



TIBER 2023 Symposium  
on  
Psychology and Economics

August 25<sup>th</sup> 2023, Tilburg University

This program is available on our [website](#)

When tweeting about TIBER 2023, please use **#TIBER2023**

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## PRACTICAL INFORMATION

### Symposium Venue

This year's TIBER Symposium takes place in the Dante building (location D on the map). Please follow signs to the rooms for the plenary and parallel sessions. The Tilburg University campus can be reached from the city center by train or by bus. For one-time visitors, the former is probably the cheaper option, as single bus tickets are relatively expensive. When taking the train, you need to get off at Tilburg Universiteit train station. You can check your itinerary at [www.ns.nl](http://www.ns.nl).

### Oral Presentations

Presenters are kindly requested to load their presentation on the PC before the start of the session. Each presentation slot is 25 minutes, including time for questions and discussion. Therefore, we suggest that you present for at most 20 minutes and leave 5 minutes for discussion. Session chairs (indicated in the schedule) can use the signs on the last pages of this booklet to signal the amount of time left to presenters. Session chairs also shortly introduce the session and the speakers (name and title of presentation suffices).

### Poster Presentations

The poster session takes place during the lunch break.

### Luggage Room

We will have a room available for storing participants' luggage. If you wish to make use of this opportunity, please inform one of us at the registration desk and he/she will accompany you to this room.

### Conference Dinner

The conference dinner will be at the Faculty Club (location F on the map), approximately 10 minutes away by foot.

### Smoke-Free Campus

Please be aware that Tilburg University has a smoke-free campus. If you want to light up a cigarette, please cross the parking lot next to the Cobbenhagen building to leave the university premises.

### Contact

In case you need to contact us on the day of the conference, you can call/whatsapp:

- Jierui Yang      +31 6 29223011
- Yi Sheng        +31 6 44858171



## ROOM INFORMATION

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10.30 - 12.10	SESSION 1	
14.20 - 15.35	SESSION 5	ROOM DZ 3
15.55 - 17.10	SESSION 9	
10.30 - 12.10	SESSION 2	
14.20 - 15.35	SESSION 6	ROOM DZ 4
15.55 - 17.10	SESSION 10	
10.30 - 12.10	SESSION 3	
14.20 - 15.35	SESSION 7	ROOM DZ 5
15.55 - 17.10	SESSION 11	
10.30 - 12.10	SESSION 4	
14.20 - 15.35	SESSION 8	ROOM DZ 6
15.55 - 17.10	SESSION 12	

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9.20 - 10.20	KEYNOTE	ROOM DZ 2
17.30 - 18.30	SESSION	

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## SCHEDULE

**8.30 - 9.10**

**Registration / Coffee & tea**

**9.10 - 9.20**

**Opening**

**9.20 - 10.20**

**Peter Wakker**

The Prettiest Axiomatization of Discounted Expected Utility, the Deceptive Beauty of Monotonicity, and the Million-Dollar Question: Row-First or Column-First?

**10.30 - 12.10**

**Parallel Sessions 1-4**

**SESSION 1**

10.30 - 10.55

*Duangrat Prajaksilpchai*

**EMOTIONS AND BELIEFS– Chair: Adam Zylbersztein**

Motivated Belief and Anxiety in the Financial Domain

10.55 - 11.20

*Roeland Heerema*

Mood fluctuations shift cost-benefit trade-offs: a theoretical model and empirical validation

11.20 - 11.45

*Erita Narhetali*

“The Smile That Got Away”: Tracing overconfidence from marathon runner’s face at the finish line

11.45 - 12.10

*Adam Zylbersztein*

Trading and Cognition in Asset Markets: An Eye-tracking Experiment

**SESSION 2**

10.30 - 10.55

*Federico Atzori*

**SOCIAL NORM AND MORALS – Chair: Jona Krutaj**

Pay taxes only if others do so? Experimental evidence on the role of social norms in tax evasion

10.55 - 11.20

*Sorravich Kingsuwankul*

Why do oaths work? Image concerns and credibility in promise keeping

11.20 - 11.45

*Jona Krutaj*

The power of leadership in changing social norms

11.45 - 12.10

**SESSION 3**

10.30 - 10.55

*Qiong Xia*

**RISK, UNCERTAINTY AND AMBIGUITY– Chair: Eli Spiegelman**

Trusting Human vs. Machine Predictions as a Decision under Ambiguity

10.55 - 11.20

*Sara Arts*

Choice (in)consistency and real-life economic outcomes

11.20 - 11.45

*Eli Spiegelman*

Once bitten: Memory of recent disappointment affects ambiguity, but not risk preferences in independent lotteries

11.45 - 12.10

**SESSION 4**

10.30 - 10.55

*Matteo Migheli*

**RATIONALITY AND COGNITION– Chair: Sota Ichiba**

Instinctiveness and Reflexivity in Behavioural Type Variability

10.55 - 11.20

*Julia Nolte*

Age-Related Differences in Avoidant Decision Making

11.20 - 11.45

*Sota Ichiba*

Optimal Decision Time

11.45 - 12.10

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**12.10 - 13.00**

**Lunch**

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**13.00 - 14.20**

**Poster Session**

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**14.20 - 15.35**

**Parallel Sessions 5-8**

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*SESSION 5*

14.20 - 14.45

*Ajay*

**DISCRIMINATION – Chair: Steven Bosworth**

Uncovering Caste Bias in College Grades: A Quasi-Experimental Study

14.45 - 15.10

*Bastian Jaeger*

Why do some types of hiring discrimination go undetected?

15.10 - 15.35

*Steven Bosworth*

When Matthew met Larry: Prestige and discrimination in academia

*SESSION 6*

14.20 - 14.45

*Sahar Sangi*

**OTHER-REGARDING PREFERENCES – Chair: Arjun Sengupta**

Willingness to compete in a dirty competition

14.45 - 15.10

*Eduard Ponds*

Social preferences in pensions

15.10 - 15.35

*Arjun Sengupta*

Promise keeping and reliance damage

*SESSION 7*

14.20 - 14.45

*Eva Spantidaki-Kyriazi*

**PERSONALITY TRAITS – Chair: Monique Pollmann**

How Narcissism affects Matching and Performance in Games

14.45 - 15.10

*Jan Stoop*

Mind the gaps: Race, gender, psychological traits and income in the US

15.10 - 15.35

*Monique Pollmann*

Let's Talk About Money: The Role of Attachment Styles in Couples' Financial Communication, Financial Management, and Financial Conflict

*SESSION 8*

14.20 - 14.45

*Arthur E. Attema*

**REFERENCE-DEPENDENT PREFERENCES – Chair: Dale Griffin**

Reference-dependent discounting for health and money

14.45 - 15.10

*Dale Griffin*

Is loss aversion limited to choice?

15.10 - 15.35

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**15.35 - 15.55**

**Coffee & tea**

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**15.55 - 17.10****Parallel Sessions 9-12**

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**SESSION 9**

15.55-16.20

*Victor Gonzalez-Jimenez***BIAS – Chair: Begum Celiktutan**

Poverty and Uncertainty Attitudes

16.20-16.45

*Tatiana Sokolova*

The Dates-and-Hours Framing Effect in Temporal Evaluations

16.45-17.10

*Begum Celiktutan*

The Below-Average Effect in Purchasing: Why Consumers Think They Buy Products Less Than Other Consumers Do

**SESSION 10**

15.55-16.20

*Anita Kopányi-Peuker***GAMES – Chair: Jierui Yang**

Bank choice, bank runs, and coordination in the presence of two banks

16.20-16.45

*Till Wicker*

Threshold Public Goods Games with Temporal Dynamics

16.45-17.10

*Jierui Yang*

Coordination game and wage structure

**SESSION 11**

15.55-16.20

*Robin Aarts***COMMUNICATION – Chair: Yi Sheng**

The demand for (useless) communication

16.20-16.45

*Jantsje Mol*

An experimental test of risk perceptions under a new hurricane classification system

16.45-17.10

*Yi Sheng*

Help to signal

**SESSION 12**

15.55-16.20

*Andrzej Baranski***BEHAVIOR IN GROUP – Chair: Fidel Petros**

Competing for proposal rights: Theory and Experimental Evidence

16.20-16.45

*Arno Appfelstaedt*

Group Image Concerns

16.45-17.10

*Fidel Petros*

The Role of Overconfidence in Teamwork: Experimental Evidence

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**17.10 - 17.30****Coffee & tea**

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**17.30 - 18.30****Samantha Joel**We're not that choosy: Emerging evidence of a progression bias in romantic relationships

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**19.00 - 22.00***Faculty club***Optional: Conference Dinner (for those who registered)**

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## KEYNOTE SPEAKERS

**09:20-10:20**

Speaker: Peter Wakker – Erasmus University Rotterdam

**The Prettiest Axiomatization of Discounted Expected Utility, the Deceptive Beauty of Monotonicity, and the Million-Dollar Question: Row-First or Column-First?**

Using a century-old theorem from macro-economics by Nataf, we obtain a paradox for modern behavioral (psychological!) approaches with two or more components (risk & time; risk & welfare; etc.): giving up the separability of classical models (to capture: certainty effect; present bias; inequality aversion; etc.) necessitates giving up at least one basic monotonicity (stochastic dominance; Pareto optimality; etc.).

Dilemma: which monotonicity to give up? Many seemingly unrelated debates in different fields all amount to this same dilemma (ex-ante versus ex-post fairness; incentive compatibility of random incentives; hedging in ambiguity measurements; equity in Harsanyi's veil of ignorance; monotonicity in Anscombe-Aumann's ambiguity framework). We provide clarifications, diagnoses, and remedies. Nataf's century-old theorem from macro-economics shows modern psychologists how to do experiments!

**17:30-18:30**

Speaker: Samantha Joel – University of Western Ontario

**We're not that choosy: Emerging evidence of a progression bias in romantic relationships**

Dating is widely thought of as a test phase for romantic relationships, during which new romantic partners carefully evaluate each other for long-term fit. However, this cultural narrative assumes that people are well-equipped to reject partners who are not a good fit. In this talk, I will argue that humans have a pervasive bias toward pro-relationship decisions: decisions that favor the initiation, advancement, and maintenance of romantic relationships. I'll review evidence for a progression bias in the context of relationship initiation, investment, and breakup decisions. I'll also briefly consider possible theoretical underpinnings—both evolutionary and cultural—that may explain why getting into a relationship is often easier than getting out of one, and why being in a less desirable relationship is often preferred over being in no relationship at all.



## PARALLEL SESSIONS

### 10.30 – 12.10: Parallel Session 1: Emotions and beliefs

10.30-10.55

Speaker: Duangrat Prajaksilphai  
Tilburg University

#### **Motivated Belief and Anxiety in the Financial Domain**

To cope with negative affect from potential unfavorable financial outcomes, people may develop motivated beliefs, e.g., inaccurate yet reassuring beliefs, about their financial circumstances. This study investigates the influence of anxiety on belief formation in a laboratory setting. To induce anxiety, participants in one group are subjected to financial stress while participants in the other group are not. The study examines whether there exists a significant difference in belief updating behavior, specifically in terms of responsiveness to information conveying positive and negative news, between participants in the two groups. The results indicate that individuals under financial stress group update beliefs in response to good news significantly less compared to the other group, displaying a negativity bias. However, within the stress-exposed group, an analysis of individual differences suggests that individuals reporting a greater increase in anxiety demonstrate a significantly higher responsiveness to positive news compared to those reporting a smaller increase in anxiety. Hence, these findings suggest that the level of anxiety can potentially influence one's behavior in updating beliefs.

10.55-11.20

Speaker: Roeland Heerema  
University college of London  
Co-author(s): Pablo Carrillo, Jean Daunizeau, Fabien Vinckier, Mathias Pessiglione

#### **Mood fluctuations shift cost-benefit trade-offs: a theoretical model and empirical validation**

Incidental mood effects on decision-making are known phenomena that affect large-scale economic choice behaviour (as observed with enhanced stock market returns and lottery purchases when the weather is nice or after a victory of the national sports team). Although such behaviour is irrational from an economic point of view, we examined whether it could be considered adaptive by taking an evolutionary perspective. In a theoretical account, we simulated the behaviour of a simple agent (representing our hunter-gatherer ancestor) that adjusts its propensity to forage (i.e., to take risks, spend time, and make efforts to get rewards) in accordance to its current mood. Mood, in turn, is a reflection of learned reward and cost statistics of the environment. Simulations show that the effect of mood on decisions is adaptive if there are autocorrelations in the environment, as is the case with seasonal fluctuations. In the choice model, the effect of mood is captured by a bias added to the value of costly options. We validated the existence of this mood-related choice bias in a lab study ( $n = 102$ ), which used an established mood induction paradigm combined with independent economic choices involving cost-benefit tradeoffs. We found that during episodes of positive mood (relative to negative mood), choices were indeed biased towards rewarded but costly options, irrespective of the cost type (risk, delay or effort). This choice bias is therefore automatically applied even when not adaptive, allowing mood to affect many sorts of unrelated decisions and therefore generate irrational behaviours

11.20 - 11.45

Speaker: Erita Narhetali  
 University of Warsaw  
 Co-author(s): Michał Krawczyk, Joanna Tyrowicz

**“The Smile That Got Away”: Tracing overconfidence from marathon runner’s face at the finish line**

The Decision-Affect Theory posits that unexpected outcomes intensify the pleasure or pain we experience. However, whether these feelings manifest as smiles or frowns remains a contentious topic among emotion researchers. The concept of "synchronization" between experiences and emotions is supported by the argument for the universality of basic emotions [Cordaro et al., 2020, Cowen et al., 2021], but this view has been challenged due to theoretical and methodological shortcomings [Durán and Fernández-Dols, 2021, Kollareth et al., 2022, Barrett, 2021, Lindquist et al., 2022]. Our research reveals that introducing a biased decision-making context, such as overconfidence, results in a robust co-occurrence of emotions and experiences. In the context of a marathon run, we identified two prominent facial configurations at the finish line, each encompassing more action units than the predicted basic emotion configurations. Further, our assessments of overconfidence's role in diminishing smile intensity yielded significant results. These discoveries imply that non-basic emotion configurations capture a wider scope of emotional perception, especially in real-world settings. Furthermore, models employing the emotion-production framework might enhance the precision of studies in both emotion-production and perception. Our findings could help to advance a more nuanced understanding of the relationship between biased decision-making, emotional processes, and facial configurations.

11.45-12.10

Speaker: Adam Zylbersztejn  
 GATE Lyon Saint-Étienne  
 Co-author(s): Camille Cornand, Maria Erazo,

**Trading and Cognition in Asset Markets: An Eye-tracking Experiment**

Expectations are critical for asset price dynamics. To formalize the expectation-formation process in an internally consistent manner, standard economic theory posits that agents form Rational Expectations (RE). Although appealing from the theoretical perspective, this approach has found little support in experimental evidence (see Arifovic and Duffy, 2018, for a survey). The failure of RE has led to the development of a variety of expectation-formation heuristics as a descriptive attempt to rationalize behavioral data. Relying on DeLong et al. (1990), Haruvy and Noussair (2006) classify traders according to three types – feedback, passive and speculators – in an asset market experiment studying the effect of short sales on both the incidence and magnitude of market bubbles. These three trader types apply strategies requiring different sources of information: either past, present or future market outcomes. We use an experimental asset market with eye-tracker measurements to explore the cognitive underpinnings of this classic behavioral taxonomy. We are interested in assessing the degree of consistency between the observed behavior and the patterns of attention and information acquisition. We find limited support for the existence of a relationship between trading strategies and the patterns of attention and information acquisition. In line with our initial hypothesis, speculators base their decisions on the incoming information about market expectations. Notwithstanding the two other hypotheses we formulated, feedback traders reveal patterns of attention and information acquisition that could ex ante be expected from passive traders, and vice versa.

10.30-10.55

Speaker: Federico Atzori  
University of Cagliari

**Pay taxes only if others do so? Experimental evidence on the role of social norms in tax evasion**

Understanding the factors influencing people's actions in this area is crucial because tax compliance is a crucial issue for governments everywhere. Through a laboratory experiment run at TiSEM CentERlab we explore how social norms influence tax compliance behavior. We examine the effects of positive and negative empirical and normative expectations using the opinion-matching approach for measurement, drawing on Cristina Bicchieri's social norms framework. According to our research, normative expectations—as opposed to actual actions—are what most strongly impact people's behavior.

Surprisingly, positive empirical messages may have the opposite impact, resulting in worse tax compliance. Furthering our understanding of the causes of tax evasion, we also include a test to assess participants' propensity to adhere to norms. Through this study, we present new viewpoints on the subject of tax compliance while reiterating some established conclusions from the body of prior research. We also incorporate a task to evaluate adherence to social norms and gain deeper insight into the motivations behind tax evasion, finding that it improves the predictiveness of the model. In contrast, the risk attitude assessment tasks are not predictive.

10.55-11.20

Speaker: Sorravich Kingsuwankul  
Vrije Universiteit Amsterdam  
Co-author(s): Chloe Tergiman, Marie Claire Villeval

**Why do oaths work? Image concerns and credibility in promise keeping**

We use a laboratory experiment to understand the channels through which honesty oaths can affect behavior and credibility. Using a game with asymmetric information in a financial market setting that captures some important features of advisor-investor interactions, we manipulate the common knowledge of the promise and investigate three non-pecuniary costs of breaking an oath: co-player image costs, audience-image costs, and self-image costs. For investors oaths are neither sufficient nor necessary to generate trust: ultimately investors rely on their experience. We link laboratory results to a survey we conducted in the Netherlands where oaths are required in the banking sector.

11.20-11.45

11.45-12.10

Speaker: Jona Krutaj  
GATE Lyon Saint-Étienne  
Co-author(s): Fabio Galeotti, Marie Claire Villeval

### **The power of leadership in changing social norms**

We investigate whether a leader can trigger or impede the change in social norms when the leader's interests are misaligned with the incentives of the society. Additionally, we examine whether the leaders' impact on the speed of transitioning to the new norm depends on their leadership style: democratic or dirigiste. We focus on the dynamic setting introduced by Andreoni et al. 2021 in which a norm that was beneficial for the society becomes detrimental over time. In a laboratory experiment, we introduced Progressive leaders in Conservative societies and Conservative leaders in Progressive societies. Whereas norms are sticky in the absence of a leader, we found that both types of leaders were equally successful in moving the society to a more efficient norm. In addition, we observed that normative change happened slower (resp. faster) in the Conservative societies than in the Progressive societies in presence of a democratic (resp. dirigiste) leader.

10.30-10.55

Speaker: Qiong Xia

Insead

Co-author(s): Ahmed Guecioueur, Enrico Diecidue

### Trusting Human vs. Machine Predictions as a Decision under Ambiguity

We study the effect of ambiguity attitudes on decision-makers' (DMs') choices of whether to trust human equity analysts or machine learning (ML) analysts. We measure DMs' ambiguity aversion and ambiguity-generated insensitivity (a-insensitivity) regarding the accuracy rates of human and ML analysts. We also investigate the impact of familiarity, knowledge and financial literacy on a-insensitivity. Our results try to answer that higher financial literacy exacerbates a-insensitivity, leading to higher ambiguity perceptions in stock price forecasting regardless of the type of analyst. Higher ambiguity aversion makes decision-makers less likely to trust a given type of analyst. Those with higher a-insensitivity are less likely to incorporate their subjective beliefs about accuracy rates, moderating the positive relationship between trust and accuracy rate beliefs. These findings provide insights into how decision-makers evaluate ambiguity in financial forecasting and make trust-related decisions.

10.55-11.20

Speaker: Sara Arts

Radboud University Nijmegen

Co-author(s): Qiyan Ong, Jianying Qiu, Jana Vyrastekova

### Choice (in)consistency and real-life economic outcomes

Choice consistency plays a critical role in economic modeling and analysis. Prior research has mostly focused on identifying major types of choice inconsistencies in individual decision-making and on developing theoretical models to incorporate them. Surprisingly, there is little evidence regarding the consequences of choice inconsistencies in real-life settings, which is crucial for appreciating the significance of earlier studies. We elicited choice inconsistencies in a representative sample of the Dutch population with an experiment. Subjects faced a fixed lottery and a monotonically increasing sure payment in a randomized order, and they had to choose between the lottery, the sure payment, or letting the computer decide randomly. We quantify the severity of choice inconsistencies by computing the money pump index (MPI), which represents the potential monetary loss that individuals with inconsistent choices could incur when interacting with arbitrageurs who possess classical economic preferences. We find that a majority (81%) of subjects exhibited some type of inconsistent choices (mean MPI: 28.8% of the maximum MPI), with substantial heterogeneity of choice inconsistency among subjects (standard deviation: 25.6% of the maximum MPI). Linking MPI to household wealth from the administrative records of Statistics Netherlands (CBS), we find a significant and meaningful association between MPI and household wealth: one standard deviation increase in MPI is associated with 14.8% lower household wealth according to our baseline specification. This relationship is robust to the inclusion of socioeconomic background variables, cognitive ability, risk attitudes, and other measures of decision-making quality such as the critical cost efficiency index.

11.20-11.45

11.45-12.10

Speaker: Eli Spiegelman  
Burgundy School of Business

**Once bitten: Memory of recent disappointment affects ambiguity, but not risk preferences in independent lotteries**

What do we mean when we talk about “preferences”? Substantial literature suggests that, rather than being some immutable individual traits, revealed preferences may stem from an interpretation of the choice context, and thus individual differences represent “dispositions” to interpret alternatives in particular ways. This implies that contextual differences should influence the preferences revealed. This paper studies the case of aversion to ambiguity and risk, using the context of recent experience in similar situations. Specifically, participants are presented with a sequence of randomly generated binary prospects without information about the distribution from which they are drawn. In each period, they may either play the bet given, or draw again, playing whatever new bet is drawn. Therefore they choose between a risky alternative (the bet shown) and a compound lottery with unknown probabilities, which is taken to be more ambiguous. At the end of the period they are shown whether they won or lost whichever bet they ended up choosing. The question is how the outcome in one period affects the choice in the next. Controlling for the sequence of bets observed and individual characteristics, the central result is that losing in one period pushes participants towards the risky, rather than ambiguous, choice in the next, independently of the characteristics of the next bet observed. This is consistent with winning a bet triggering a sense of “competence” that reduces ambiguity aversion, with no effect on risk aversion.

10.30-10.55

Speaker: Matteo Migheli  
University of Turin  
Co-author(s): Gianna Lotito, Guido Ortona

### **Instinctiveness and Reflexivity in Behavioural Type Variability**

Experimental economics uses response times as a tool to evaluate the instinctiveness of choices and behaviours. They have been used to define behavioural types of subjects, but never to evaluate the stability of such types. This paper inquires how behavioural types may change in terms of the variability exhibited by the choices made by an individual in a repeated public goods experiment. The analysis shows that as the time used to look at the results of previous rounds increases, so does the variability of contributions. Instead, the opposite holds for the time spent choosing how much to contribute

10.55-11.20

Speaker: Julia Nolte  
Cornell University  
Co-author(s): Corinna E. Löckenhoff

### **Age-Related Differences in Avoidant Decision Making**

The age-related tendency towards intentional decision avoidance puts older adults at risk for adverse health or consumer outcomes. To examine why older adults avoid choices more, we conducted two pre-registered studies to evaluate the roles of perceived cognitive load and affective experience. Two adult U.S. samples (N1 = 164, Mage\_1 = 50.71, SDage\_1 = 18.70; N2 = 485, Mage\_2 = 51.08, SDage\_2 = 19.63) were tasked with making two health and two consumer choices each. In Study 2, half of the sample was also randomized to an intervention theorized to reduce decision avoidance by prompting participants to evaluate choice options in writing. For both studies, cognitive load was measured during the decision process, while measures of affect were collected before, during, and after. Further, we assessed demographic background, baseline affect, goal preferences, perceived life position, self-rated health status, personality, and self-rated cognition. Across both studies, older age was associated with a higher likelihood of avoiding choice and experiencing improved affect after doing so. Avoidance was more common among those who perceived higher cognitive loads but neither cognitive load nor any other covariate could account for older adults' avoidance tendencies. Participants randomized to the writing condition reported lower levels of cognitive load and more positive peri-decisional affect but were not less likely to avoid choice. In sum, although the present studies link decision avoidance to inter-individual differences in both peri-decisional cognitive load and post-decisional affect, these effects did not account for age-related differences, necessitating further research into potential explanations.

11.20-11.45

11.45-12.10

Speaker: Sota Ichiba  
The University of Chicago  
Co-author(s): Alex Imas, Michael Kuhn, Collin Raymond

### **Optimal Decision Time**

There is a long-standing literature in psychology and economics focusing on the role of deliberation in decision making, where tools like the evidence accumulation and rational inattention are used to understand the phenomenon. We critically evaluate the following

(often implicit) assumptions of those models: 1. deliberation always improves decision quality, holding the decision problem fixed. 2. people correctly anticipate the return to deliberation and optimally pick the response time (RT). Our experiments provide a negative answer for both. In particular, there are tasks with zero return to deliberation, yet people allocate more time to those problems when the incentive attached to the task is higher.



14.10-14.35

Speaker: Ajay  
University of Delhi  
Co-author(s): Ajay, Sujoy Chakravarty

#### Uncovering Caste Bias in College Grades: A Quasi-Experimental Study

In this study, a quasi-experimental design is employed to examine caste bias in college test scores by analyzing evaluation data from 10,813 paired blinded and unblinded tests spanning various exams. A contextual modeling technique was utilized to investigate within-classroom effects. The findings demonstrate that lower caste students encountered a 17.8% reduction in the probability of enhanced performance in unblinded assessments compared to blinded ones, highlighting a significant caste bias in test scores. Moreover, a noteworthy 13.3% caste bias was detected against students from other backward castes.

14.35-15.10

Speaker: Bastian Jaeger  
Tilburg University  
Co-author(s): Bastian Jaeger, Gabriele Paolacci, Johannes Boegershausen

#### Why do some types of hiring discrimination go undetected?

Hiring discrimination has harmful consequences for individuals, organizations, and society. Although all types of discrimination are ultimately unfair and harmful, people pay more attention to some dimensions than others when scrutinizing hiring decisions for bias. For example, in prior research we found that, unlike race and gender discrimination, attractiveness discrimination often goes undetected. We tested two explanations for this blind spot: Attractiveness discrimination could go undetected (1) because people see it as less problematic or even justified, or (2) because people only attend to a few salient dimensions (e.g., gender, race). Study 1 (n = 720, preregistered) showed that, when a recruiter's bias was made explicit to participants, attractiveness-biased selections were rated as similarly unfair as race and gender-biased selections (contrary to the first account). In Study 2 (n = 505, preregistered), participants were less likely to attribute a hiring decision to attractiveness discrimination when it could also be attributed to race discrimination (in line with the second account). Finally, in Study 3 (n = 761, preregistered), two interventions that educated participants about attractiveness biases increased the detection of attractiveness discrimination, but also decreased the detection of race and gender discrimination. Overall, our results suggest that people spontaneously pay attention to only a few salient dimensions (e.g., gender and race) when scrutinizing hiring decisions for bias. Shifting attention to one type of discrimination increases detection of it, but decreases detection of other types of discrimination. This suggests that people's ability to detect discrimination is bounded.

15.10-15.35

Speaker: Steven Bosworth

University of Reading

Co-author(s): Marina Della Giusta, Erin Hengel, Almudena Sevilla

**When Matthew met Larry: Prestige and discrimination in academia**

Evidence suggests that both in US and UK academic economics, more prestigious departments pay more and also have more male faculty. We present a model of employer-employee matching which combines the Matthew Effect (the prestige of departments providing cumulative benefits to individual faculty) and the Larry [Summers] Effect (the tendency to misinterpret correlations and infer ability from identity) and focuses on the mutually reinforcing dynamics of prestige and biased beliefs due to imperfect information on individual ability (in this instance caused by long publication lags). When departmental prestige is important and complementary to merit in the production of research, higher wages and discrimination towards the favoured group (men) are found at better-endowed institutions, and having a greater proportion of male relative to female colleagues will be associated with an additional wage premium for both men and women. We test this prediction of the model in an administrative panel of UK academics. Looking at career trajectories of institution movers we find that the same person is paid more the more the department they move to is male-dominated, and that this holds for both men and women, with a similar effect size (premium) of around 3%.

14.20-14.45

Speaker: Sahar Sangi  
University of Amsterdam  
Co-author(s): Thomas Buser

### **Willingness to compete in a dirty competition**

Competitions in the workplace are often “dirty”. Competitors may sabotage their opponents, lie about their contributions, or retaliate against winners. Yet, we know little about willingness to enter such competitions and how it varies across individuals. We conduct an online experiment to compare willingness to compete between clean and potentially dirty competitions, which allows us to address several new questions. First, we investigate whether people who are willing to compete in fair competitions are (excessively) discouraged from entering competitions where either their opponent or they themselves can sabotage or retaliate. Second, we ask to what extent people who refrain to participate in a fair competition are encouraged to enter competitions by the possibility of playing dirty themselves. We also investigate how someone’s willingness to enter a dirty competition or engage in dirty actions relates to their gender, personality, and beliefs, and validate new survey questions that predict individuals’ willingness to enter dirty competitions and engage in dirty behavior.

14.45-15.10

Speaker: Eduard Ponds  
APG Asset Management  
Co-author(s): Evert Webers

### **Social preferences in pensions**

We analyze the role of social preferences (altruism, reciprocity and self-interest) in pensions. Institutions in the pension domain often imply redistribution among plan participants, so they are ideally suited for studies on social preferences. Remarkably, there is only a limited number of studies in this field.

We study social preferences within the Dutch pension fund system which is at the eve of the implementation of a new pension contract. This new contract essentially is an individual DC plan, supplemented with a solidarity buffer for intergenerational risk sharing.

We conducted a survey for a representative sample of more than 2100 participants from the 38 largest sector pension funds. We find a large support base for the buffer, but there is also a considerable degree of heterogeneity. This heterogeneity is in line with the recent insights from the academic literature (Fehr & Charness, 2023). We also find a three-way division according to altruism, reciprocity and self-interest. Almost half of the participants can be characterized as strongly altruistic. This group gives the greatest support to the buffer. More than a third of the participants also wants to show solidarity with other participants, but based on reciprocity. The third group of participants is relatively small, more focused on their own interests and assigns less value to solidarity and the buffer.

The three groups also differ in risk preferences, trust and being employed in either the private sector or the public sector. We validate our findings regarding social preference with results from a dictator game and questions regarding tax progressivity and lotteries.

15.10-15.35

Speaker: Arjun Sengupta  
University of Nottingham  
Co-author(s): Christoph Vanberg

**Promise keeping and reliance damage**

This paper experimentally investigates the hypothesis that promise-keeping behavior is affected by the “reliance damage” that a counterpart would suffer as a result of a breach. Reliance damage is defined as the difference between the counterfactual benefit that the counterpart would have obtained had they not relied on the promise and that which they would obtain following a breach. We discuss two motivational mechanisms that could drive such an effect. One is that people intrinsically dislike causing reliance damage per se. The other is that people dislike causing regret in another person. We experimentally test these ideas in the context of an experimental trust game. Our evidence is consistent with the hypothesis that promise keeping is affected by reliance damage, and that the underlying mechanism involves a desire not to cause regret in others.

14.20-14.45

Speaker: Eva Spantidaki-Kyriazi  
University Pompeu Fabra

### **How Narcissism affects Matching and Performance in Games**

The notion of homophily, personality traits and decision making are topics extensively investigated in economic theory, psychology and experimental economics. In the present paper, I investigate experimentally how subjects choose their partners and how they play depending on their characteristics. In particular, I study the role of narcissism within the context of games of collaboration, competition and fairness. I find that no matter how narcissistic participants are, they tend to prefer to be matched with less narcissistic individuals in all games. Participants' level of narcissism significantly predicts behavior in the context of collaboration and fairness. The higher their level of narcissism, the less they contribute and offer. In the context of collaboration, participants adjust their behavior based on the characteristics of their partner; the more narcissistic the partner, the less they contribute. Subjects do not adapt their behavior in the context of competition. Given the prevalence of the sub-clinical narcissistic traits among the general population, this paper aims at shedding light in the under-investigated topic of matching and economic behavior of individuals across different levels of narcissism.

14.45-15.10

Speaker: Jan Stoop  
Erasmus University Rotterdam  
Co-author(s): Aurélie Dariel, John Ham, Nikos Nikiforakis

### **Mind the gaps: Race, gender, psychological traits and income in the US**

There are pronounced racial as well as gender gaps in labor market outcomes in the US. To study whether there exist corresponding differences in psychological traits, we measure competitiveness, risk tolerance, and confidence relative to performance in a large, stratified sample of the US prime-aged population. We find substantial differences between Whites, on the one hand, and Blacks and Hispanics, on the other, which are at least as large as those between men and women. Each psychological trait predicts individual incomes in 2019 and 2020. Risk tolerance and competitiveness help explain a considerable fraction of the overall gender gap in income. Confidence relative to performance helps account for a sizable fraction of the racial/ethnic income gaps.

15.10-15.35

Speaker: Monique Pollmann  
Tilburg university

**Let's Talk About Money: The Role of Attachment Styles in Couples'  
Financial Communication, Financial Management, and Financial Conflict**

There are many households with financial problems, but most research on financial management is restricted to individual effects, not taking into account the relationship these individuals are in. The current investigation tests whether a person's attachment style predicts how comfortable they are talking about financial issues with their partner and how that relates to different financial outcome variables. Two cross-sectional survey studies in the Netherlands and the US, each with more than 100 participants show that a higher score on anxious attachment is related to less communication about money with one's partner. Less financial communication is related to worse financial management within the couple, which in turn predicts conflicts about money. In a third survey, with 770 participants, we tested the effect of financial communication on different financial outcome variables while controlling for age, gender, and income. These data showed that less financial communication is related to worse financial management, more financial conflict and more financial problems. Together, these findings highlight the need to take relationship variables into account to understand financial processes in couples.

14.20-14.45

Speaker: Arthur E. Attema  
Erasmus University Rotterdam  
Co-author(s): Zhihua Li

### Reference-dependent discounting for health and money

Reference-dependence has become a widely established phenomenon in decision making under risk, not only for monetary outcomes but also for other outcomes, e.g. related to health. However, when the prospects involve risk about timing (the time of receipt of outcomes), rather than the outcomes themselves, much less is known about sign-dependence. This study extends discounted utility to incorporate reference-dependence and is the first to test for reference-dependence in timing prospects. Prospects were constructed for two contexts (health and money) and two kinds of outcomes (amount of the outcome and timing of the outcome). For all tasks, a majority of subjects is risk averse for gains and risk seeking for losses, with risk attitudes more mixed for losses. We also observe substantial pessimism with regard to probabilities, and loss aversion for both health and money, and both for risk regarding the outcomes and regarding timing. Therefore, we found substantial empirical support for reference-dependent discounting, both in the monetary and in the health domain. Our results show that psychological biases such as probability weighting and loss aversion are also important, some even more pronounced, when timing is risky.

14.45-15.10

Speaker: Dale Griffin  
University of British Columbia  
Co-author(s): Richard Gonzalez

### Is loss aversion limited to choice?

We build on Tversky and Kahneman's (1991) reference-dependent model of loss aversion. This model implies that loss aversion occurs because of the weight given to changes in losses versus changes in gains as the two dimensions are traded off in choice. Both Prospect Theory in general and the reference-dependence model in particular are designed to explain the effect of gains and losses in choice, that is the selection of one option (prospect) over another. Using 1448 online participants, we examine whether loss aversion is also found in rating scale measures. Participants are presented with a short series of public health scenarios, with each involving a treatment that could save lives but with the risk of additional deaths. In the standard loss aversion paradigm, we examine the effect on choice between riskier and safer options of adding gains or losses (additional lives saved and lives lost) to both options. In the rating scale paradigm, participants are asked to rate which option they prefer on a six-item scale of preference. Results indicate that loss aversion is approximately twice as strong in the choice setting than in the rating setting. We discuss the implications of this finding for Prospect Theory and theories of utility more generally as well as for the role of loss aversion in Behavioral Insights applications.

15.55-16.20

Speaker: Victor Gonzalez-Jimenez  
Erasmus University Rotterdam

### Poverty and Uncertainty Attitudes

This paper shows that well-established biases of decision-making under uncertainty generate poverty traps. Our model presents conditions under which probability distortions and ambiguity attitudes prevent individuals from evaluating investments correctly and, as a result, lead them to erroneously underinvest in profitable opportunities. Because the marginal return of investments is the largest for the poor, this underinvestment mistake is more severe among them. A behavior that perpetuates their poverty even though chances to overcome their initial condition were available.

16.20-16.45

Speaker: Tatiana Sokolova  
Tilburg university  
Co-author(s): Maximilian Gaerth

### The Dates-and-Hours Framing Effect in Temporal Evaluations

This paper examines how framing a temporal interval more precisely, with dates and hours (e.g., “from December 1st at 4 p.m. until December 5th at 3 p.m.”) versus with dates only (e.g. “from December 1st until December 5th”) affects consumers’ perception of time. While extant research attests to the broad implications of numeric precision for consumer judgments, it largely focuses on the differences in consumer responses to numbers with more versus fewer zeros in the right-most positions (e.g., \$200 vs. \$203; 5.00 vs. 4.97), suggesting that more precise numbers lead to lower magnitude evaluations (e.g., Pena-Marin and Bhargava 2016; Thomas and Morwitz 2009; Thomas et al. 2010). This research focuses on a different type of numeric precision, wherein smaller units are added to larger units. Across seven pre-registered experiments (N = 4,705), we demonstrate that consumers perceive dates-and-hours-framed intervals to be longer than dates-only intervals. This happens because hour information is relatively difficult to integrate into overall duration evaluations, making people more likely to represent temporal intervals as collections of many granular time units under the dates-and-hours framing. We further demonstrate that these effects are meaningfully different from previously studied numeric precision effects. Specifically, when hour information is conveyed as a decimal fraction of a day (e.g., 4.04 days), the dates-and-hours framing effect diminishes. Finally, we show that the increase in perceived duration under the dates-and-hours framing can have important downstream consequences for consumers’ time-versus-money trade-offs, work planning, and product choice.



16.45-17.10

Speaker: Begum Celiktutan  
Erasmus University Rotterdam  
Co-author(s): Niels van de Ven, Robert Smith

### **The Below-Average Effect in Purchasing: Why Consumers Think They Buy Products Less Than Other Consumers Do**

People typically consider themselves above-average in many domains, but we find in six studies (total N=3544) that consumers tend to think they buy products less often than average. For example, Study 1a finds that participants rated their subjective rank percentile in how often they buy vacations, books, clothes, and restaurant dinners as below-average (i.e., below the 50th percentile) compared to other participants of the study, one-sample  $t$ 's  $\leq 5.79$ ,  $p$ 's  $< .001$ . Similarly, Study 3 finds across 100 randomly selected groceries that on average people think they are clearly below average in how often they buy these products (perceived percentile rank  $M = 39.48$ ,  $p < .001$ ). We find that the reason for this effect is that consumers think they buy products infrequently, but fail to realize that others do so as well. Accordingly, we find that the below-average effect in purchase frequency is especially pronounced for 1) infrequently bought goods and 2) for individual products or narrow product categories. Furthermore, 3) purchases are not perceived negatively by consumers in general, but the below-average effect is somewhat stronger for more negatively perceived products. In sum, our research documents and explains a new and consequential consumer bias, and is among the first research to explore self-evaluation biases based on the frequency of performing a behavior (e.g., purchase). It also carries important practical implications for designing more attractive loyalty programs and for perceptions of one's sustainable behavior.

15.55-16.20

Speaker: Anita Kopányi-Peuker  
 Radboud University Nijmegen  
 Co-author(s): Jasmina Arifovic, Johan de Jong

### **Bank choice, bank runs, and coordination in the presence of two banks**

We investigate learning in a repeated bank choice game, where agents first choose a bank to deposit in and then decide to withdraw that deposit or not. This game has a single Nash equilibrium in pure strategies, characterized by all agents depositing in the bank that offers the highest return, even though it may be more vulnerable to bankruptcy if some agents withdraw early. We use an individual evolutionary learning algorithm to model under which circumstances and with which beliefs agents can learn the Nash equilibrium in the repeated game and compare the results to an experiment. We find subjects coordinating on the Nash equilibrium under low and medium risk, but efficient coordination fails under high risk (irrespective of whether subject have full or only partial information).

16.20-16.45

Speaker: Till Wicker  
 Tilburg University

### **Threshold Public Goods Games with Temporal Dynamics**

Many social dilemmas, ranging from climate change to crowdfunding, can be characterized by multi-round threshold public goods games that have temporal dynamics. For example with climate change, emissions reductions today are more effective at lowering aggregate temperatures than the same reductions at a later date (IPCC, 2022). This paper introduces temporal dynamics within Milinski et al'. (2008) Climate Protection Game, by reducing the returns to contributions across later rounds. Specifically, groups of five contribute to a public good over nine rounds. If the threshold is met, players keep their savings, while there is a probability they lose their savings if the threshold is not met. In the 'Temporal Dynamics' treatment, contributions in the first three rounds are multiplied by 1.5 before being added to the public good, while contributions in the last three rounds are multiplied by 0.5, capturing the environmental benefits of equally sized early contributions. The symmetric Nash Equilibria are identical to the 'Linear' treatment, in which contributions across the nine rounds are not multiplied before being added to the public good.

I find that the likelihood of reaching the threshold to avert disastrous climate change is higher yet statistically insignificantly different in the 'Temporal Dynamics' treatment. However, groups in the treatment condition have average higher contributions, driven by higher initial contributions. Furthermore, this paper combines lab experiment with a theoretical model and game theoretic simulations that corroborate the empirical findings.

16.45-17.10

Speaker: Jierui Yang  
Tilburg University

### **Coordination game and wage structure**

There is a debate in the literature as to whether dispersed or compressed wage structures enhance individual and organizational performance. For example, the studies that support dispersed wage structure argue that dispersed wage structure can motivate workers in a competitive environment especially when the workers differ in their productivity. The studies that support compressed wage structure argue that higher wage dispersion could damage cooperation especially when workers are inequality averse. However, not much is known, about which wage structure is preferable in the coordination environment with heterogeneous workers. I study this question by designing laboratory experiments in which participants play simultaneous-move asymmetric stag hunt games that vary in terms of the wage structure, which is the payoff allocation structure in the Pareto dominant equilibrium. The answer to this question helps to understand the design of the optimal benefit allocation structure in a coordination environment.

15.55-16.20

Speaker: Robin Aarts  
Universiteit van Amsterdam  
Co-author(s): Boris van Leeuwen, Theo Offerman, Paul Smeets

### **The demand for (useless) communication**

In many organizations, people spend a substantial part of their time participating in meetings. In this project, we investigate people's demand for communication, and how communication helps groups make decisions. For some tasks, participants may benefit from communicating. For instance, when ability is correlated with confidence, communication may help when the more confident participants speak up and the group assigns more weight to their judgment. There may also be tasks where ability and confidence are not correlated or even negatively correlated, or for which the decision simply does not improve because of communication. In such cases, communication may not be beneficial or even backfire. In this experiment, we elicit participants' willingness to pay to communicate for various tasks. We investigate whether people value communication correctly: are they willing to pay more for communication when it has more added value? Our conjecture is that, overall, people are too eager to talk. We also look into the mechanisms of why people want to communicate – is it because they want to be informed, or because they want to persuade?

16.20-16.45

Speaker: Jantsje Mol  
Universiteit van Amsterdam  
Co-author(s): Dianna Amasino, Nadia Bloemendaal

### **An experimental test of risk perceptions under a new hurricane classification system**

During a hurricane, it is vital that individuals receive communications that are easy to process and provide sufficient information to allow informed hurricane evacuation decisions and prevent loss of life. Without satisfactory and complete information, an individual is likely to miscalculate their personal risk or even potentially be moved to inaction. However, much recent research has shown an over-reliance on the currently-utilized Saffir-Simpson Hurricane Wind Scale (SSHWS) despite the fact that it only captures one aspect of a hurricane: the wind threat. We study how the hurricane presentation format (traditional NOAA Saffir Simpson scale versus newly developed TCSS scale with or without graphic) impacts intent to evacuate and understanding of hurricane severity. We use a between-subject 2x2 design where participants are assigned to either the Saffir Simpson scale or the TCSS scale and further assigned to only the scale or the scale with a graphic. We collect data in a large-scale (N = 4,000) online experiment to examine potential differences in comprehension, risk perception and anticipated evacuation decisions among relevant decision makers (citizens in U.S. coastal states under hurricane threat). Policy implications for risk communication and emergency planning are discussed.

16.45-17.10

Speaker: Yi Sheng  
Tilburg University

### **Help to signal**

High-ability employees can use costly signals to distinguish themselves. However, competitors are seldom in the picture. This study proposes that pro-social behaviors toward competitors can serve as a strategic signal, leading to the following research questions: Do individuals help their competitors to signal their ability or competence? Do observers recognize the signal component of generous behaviors? And do receivers of help treat it differently when it signals abilities and influences their future welfare? To answer these questions, a real-effort task experiment was conducted in a workplace frame. The results show that individuals are willing to help their competitors at a cost to signal themselves. Employers are able to recognize this signal, and it did not diminish the positive reciprocity of the competitors.

15.55-16.20

Speaker: Andrzej Baranski  
New York University  
Co-author(s): Ernesto Reuben

### Competing for proposal rights: Theory and Experimental Evidence

Competition for positions of power is a common practice in most organizations where decisions are reached through negotiations. We study theoretically and experimentally how different voting rules affect the incentives to compete for the right to propose a distribution of benefits in a sequential bargaining game. Under the majority rule, players with a high chance of proposing are also more likely to be excluded from a coalition when not proposing, which dampens incentives to compete for proposal rights relative to the unanimity case where no one can be excluded from a coalition. However, when rent-seeking efforts affect proposal rights only in the first bargaining round, equilibrium efforts to secure proposal rights are higher under the majority rule because they no longer affect the likelihood of coalition exclusion. Our experimental findings uncover a novel efficiency trade-off absent in theory: While gridlock is stronger under unanimity, majoritarian bargaining elicits higher competition costs regardless of the durability of efforts in affecting proposal rights, rendering both rules equally efficient. The distribution of benefits is affected by the endogeneity of proposal rights contrary to behavioral expectations as subjects gravitate towards equitable sharing and proposers often do not keep the lion's share. Further experiments reveal that subject behavior is consistent with myopic reasoning and that our results hold robustly in distinct subject samples.

16.20-16.45

Speaker: Arno Apffelstaedt  
University of Cologne  
Co-author(s): Gönül Dogan, Fabian Hoffmann

### Group Image Concerns

Do Christians fret about their religion's charitable perception? Do Republicans value their party's patriotic image? Concern for social image - how favorably we are perceived by others - has been shown to be an important driver of economic and social behaviors. How we behave, however, does often not just reflect on ourselves personally, but also on the image of the groups to which we belong. Inferences about the group's morality, intelligence, or generosity may have profound effects on the individual's behavior and personal well-being.

This project aims to quantify, for the first time, the extent to which individuals care about their group's image. We introduce an experimental framework to distinguish between concerns for individual image and group image. Through our experiments, we establish various measures to gauge the strength of group image concerns. Firstly, we measure how much money (respectively, effort) people are willing to invest to improve their group's image. Secondly, we employ a money-metric approach to determine individuals' willingness to publicly announce positive and negative information about their group – provided that these reports reveal nothing about the individual herself. This allows us to quantify the level of shame and pride associated with a group's image. We present a controlled laboratory experiment (with students from the Universities of Bonn and Cologne) as well as the results of online experiments with U.S. subjects on group image concerns related to generosity, patriotism, and intelligence. Our findings point to group image concerns being pervasive, substantial, and economically relevant in many settings.

16.45-17.10

Speaker: Fidel Petros

WZB Berlin Social Science Center

Co-author(s): Adrian Bruhin, Luis Santos-Pinto

**The Role of Overconfidence in Teamwork: Experimental Evidence**

Teamwork has become increasingly important in modern organizations and the labor market. Yet, little is known about the role of self-confidence in teamwork. This paper presents evidence from a laboratory experiment using a team effort task. Effort and ability are complements and there are synergies between teammates' efforts. We exogenously manipulate subjects' self-confidence about their ability using easy and hard general knowledge quizzes. We find that overconfidence leads to more effort, less free riding, and higher team revenue. These findings suggest that organizations could improve team performance by hiring overconfident workers.

## POSTER PRESENTATIONS

### 1. Priya Krishnan– Nova School of Business and Economics

#### **Foreign Language Effect and Gender Stereotypes**

*Co-author(s): Irene Consiglio*

In this research, we investigate the impact of language on gender stereotypes among bilinguals, also known as the foreign language effect (FLE). In secondary research and four experiments already conducted/ to be conducted across various countries such as Germany, UK, USA, Canada and France in German, English and French, we test if language affects attitudes towards gender roles. We expect that a second language (L2) elicits lower levels of pro-male bias when compared with a first language (L1). We control for culture and grammatically gendered languages. Apart from processing as a mechanism, we propose participants have greater network of associations to gender stereotypes in L1 (vs. L2) because L1 is learnt at a much younger age and in more emotional contexts. We explore fluency and gender as moderators. Our studies include Implicit Association Tests (IATs), Explicit and Behavioral studies and finally we test the proposed mechanism. Our contexts are in Consumer Behavior and Behavioral Science. We contribute in three ways: Firstly, we explore gender stereotypes as a dependent variable. Secondly, given the correlation between implicit, explicit and behavioral measures are unpredictable, we add to literature by exploring these measures within the context of FLE and gender stereotypes. Lastly, we propose a novel mechanism – network of associations in memory for FLE. Practically, we provide recommendations on language use within communication and advertising contexts in industry.

Keywords: Cognition, Gender, Stereotypes, Language, Bilingual

### 2. Carin van der Cruijssen– De Nederlandsche Bank

#### **Uncovering the digital payment divide: understanding the importance of cash for groups at risk**

*Co-author(s): Jelmer Reijerink*

The ongoing digital transition in the payment landscape offers countless advantages to many people. However, certain segments of the population encounter difficulties navigating this digital world, particularly individuals within groups at risk. Little is known about the payment behaviour and preferences of these groups. Our research focuses on

people with low digital literacy, disabilities or financial difficulties. Using rich payment diary data of Dutch consumers, our study reveals that cash is an important means of payment to many. 7% of the respondents in our study say they always use cash at points of sale and 28% indicate they cannot do without cash. Furthermore, we find that cash is especially important for people with low digital literacy, people who are blind or visually impaired, people with limited or no hand function, people with a mild intellectual disability and people who find it difficult to make ends meet on their income.

### 3. Zahra Murad– University of Portsmouth

#### **Identity-based Discrimination and Moral Wiggle Room**

*Co-author(s): Taha Movahedi*

In this paper, we ask if the existence of moral wiggle room affects identity-based discrimination. We hypothesize that selfish behaviour will increase when moral wiggle room exists and there will be more discriminatory exploitation of moral wiggle rooms against outgroups compared to ingroups. In a lab experiment, we find that in settings without moral wiggle room, very few people choose the selfish option and there is no discrimination between an ingroup and outgroup. In settings with moral wiggle room, people choose the selfish option more frequently and clearly show discriminatory behaviour against an outgroup member. We test the social appropriateness of identity-based discrimination with and without moral justification in a separate online experiment. We conclude that moral wiggle room is used as an excuse to discriminate in situations where blatant discrimination is not socially appropriate.

### 4. Musa Essa– University of Bologna

#### **Limiting Accessibility: How Target Market Characteristics Constrain Acceptable Prices for Innovations**

*Co-author(s): Johannes Boegershausen, Gabriele Paolacci*

People with disabilities constitute approximately 15% of the world population (World Bank, 2023), and their buying power is approximately \$8 trillion. In the light of this large demand, it is puzzling that only few products serve the special needs of people with disability. Across 5 studies, we show that innovations which target consumers with disabilities are subjected to stronger moral scrutiny than innovations that target the mass market. In particular, we find that a price increase for a novel product (e.g., a shoe which does not require hands to be put on) is less acceptable when the target market are people



with disabilities (e.g., people who cannot use their hands, and would thus benefit more from the product being marketed). This effect does not occur for innovations that are priced similarly to regular products or when price increases are subsidized—suggesting that profit might be acceptable if it is not extracted from disabled consumers. Importantly, these reactions are only partly explained by perceptions that consumers with disabilities are less affluent. We find that disabled consumers evoke pity, which in turn trigger moral aversion towards comparatively expensive innovations that target this segment. Our research highlights an implicit discrimination against consumers with disabilities, by showing that they are treated paternalistically by other consumers in the marketplace. Though benevolent in nature, this view may render the marketplace less inclusive for consumers with disabilities, as it discourages companies from providing more options for this underserved segment.

