

SUPPLEMENTARY MATERIAL

“Colour-coded decisions: an experiment on case-based decision theory” by Benjamin Radoc

This document contains supplementary materials for the pen-and-paper experiment conducted for the study “Colour-coded decisions: an experiment on case-based decision theory.” The contents include:

1. Instructions for Part 1 of the experiment
2. Instructions for Part 2 of the experiment
3. Decision Form used in Part 2
4. Post-Experiment Questionnaire
5. Consent Form

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Instructions (Part 1)

Welcome to today's experiment on decision-making. Today's session will begin shortly. Before we start, I have a few friendly reminders. First, to help us keep the lab neat and tidy, we ask that you do not eat or drink in the lab. Also, we ask that you turn off completely your mobile phones and other devices, as they may not be used during today's session. Please refrain from talking to other participants during the experiment. Finally, in the event that you should need to use the toilet during today's session, you will of course be permitted to do so, but it will delay the session while we wait for you. You may wish to take advantage of this opportunity to visit the toilets which are located down the corridor on the left.

A copy of the instructions is on your desk. Please follow along as I read through the instructions. If you have a question, please raise your hand and I will come and answer it privately.

On your desk is a consent form. Please read the form and sign it now.

In this experiment, you will make a decision that involves coloured tickets and this bingo cage. A coloured ticket entitles you to a draw from this bingo cage which contains balls with amounts of money written on them. The bingo cage contains 100 balls. Each of the 100 balls has either £0 or £20 written on it. You will not know how many balls of each kind there are.

Each of you will earn £2 for participating in today's session. You will have the opportunity to earn an additional amount of money which will depend on a decision you will make and on chance. You will receive your earnings before you leave today.

I will now describe the tasks within the experiment.

This experiment has two parts. Part 1 consists of 10 rounds, while Part 2 has one round. Your earnings will depend on the outcome of your decision in Part 2.

In Part 1, the 10 rounds are samples that will familiarize you with the bingo cage and will give you an idea of the possibility of drawing a ball marked £20.

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At the start of each round, I will pick one envelope from a bag. Each envelope contains either a set of blue tickets or a set of yellow tickets, one ticket for each of you. The colour of the tickets will determine whether we are playing a Blue Round or a Yellow Round. I will then distribute the tickets. Pictures of the sample tickets are shown below.

SAMPLE **Ticket for Blue Round**
This entitles me to play a draw for a chance to earn £20

Please fill in before the draw:
I am playing Round Number ____
I think the chance of drawing a £20 ball in this round is

○ — ○ — ○ — ○ — ○ — ○ — ○ — ○ — ○ — ○
very low very high

Please fill in after the draw:
If I owned this ticket, my earnings would be £ ____.

SAMPLE **Ticket for Yellow Round**
This entitles me to play a draw for a chance to earn £20

Please fill in before the draw:
I am playing Round Number ____
I think the chance of drawing a £20 ball in this round is

○ — ○ — ○ — ○ — ○ — ○ — ○ — ○ — ○ — ○
very low very high

Please fill in after the draw:
If I owned this ticket, my earnings would be £ ____.

Once you have your ticket, you will write down the round number and what you think is the chance that a £20 ball will be drawn in that round.

I will then draw a ball from the bingo cage. I will rotate the bingo cage, draw one ball, and show the amount written on the ball. If the ball drawn has £20 on it, your ticket will be worth £20. If the ball drawn has £0 on it, your ticket will be worth £0.

At the bottom of your ticket is a sentence that reads: “If I owned this ticket, my earnings would be £ ____.” After the draw, you will record in the blank the outcome of the draw.

On your desk are two coloured boxes. If your ticket is blue, you will drop it in the blue box; if it is yellow, you will drop it in the yellow box. I will then put the ball back in the bingo cage. Therefore, the number of £20 and £0 balls remains unchanged for every draw.

In Part 2 of the experiment, you will be given ownership of either a blue or a yellow ticket, just like the sample tickets. Your ticket will entitle you to one draw from the bingo cage. This draw will be conducted in the same manner as in Part 1 using the same bingo cage. I will describe Part 2 in more detail after we complete Part 1.

Before we begin Part 1, are there any questions?

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Instructions (Part 2)

We have now completed Part 1. I will now describe the task in Part 2.

In Part 2 of the experiment, you will be given ownership of either a blue or a yellow ticket, just like the sample tickets. Your ticket will entitle you to one draw from the bingo cage. This draw will be conducted in the same manner as in Part 1 using the same bingo cage.

Part 2 has one round where each of you will come forward for an individual draw from the bingo cage. Before the draw is made, you will have the opportunity to exchange your ticket for an amount of money. I will now describe this opportunity.

Each of you will now pick an envelope from this bag. Leave the envelope on your desk and open it only when I tell you to do so.

You may now open your envelope. Your envelope contains your coloured ticket and your decision form. Now write on your ticket what you think is the chance that when you come forward, you will draw a £20 ball.

Your ticket gives you the chance to earn money either by keeping your ticket and receiving the amount from your draw or exchanging your ticket for an amount of money.

Now, look at your decision form. At the top right of your decision form is a space for your participant number. Your participant number is the station number where you are seated. Please fill in the space now. Fill in the rest of the form only when I tell you to do so.

I am going to offer a price in exchange for your ticket. Here is a bag containing 35 envelopes. Each envelope contains one of 35 possible prices ranging from 20p to £20. Each price is listed on your decision form. I will now ask one of you to draw one envelope.

I will now post the envelope on the board. I will open it only after everyone has completed the decision form. The price in the envelope will be the price I will offer which we will call offer price.

