	D 2
Number		1	2	3	4	5
Money you number is e	earn if this elected	2¢	9¢	21¢	49¢	19¢
Round Summ	агу:					
Your Vote	Other citizen #1's vote		Other o #2's vo	citizen ote	Elect	ted numbe
2	3			3		3
Your earning	<b>gs this round a</b>	r <b>e: \$0</b> . <sup>T</sup> ar in th	21 e survey a	are: <b>\$0.21</b> . Next Rour	nd	
Remember, in Then:	n each round, tl	he sys	tem will	l random	ly pick th	e votes of
The "obta numbers Out of the elected.	iinable numbe between then ese "obtainab	ers" w n. le nur	ill be th nbers",	ne votes , the one	of the tw e <i>closest</i>	wo other <i>to your o</i>
► For example: ( Remember: the each citizen.	(click to expand) other two citizens'	votes a	re chosen	at random	, with each	vote betwe

## Median, Round result (if vote not submitted in time):

<b>RESULTS OF ROUND 1</b> You did not vote in time, so you earn nothing this round.
To vote, select a number by clicking on it in your earnings table. Then click "Submit vote".
Next Round
Remember, in each round, the system will randomly pick the votes of two other "citizens". Then:
The "obtainable numbers" will be the votes of the two other citizens, and all the numbers between them. Out of these "obtainable numbers", the one <i>closest to your own vote</i> will be elected.
► For example: (click to expand) Remember: the other two citizens' votes are chosen at random, with each vote between 1 and 5 equally likely for each citizen.

# (Second Price) Auction

Transition Screen:



## **Auction Introduction:**

## **Traditional Description:**

You will now bid in an <b>auction</b> .	<b>1</b>
n each auction, you will place a bid, and the system will randomly pick the bids of <b>four other "bidd</b>	Frame 2
Then:	
You will win the auction if you placed the <i>highest bid</i> . If you win, you will <i>pay a price</i> equal to the <i>second highest bid</i> .	Frame 3
For example:	More (see example
<ul> <li>The other bidders may bid \$3.00, \$2.50, \$4.00, and \$1.20. If you bid \$4.50, then your bid will be the highest, and the second-highest bid will be \$4.00. So you will win the auction and pay a p of \$4.00.</li> <li>In the same example, if instead you bid \$2.00, then you will win nothing and pay nothing.</li> </ul>	rice Frame 4
Note: If your bid <i>is tied</i> for the highest bid, you will win nothing and pay nothing.	More
Winning the auction will give you some <b>money payout</b> . If you win, you will earn your payout, <b>minus the price paid</b> in the auction.	Frame 5
For example:	
<ul> <li>If you win when your payout is \$4.25 and pay a price of \$4.00, then you will earn \$0.25.</li> <li>If you win when your payout is \$3.50, and pay a price of \$4.00, then your total earnings in the sur will <i>decrease</i> by \$0.50.</li> </ul>	Frame 6
The system picks your payout at random, and shows your payout <b>before you bid</b> . All bids must be between \$0.00 and \$5.00 <i>.</i>	Frame 7
	Frame 8
<b>Note:</b> When the system picks the bids of the other four bidders, each possible bid is equally likely. Your own bid cannot influence the other bids in any way.	the state of the second st
<b>Note:</b> When the system picks the bids of the other four bidders, each possible bid is equally likely. Your own bid cannot influence the other bids in any way. First, there will be a practice auction and a set of questions to test your understanding of how the auction works. Then, there will be <b>10</b> rounds of auctions where you can earn money. You can review the rules of the auction on each screen.	Frame 9

## **Menu Description:**

The menu description differs only in frames 3 and 4:

Then: Your "price to win" the auction will be set to the <i>highest bid</i> placed by the <i>other</i> bidders. If your bid is higher than this "price to win", then you will win the auction and pay this price.	Frame 3
<ul> <li>For example:</li> <li>The other bidders may bid \$3.00, \$2.50, \$4.00, and \$1.20. Then your price to win the auction will</li> </ul>	Frame 4
<ul> <li>be \$4.00. If you bid \$4.50, then you will win the auction and pay a price of \$4.00.</li> <li>In the same example, if instead you bid \$2.00, then you will win nothing and pay nothing.</li> </ul>	Tune 4
Note. If your bid equals your price to will, you will will nothing and pay nothing.	

## **Auction Practice Round**

## **Traditional Description:**

Frames 1, 2, and 3:

PRACTICE ROUND	
The system will now walk you through a practice round. Text displayed in these bubbles will explain how the rounds work.	Frame 1
In the beginning of the round, you see your money payout.	Frame 2
Your money payout in this round is: <b>\$2.97</b> You will get a new, randomly chosen money payout each round. If you win the auction, you will earn your payout, minus the price paid in the auction.	Frame 3
Next	

### Frames 4 and 5:

PRACTICE ROUND	
Your money payout in this round is: <b>\$2.97</b>	Frame 4
Then you are asked to bid. Your bid must be between \$0.00 and \$5.00. You must specify all three digits of your bid (for example, \$1.00 or \$0.05).	Newk
Place your bid here:	Next
\$ 2.55The decimal point is automat (or deleted via backspace) by	ically added y this text box
Then you will click a button below to submit your bid. In real rounds, you will have <u>30 seconds</u> to bid.	Frame 5
In each round, you can also review the full rules of the auction:	
Remember, the system will randomly pick the bids of four other "bidders". Then:	
You will win the auction if you placed the highest bid. If you win, you will pay a price equal to the second highest bid.	
<ul> <li>For examples and details: (click to expand)</li> <li>Remember: If you win, you will earn your payout, minus the price paid in the auction.</li> </ul>	
Submit bid	

### Frame 5, expanded:

Remember, the system will randomly pick the bids of four other "bidders". Then:
You will win the auction if you placed the highest bid.
If you win, you will pay a price equal to the second highest bid.
For examples and details: (click to expand)
For example: The other bidders may bid \$3.00, \$2.50, \$4.00, and \$1.20. If you bid \$4.50, then your bid will be the highest, and the second-highest bid will be \$4.00. So you will win the auction and pay a price of \$4.00.
In the same example, if instead you bid \$2.00, then you will win nothing and pay nothing.
Note: If your bid *is tied* for the highest bid, you will win nothing and pay nothing.
Remember: The bids of the other four bidders are chosen at random, with each possible bid equally likely for each bidder. **Remember:** If you win, you will earn your payout, **minus the price paid** in the auction.

### **Menu Description:**

This differs from the traditional description only in the reminder at the bottom of frame 5:



Like in the traditional description, the expandable is collapsed by default.

In both descriptions, you cannot click "submit bid" when the bid field is empty. If you enter a bid with the wrong format, you will see one of the following:





## **Auction Practice Round Results:**



The above gives the traditional description; the menu description differs in the same way that it did for the practice round.

## Auction: Distribution of payout

Let [x, y] denote all dollar numbers which are in integer multiple of 0.01 between (and including) x and y.

Each round, the payout is an independent draw from the following distribution:

- With 1/10 probability, the payout is a uniform draw from [0.01, 1.99].
- With 4/15 probability, the payout is a uniform draw from [2.00, 3.99].
- With the remaining 19/30 probability, the payout is a uniform draw from [4.00, 4.99].

## **Auction Comprehension Screen:**

The Auction comprehension screen is similar to that in Median, except it additionally contains three examples and three questions about how you earn money as a result of the outcome of the mechanism.

### **Traditional Description:**

### **FXAMPLES** Remember, you will submit a bid, and the system will randomly pick the bids of four other "bidders". Then: You will win the auction if you placed the *highest bid*. If you win, you will pay a price equal to the second highest bid. For details: (click to expand) • Note: If your bid *is tied* for the highest bid, you will win nothing and pay nothing. • Remember: The bids of the other four bidders are chosen at random, with each possible bid equally likely for each bidder. Remember: If you win, you will earn your payout, minus the price paid in the auction. Let's go through some more examples of auctions: • The other bidders may bid \$1.50, \$4.05, \$2.20, and \$3.70. If you bid \$4.70, then your bid is the highest, and the second highest bid is \$4.05. So you will win the auction, and pay a price of \$4.05. • The other bidders may bid \$4.80, \$2.50, \$4.10, and \$2.80. If you bid \$4.00, then your bid is not the highest, so you will not win the auction. • The other bidders may bid \$2.80, \$0.70, \$2.60, and \$3.50. If you bid \$3.75, then your bid is the highest, and the second highest bid is \$3.50. So you will win the auction, and pay a price of \$3.50. And let's go through a few examples of how you earn money: • If you win the auction when your payout is \$3.75, and you pay a price of \$4.75, then your extra earnings in the survey **decrease** by \$1.00. • If you win the auction when your payout is \$3.50, and you pay a price of \$2.00, then you will earn \$1.50. • If you do not win the auction, you earn nothing.

Note: The "For details" expandable closed by default.

QUESTIONS
To proceed, please answer the following questions about how the auction works and about how you earn money:
Questions about the auction:
<ul> <li>1. If you bid \$4.00, and the other players bid \$3.50, \$2.00, \$2.45, and \$3.10:</li> <li>Do you win the auction?</li> <li>Yes</li> <li>No</li> </ul>
If yes, what price do you pay? (If no, you may leave this blank) \$
<ul> <li>2. If you bid \$1.50, and the other players bid \$1.25, \$2.00, \$3.50, and \$2.50:</li> <li>Do you win the auction?</li> <li>Yes</li> <li>No</li> </ul>
If yes, what price do you pay? (If no, you may leave this blank) \$
<ul> <li>3. If you bid \$3.25, and the other players bid \$1.25, \$0.45, \$3.10, and \$3.05:</li> <li>Do you win the auction?</li> <li>Yes</li> <li>No</li> </ul>
If yes, what price do you pay? (If no, you may leave this blank) \$
Questions about how you earn money:

(For the questions about how you earn money, which are the same in both descriptions, see below.)

### **Menu Description:**

### EXAMPLES

Remember, you will submit a bid, and the system will randomly pick the bids of four other "bidders". Then:

Your "price to win" the auction will be set to the *highest bid* placed by the other bidders.

If your bid is higher than this "price to win", then you will win the auction and pay this price.

For details: (click to expand)

- Note: If your bid *equals* your "price to win", you will win nothing and pay nothing.
- Remember: The bids of the other four bidders are chosen at random, with each possible bid equally likely for each bidder.

**Remember:** If you win, you will earn your payout, **minus the price paid** in the auction.

### Let's go through some more examples of auctions:

- The other bidders may bid \$1.50, \$4.05, \$2.20, and \$3.70. Then your price to win the auction is \$4.05. If you bid \$4.70, then you will win the auction, and pay a price of \$4.05.
- The other bidders may bid \$4.80, \$2.50, \$4.10, and \$2.80. Then your price to win the auction is \$4.80. If you bid \$4.00, then you will not win the auction.
- The other bidders may bid \$2.80, \$0.70, \$2.60, and \$3.50. Then your price to win the auction is \$3.50. If you bid \$3.75, then you will win the auction, and pay a price of \$3.50.

### And let's go through a few examples of how you earn money:

- If you win the auction when your payout is \$3.75, and you pay a price of \$4.75, then your extra earnings in the survey **decrease** by \$1.00.
- If you win the auction when your payout is \$3.50, and you pay a price of \$2.00, then you will earn \$1.50.
- If you do not win the auction, you earn nothing.

Note: The "For details" expandable is closed by default.

QUESTIONS
To proceed, please answer the following questions about how the auction works and about how you earn money:
Questions about the auction:
<ul> <li>1. If you bid \$4.00, and the other players bid \$3.50, \$2.00, \$2.45, and \$3.10: What is your price to win the auction?</li> <li>\$</li> <li>Do you win the auction?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>2. If you bid \$1.50, and the other players bid \$1.25, \$2.00, \$4.25, and \$2.50: What is your price to win the auction?</li> <li>\$</li> <li>Do you win the auction?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>3. If you bid \$3.25, and the other players bid \$1.25, \$0.45, \$3.10, and \$3.05:</li> <li>What is your price to win the auction?</li> <li>Do you win the auction?</li> <li>Yes</li> <li>No</li> </ul>
Questions about how you earn money:

Questions about how you earn money:
<ul> <li>4. If you win the auction when your payout is \$3.00, and you pay a price of \$2.50:</li> <li>Will your earnings:</li> <li>Increase</li> <li>Descrease</li> </ul>
By how much?
<ul> <li>5. If you win the auction when your payout is \$3.75 and you pay a price of \$4.00:</li> <li>Will your earnings:</li> <li>Increase</li> <li>Descrease</li> </ul>
By how much?
6. If you win the auction when your payout is \$2.50 and you pay a price of \$4.50: Will your earnings: Increase Descrease
By how much?
Next

Participants are not prevented from advancing if they cannot answer the questions. Instead, the system will eventually tell them the answer. Here is an example of the behavior on the first question:



And after two more failed attempts:



This screen is displayed (in both descriptions) after all questions are correct:



## Median, Round:

Time left to complete this page: <b>0:18</b>
ROUND 2
Your money payout in this round is: <b>\$4.86</b>
Place your bid here:
\$
Remember, the system will randomly pick the bids of four other "bidders". Then:
You will win the auction if you placed the <i>highest bid</i> .
If you win, you will <i>pay a price</i> equal to the <i>second highest bid</i> .
► For examples and details: (click to expand)
<b>Remember:</b> If you win, you will earn your payout, <b>minus the price paid</b> in the auction.
Submit bid

The two treatments differ only in the "reminder" text at the bottom, in the same way as the practice screens. This statement holds true for the remainder of the screens for median, so going forward we omit it.

## Median, Round Results:

### **ROUND 3 SUMMARY**

### Your payout this round was \$4.50

Round Summary:

	You	Other bid #1	Other bid #2	Other bid #3	Other bid #4
Bid	\$4.50	\$2.92	\$2.43	\$3.22	\$3.67

You **won** this auction. You paid a price of \$3.67.

You earn **\$0.83** this round.

Note: Your total extra earnings so far in the survey are: **\$0.83**.

Remember, in each round, the system will randomly pick the bids of four other "bidders". Then:

You will win the auction if you placed the *highest bid*. If you win, you will *pay a price* equal to the *second highest bid*.

For examples and details: (click to expand)

**Remember:** If you win, you will earn your payout, **minus the price paid** in the auction.



## Median, Round result (if vote not submitted in time):

### **ROUND 1 SUMMARY**

You did not bid in time, so you earn nothing this round.

To bid, enter your three digit bid in the format "\$0.00". Then click "Submit bid".

Remember, in each round, the system will randomly pick the bids of four other "bidders". Then:

You will win the auction if you placed the *highest bid*. If you win, you will *pay a price* equal to the *second highest bid*.

For examples and details: (click to expand)
Remember: If you win, you will earn your payout, minus the price paid in the auction.

Next Round

If you lose money in some round, you see:

You **won** this auction. You paid a price of \$4.99. Your total earnings **decrease** by \$0.96 this round.

If your accumulated extra earnings drop below zero, you see:

You **won** this auction. You paid a price of \$4.49. Your total earnings **decrease** by \$2.29 this round.

Note: Your total extra earnings so far in the survey are: **-\$2.29**. Your current extra earnings are negative. But remember: if you complete this survey, you will always earn at least **\$2.00**.

# **Final Questions**

Questions
Your total extra earnings in the two tasks were \$0.00. After you complete a short set of additional questions, you'll receive these earnings on top of a completion reward of \$2.00 for a grand total of <b>\$2.00</b> .
What is your year of birth?
What is your gender?
v
What is your race/ethnicity?
<b>v</b>
What is the highest level of education you have completed?
O Middle School or less
Some high school
High school diploma
GED (HS Equivalent)
Some college, but did not rinish     The wave college degree (Associate degree (A A (A C))
Two years college degree / Associate degree / A.A. / A.S.     Foursyears college degree / B.A. / B.S.
Some graduate school
Master's degree (MA / MS / MBA / MEA / MDiv)
Advanced degree (PhD / MD / JD)

If you selected "four-year degree" or higher: During your educational career, which of the following best describes your primary focus?
○ Humanities
○ Social Sciences
Natural Sciences or Math
Applied Science or Engineering
○ None
Which of the following best describes your main activity or your employment status?
O Working
○ Unemployed
○ Retired
Stay-at-home parent
○ Student
O Other
A mattress sells for \$200, it is now offered for 50% off today. How much does it cost today?
\$
Imagine you flip three separate coins. What are the chances that they all come up heads?
Suppose you make \$10 each day. How many days does it take you to earn at least \$75? (Please enter a whole number of days.)
If a cube-shaped tub can hold 27 cubic feet of water, how many feet is each side of the tub?
Next

Recal	ll the first task, where you voted in <i>elections</i> .
Reme	ember, this is how voting worked:
Th	e three votes were sorted from the lowest to the highest, and the <i>middle vote</i> out of the
thi	ree was elected.
Fore	example: (click to expand)
1. Tl	his task involved a lot of different concepts ("electing numbers", "voting", "earnings", etc.). Were
yo	ou confused by anything during this task?
1. Tl	his task involved a lot of different concepts ("electing numbers", "voting", "earnings", etc.). Were
yc	ou confused by anything during this task?
1. Tl	his task involved a lot of different concepts ("electing numbers", "voting", "earnings", etc.). Were
yc	ou confused by anything during this task?
2. H	ow did you typically decide which number to vote for?

in in roome nember b ode of ro, you received the rowowing carmings tables
---

Number	1	2	3	4	5			
Money you earn if this number is elected	27¢	43¢	17¢	6¢	2¢			
′our ideal number (where yo ′ou voted for number 5.	our earni	ings were	e the high	nest) w	as 2.	3		
What factors did you consi	ider whe	n choosi	na this y		idei wa	۵.		
[Check all that apply]		ii choosi		0				
🗆 The influence your vote	e could ha	ave on ot	her citize	ens' vot	es			
□ The location of your ide	eal numb	ег						
The amount of earnings	s in your	table						
$\Box$ The likely votes of the o	other citi	zens			٦			
Other (please specify:					)			
🗆 None (chosen randomly	y or arbit	rarily)						
How well do you think you u Not well at all Slightly well Moderately well	understo	od the el	ection pr	ocess?				
🔵 Very well								
Extremely well								
How well do you think you u <b>survey</b> ?	understo	od the el	ection <b>co</b>	mpare	d to otl	er partici	pants ta	aking t
I understood much wors	e than ot	hers						
I understood slightly wor	rse than	others						
I understood about the s	same as c	others						
I understood slightly bet	tter than	others						
I understood much bette	er than ol	thers						
			Next					

The round displayed in question 4 above is the round with the largest difference between the payoff under the participant's chosen strategy and under the straightforward strategy.

	Questions
ecall the first task	, where you bid in an <i>auction</i> .
emember, this is h	ow the auction worked:
You will win If you win, ye	the auction if you placed the <i>highest bid.</i> ou will <i>pay a price</i> equal to the <i>second highest bid.</i>
For example and detai	ls: (click to expand)
2. How did you typ	ically decide how much to bid?
3. Do you have any	advice to a future participant who might participate in the auctions in this survey?

	You	Other bid #1	Other bid #2	Other bid #3	Other bid #4
id	\$5.00	\$0.81	\$0.61	\$2.20	\$0.25
	<b>n</b> this aucl id a price c	tion. of \$2.20.			
	at factors eck all that a	did you con: apply]	sider when o	choosing yo	ur bid?
	The likely	bids of the	other bidde	ers	
]	Your own	payoff	ط مميناط اممين		iddooo' bida
_	) Your char	nces of winn	ing the aucl	tion	
	The influe	ence your bi	d could hav	e on the pri	ce you pay
C	] Other (pl	ease specify	<i>r</i> :	· ·	5 1 5
			alv ac achite	o cilu d	
0	) None (chơ w did you c uld you ch	osen randor decide how i ange your b	much to bid id if you cou	in this roun Ild?	ıd?
Hov Wo / W Not Slig Mod /er	None (cho w did you c uld you ch c well at all htly well derately w y well remely we	bsen randor decide how ange your b think you ur ell ll	nuch to bid id if you cou	in this roun uld? he way the a	auction wor
How Wo V W Not Slig Mod /er Ext	None (cho w did you c uld you ch ell do you : well at all htly well derately w y well remely we ell do you <b>this surve</b>	bsen randor decide how i ange your b think you ur ell ll think you ur	nuch to bid id if you cou nderstood ti	in this roun uld? he way the a	auction wor
How Wo Not Slig Mod Ver Ext v w ing	None (cho w did you c uld you cho ell do you : well at all htly well derately we y well remely we ell do you <b>this surve</b> derstood o	bsen randor decide how r ange your b think you ur ell think you ur <b>ey</b> ? much worse	nuch to bid id if you cou nderstood ti nderstood ti than others	in this roun uld? he way the a he way the a	auction wor
How Wo Not Slig Mod Ver Ext www king I un I un	None (cho w did you c uld you ch ell do you : well at all htly well derately w y well remely we ell do you <b>this surve</b> derstood a derstood a	bsen randor decide how i ange your b think you ur ell think you ur <b>ey</b> ? much worse slightly wors	nuch to bid id if you cou nderstood ti than others se than others	in this roun uld? he way the a he way the a sers rs	auction wor
<pre>&gt; Hov Wo ow W ) Not ) Slig ) Mod ) Ver ) Ext ow W sking ) I un ) I un ) I un</pre>	None (cho w did you c uld you cho ell do you well at all htly well derately we y well remely we ell do you <b>this surve</b> derstood s derstood s	ell think you ur ell think you ur ell think you ur y? much worse slightly wors	nuch to bid id if you cou nderstood th than others se than other er than other	in this roun uld? he way the a he way the a s ers ers ers	auction wor

The round displayed in question 4 above is the round with the largest difference between the payoff under the participant's chosen strategy and under the straightforward strategy.