#### 5. Angela Cristiane Santos Pòvoa – The Pontifícia Universidade Católica do Paraná

##### **The financial impacts of appearance: An experimental study of the male beauty premium.**

*Co-author(s): Wesley Pech, Hendrigo Bernardi Korndorfer, Juan Camou Viacava, Lucas Jacinto Casonato*

Using economic games, this study investigates the effect of type of beard, age, and the mediating effect of perceived attractiveness on financial decisions. The main idea was to analyze how facial features could impact financial decision regarding how to trust. Thus, this study implements a laboratory trust experiment that manipulates the age and beard types of trustees. The results indicate that light stubble beards influence perceived attractiveness, which in turn raises trust, although not for all individuals. We also found convergent results that older individuals are perceived to be more trustworthy than younger ones. Contrary to previous literature, which has argued that all types of beards increase trust and perceived attractiveness for all males, we found that this effect only holds for young individuals with light stubble beards. Yet, although perceived trust can be influenced by the indirect effect of perceived attractiveness, this holds only for young individuals. Also, no moderation effects of gender have been found. Therefore, our study helps elucidate divergent previous results of beard and attractiveness effects on trust, and practitioners (managers, salespersons, digital influencers, etc.) who frequently choose to rely on visible physical attributes to establish a more trusting relationship.

#### 6. Valentin Mang– University of Groningen

##### **From Exposure to Intentions: How the Need to Evaluate Shapes the Impact of Conspiracy Theories on Behavioural Intentions**

*Co-author(s): Kai Epstude, Bob M. Fennis*

Exposure to conspiracy theories has been shown to affect behavioural intentions across domains. We investigated in different contexts (climate change, vaccination) when and why this happens, focussing on the mediating role of conspiracy beliefs and the moderating role of individual differences in the need to evaluate (the tendency to engage in evaluative responding when exposed to objects or issues). We expected that for individuals with a high need to evaluate, exposure to conspiracy theories should affect evaluative responses in the form of behavioural intentions more strongly compared to those with a low need to evaluate. In study 1 (N = 221), exposure to a conspiracy narrative increased conspiracy beliefs, which then affected behavioural intentions towards a familiar attitude object, but only for those with a high (vs. low) need to evaluate. In study 2 (N = 351), the indirect effect of conspiracy exposure on behavioural intentions towards an unfamiliar attitude object via conspiracy beliefs was not moderated by the need to evaluate. However, the need to evaluate moderated the direct effect, such that conspiracy exposure affected intentions only for those with a high (vs. low) need to evaluate. The differing nature of the moderating effect between studies could be explained by intention formation processes being affected by attitude object familiarity, which differed between studies. Overall, these studies shed light on the process by which conspiracy exposure affects intention formation and demonstrate that behavioural intentions are only influenced by conspiracy exposure for people with a high (vs. low) need to evaluate.

#### 7. Elena Shvartsman– WHU – Otto Beisheim School of Management

##### **The Impact of Stress on Risk Taking**

*Co-author(s): Si Chen, Thomas Dohmen, Yana Radeva, Anna Schulze Tilling*

We study the causal nature of the relationship between stress and risk-taking. Previous research has yielded inconclusive results regarding whether and how stress influences risk-taking, potentially because of important methodological differences across studies. We design an experiment in which we observe risk taking choices in the loss and in the gain domain for the same participants in consecutive weeks with and without exogenously induced acute stress. This allows us to use within-subject and between-subject variation to identify the causal effect of stress on risk taking.

We conducted the laboratory experiment at the University of Bonn. Participants took part in two sessions in consecutive weeks and were assigned to the control and the stress conditions in varying order. In the stress condition, participants were stressed by a well-established procedure to induce acute stress. We assessed the effectiveness of our manipulation by measuring salivary cortisol, participants' heart rates, and evaluating self-reported stress levels.

Our analysis reveals that the stress manipulation was successful as individuals were on average significantly more stressed in the stress than in the control condition. Furthermore, preliminary results show in a between-subjects comparison, subjects' make more risk seeking decisions under stress. Also, the effect of stress on risk-taking depends on the underlying risk-taking tendencies. We observe that individuals make decisions in a more risk-seeking manner on lotteries for which their choices were risk-averse in the control condition; and in a more risk-averse manner on lotteries for which their choices were risk-seeking in the control condition.

#### 8. Li-Ang Chang – CREED, University of Amsterdam

##### **Beyond betrayal aversion: unveiling the affective determinants of trust decisions**

*Co-author(s): Jan B. Engelmann, Federica Farolfi*

Trust decisions often deviate from game-theoretic equilibriums, as trustors exhibit a remarkable propensity to trust and trustees reciprocate. A strand of research demonstrated that people require a higher minimum acceptable probability (MAP) of reciprocation in situations involving trust, which has been interpreted as an aversion to betrayal. A systematic review of this literature identified two limitations underlying this argument. First, findings across TG paradigms often present mixed results, with many not aligning with the notion of betrayal aversion. In fact, typical TG studies generally showed equal or higher trust compared to control conditions not involving social uncertainty. Second, the social emotional and social cognitive processes involved during trust decisions are difficult to disentangle using the MAP approach. To address this gap, we developed an inventory that assesses dispositional affect in the context of hypothetical scenarios involving betrayal. We evaluated a variety of reactive emotions while manipulating the social distance between agents and the participants. Using a micro-macro-multilevel framework, we first create latent variables of reactive affect and social distance obtained from the scenarios. We then examine their association with economic decisions our participants made in the context of incentivized trust and dictator games. Leveraging LASSO regression for selecting robust predictors, we show that trust propensity is positively associated with betrayal sensitivity, and negatively associated with anger. Our results thus challenge the current view on betrayal aversion and highlight the importance of a multifaceted understanding of affective determinants in trust behavior.

#### 9. Alejandro Hirmas– Universiteit van Amsterdam

##### **Hiring for others: The role of intermediaries in discrimination**

*Co-author(s): Jan Hausfeld*

This study explores the role of intermediaries, such as head hunters and recruitment agencies, in contributing to hiring discrimination based on their (biased) beliefs about employer preferences. Anecdotal evidence suggests that intermediaries may discriminate when they perceive employers to have discriminatory preferences, similar to the housing market in Amsterdam.

Using a series of incentivized experiments, we explore how intermediaries predict the performance of job candidates depending on who evaluates them. In our paradigm, participants need to predict the performance of real life candidates, based on information of their application process and their gender. In our first study, we elicit first- and 2nd-order beliefs about the performance of the candidates to assess expected discrimination. Our results show no discrimination in 1st-order beliefs, but participants expect women to be penalized when evaluated by others (2nd-order beliefs).

In our second study, we ask participants to predict the evaluation of multiple evaluators for the same candidate. Evaluators differ in their gender and their math skills. We find that participants expect evaluators to give higher scores to candidates with similar attributes to theirs (in-group bias). Moreover, this in-group bias is mostly driven by male participants that expect men and women to rate candidates differently.

Our results inform about the role of intermediaries in the hiring markets; and how intermediaries can enhance the levels of discrimination in said market due to expected parochial behaviour (in-group biases).

#### 10. G. Charles-Cadogan- University of Leicester School of Business

##### **Perceptions of Risk in Virtual Gain-Loss State Space**

We heuristically split the support of a utility function at an arbitrary point and create a virtual psychological gain-loss state space so that each point in the support is a potential reference point. Accordingly, we derive (1) a penalized reference dependent utility function where decision makers (DMs) are penalized for excessive risk taking, and (2) a risk tradeoff matrix operator (RTMO) that transforms risk into perceptions of risk. A DM in a high probability of virtual loss state wants to get out of that state and move to a virtual gain state. Thereby projecting gains. A DM in a high probability of virtual gain state suffers from fear of loss, and projects fear of loss. Those emotions induce a perception of risk associated with loss or gain that distorts the underlying objective risk associated with those states—thus producing risk projection bias. Principal Components Analysis and

Singular Value Decomposition of the RTMO comprise analytic systems that allow us to predict which risks are measurable, cyclical patterns in risk perception, the number of factors that drive risk distortion, and other algorithmic operations that characterize DMs risk assessment. We applied the RTMO to data from a well known multiple price list (MPL) experiment to verify predictions of the theory, and show how to compute loss aversion indexes from MPL data.

## NOTES

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Time's up