Now, look at your decision form. You now have the opportunity to exchange your ticket for the offer price posted on the board. Listed on the decision form are possible offer prices that may be in the envelope. Think of each price individually and carefully consider whether you prefer to keep your ticket and receive the amount from your draw or you prefer to exchange your ticket and receive the offer price. At each price, you will tick the appropriate box to indicate which you prefer.

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I will collect your decision form when you have completed filling it in. When I have collected everyone’s decision form, I will open the envelope posted on the board to reveal the offer price. If at that price, you indicated that you preferred to exchange your ticket, you will receive the offer price. If at that price, you indicated that you preferred to keep your ticket, you will be entitled to the earnings from your draw.

You will each come forward for an individual draw. Here is how we will conduct your individual draw. When I announce your participant number, you will come forward for your individual draw. I will draw a ball for you in the same manner as in Part 1 using the same bingo cage. You will then record the outcome of the draw on your ticket.

If you decided to keep your ticket at the offer price, your earnings will be the outcome of your draw plus your participation fee. If you decided to exchange your ticket at the offer price, your earnings will be the offer price plus your participation fee.

After your individual draw, I will fill in the bottom part of your form, and I will hand you a receipt form. Fill in the receipt form but sign it only after you are actually paid.

Before we begin Part 2, are there any questions?

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Participant No. _____

Decision Form

You have the opportunity to exchange your ticket for the amount of money in the envelope posted on the board. Below is a list of possible offer prices that may be in the envelope. Think of each price individually and carefully consider whether you prefer to keep your ticket and receive the amount from your draw or you prefer to exchange your ticket and receive the offer price. At each price, tick the appropriate box to indicate which you prefer.

If the price offered is 20p	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for 20p
If the price offered is 40p	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for 40p
If the price offered is 60p	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for 60p
If the price offered is 80p	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for 80p
If the price offered is £1.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £1.00
If the price offered is £1.20	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £1.20
If the price offered is £1.40	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £1.40
If the price offered is £1.60	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £1.60
If the price offered is £1.80	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £1.80
If the price offered is £2.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £2.00
If the price offered is £2.20	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £2.20
If the price offered is £2.40	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £2.40
If the price offered is £2.60	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £2.60
If the price offered is £2.80	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £2.80
If the price offered is £3.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £3.00
If the price offered is £3.50	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £3.50
If the price offered is £4.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £4.00
If the price offered is £4.50	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £4.50
If the price offered is £5.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £5.00
If the price offered is £5.50	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £5.50
If the price offered is £6.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £6.00
If the price offered is £6.50	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £6.50
If the price offered is £7.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £7.00
If the price offered is £7.50	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £7.50
If the price offered is £8.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £8.00

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If the price offered is £8.50	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £8.50
If the price offered is £9.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £9.00
If the price offered is £10.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £10.00
If the price offered is £11.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £11.00
If the price offered is £12.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £12.00
If the price offered is £13.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £13.00
If the price offered is £14.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £14.00
If the price offered is £16.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £16.00
If the price offered is £18.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £18.00
If the price offered is £20.00	<input type="checkbox"/> I will keep my ticket	<input type="checkbox"/> I will exchange my ticket for £20.00

TO BE FILLED IN BY THE EXPERIMENTER

	Earnings
<p>The offer price was £_____. At this price, you</p> <p><input type="radio"/> kept your ticket.</p> <p><input type="radio"/> exchanged your ticket for the offer price.</p> <p><i>(If you exchanged your ticket for the offer price, write the offer price on the second column. Otherwise, leave it blank.)</i></p>	£
<p>The outcome of your individual draw was £_____.</p> <p><i>(If you kept your ticket, write the outcome of your individual draw on the second column. If you exchanged your ticket for the offer price, leave it blank.)</i></p>	£
Participation Fee	£ 2
Total	£

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Post-Experiment Questionnaire

Thank you for participating in this experiment. Please provide all the information asked for below.

- 1) Sex
 - Female
 - Male
- 2) Year of birth _____
- 3) Country of birth _____
- 4) Country where you grew up _____
- 5) Language you primarily speak _____

- 6) In what School and degree program (*for example: BSc Economics*) are you registered in?
 - Faculty of Arts & Humanities: _____
 - Faculty of Medicine & Health Sciences: _____
 - Faculty of Science: _____
 - Faculty of Social Sciences: _____
 - INTO University of East Anglia: _____
 - UEA London: _____
 - Others (please specify): _____
- 7) Do you have a scholarship?
 - Yes
 - No
- 8) Are you currently employed?
 - Yes. *Please go to question 9*
 - No. *Please go to question 10*
- 9) How many hours do you normally work in a week?
 - Less than 20 hours
 - 20 to 30 hours
 - More than 30 hours

- 10) Did you engage in any betting or gambling activity in the past 6 months? (example: lottery, bingo, poker, card games, football gambling, horse-racing, etc.)
 - Yes. *Please go to question 11*
 - No. *Please go to question 12*
- 11) How many times did you engage in at least one of these activities in the past 6 months?
 - Once
 - 2 to 5 times
 - 6 to 10 times
 - More than 10 times

- 12) Are you interested in investing in financial markets? (example: stocks, government or corporate bonds, money market instruments, etc.)
 - Yes
 - No
- 13) Do you currently invest in financial markets?
 - Yes
 - No

- 14) What is your favourite colour? _____

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Consent Form

I declare to have volunteered to participate in this experiment. I understand that the reports of this experiment will not identify me, and that my participation in the experiment will not affect my academic standing at the University.

Participant:

Signature:

Date:

To be completed by the experimenter:

Experiment: Decision Making Experiment

Session: