Online Appendix

A Extra Tables

We show the full regression results of estimations in the paper. Recall that Female, White, Young and Low Schooling are dummies that take value of 1 if the subjects' gender is female, the reported ethnicity is white, their age is below the median age of 32, and their education level is 'Some College' or lower, respectively.

	(1) $V_L V_H$	(2) $\{MixV_H, V_H V_H\}$	(3) Focal	(4) Dom	(5) Dom or Res
Det	0.244***	−0.102*	−0.053	−0.074	−0.089
	(0.060)	(0.056)	(0.048)	(0.053)	(0.063)
Num Risky	−0.062**	−0.008	−0.003	0.073***	0.073**
	(0.031)	(0.029)	(0.025)	(0.027)	(0.033)
Num Risky × Det	0.043	0.040	−0.011	−0.052	−0.071
	(0.046)	(0.043)	(0.036)	(0.040)	(0.048)
Num Errors	−0.100**	−0.064	0.048	0.074*	0.116**
	(0.046)	(0.044)	(0.037)	(0.041)	(0.049)
Num Errors × Det	−0.094	0.021	−0.096*	0.083	0.169**
	(0.065)	(0.061)	(0.051)	(0.057)	(0.068)
Female	−0.131***	0.045	−0.006	0.068*	0.092*
	(0.045)	(0.042)	(0.036)	(0.040)	(0.048)
White	0.096*	0.018	−0.011	−0.089*	−0.102*
	(0.055)	(0.052)	(0.044)	(0.048)	(0.058)
Young	−0.028	0.004	−0.006	0.029	0.030
	(0.045)	(0.042)	(0.036)	(0.040)	(0.048)
Low Schooling	0.004	0.031	−0.052	0.031	0.017
	(0.047)	(0.044)	(0.037)	(0.041)	(0.049)
Constant	0.286***	0.223***	0.203***	0.147**	0.287***
	(0.069)	(0.065)	(0.055)	(0.061)	(0.073)
Observations	371	371	371	371	371

Table 28: Main Treatments: Estimation output using last 5 rounds of part 1 and part 2 for the classification of types

Notes: Results from a linear regression. The dependent variable takes value 1 if the subject is classified as (1) $V_L V_H$, (2) {MixV_H, $V_H V_H$}, (3) Focal, (4) Dom, (5) Dom or Res. Det is a dummy variable that takes value 1 if the observation corresponds to the deterministic treatment. Num Risky and Num Errors are individual-specific. Num Risky is the number of risky lotteries the subject chose in part 5 (from 0 to 3). Num Errors is the number of errors the subject made in the part 1 instructions (from 0 to 2). Female, White, Young and Low Schooling are dummies that take value 1, respectively, if the subject's gender is female, the reported ethnicity is white, their age is below the median age of 32, and their schooling is 'Some College' or lower.

	(1) $V_L V_H$	(2) $\{MixV_H, V_H V_H\}$	(3) Focal	(4) Dom	(5) Dom or Res
Advisee	0.034	−0.046	0.098	−0.056	−0.087
	(0.083)	(0.090)	(0.083)	(0.083)	(0.098)
Num Errors	−0.110**	−0.066	0.049	0.091**	0.127**
	(0.043)	(0.047)	(0.043)	(0.043)	(0.051)
Num Errors × Advisee	−0.019	0.042	−0.171	0.039	0.149
	(0.116)	(0.125)	(0.116)	(0.116)	(0.137)
Female	−0.113**	0.032	−0.023	0.038	0.105*
	(0.053)	(0.058)	(0.053)	(0.054)	(0.063)
White	0.120*	0.088	−0.033	−0.180***	−0.175**
	(0.065)	(0.070)	(0.065)	(0.065)	(0.077)
Young	−0.011	0.009	−0.007	0.026	0.009
	(0.054)	(0.058)	(0.054)	(0.054)	(0.063)
Low Schooling	−0.008	0.092	−0.087	0.066	0.003
	(0.055)	(0.059)	(0.055)	(0.055)	(0.065)
Constant	0.222***	0.148*	0.241***	0.256***	0.388***
	(0.076)	(0.082)	(0.076)	(0.076)	(0.089)
Observations	229	229	229	229	229

Table 29: Probabilistic Treatments: Main Treatment v. Advisee Treatment: Individual Types Estimations Output

Notes: Results from a linear regression. The dependent variable takes value 1 if the subject is classified as (1) $V_L V_H$, (2) {MixV_H, $V_H V_H$}, (3) Focal, (4) Dom, (5) Dom or Res. Advisee is a dummy variable that takes value 1 if the observation corresponds to the advice treatment. Num Errors is individual-specific. Num Errors is the number of errors the subject made in the part 1 instructions (from 0 to 2). Female, White, Young and Low Schooling are a dummies that take value 1, respectively, if the subject's gender is female, the reported ethnicity is white, their age is below the median age of 32, and their schooling if their education level is 'Some College' or lower.

	(1) $V_L V_H$	(2) $\{MixV_H, V_H V_H\}$	(3) Focal	(4) Dom	(5) Dom or Res
Advisee	0.249**	−0.136*	0.013	−0.012	−0.125
	(0.100)	(0.074)	(0.060)	(0.071)	(0.088)
Num Errors	−0.200***	−0.041	−0.051*	0.166***	0.292***
	(0.048)	(0.036)	(0.029)	(0.034)	(0.042)
Num Errors × Advisee	0.065	0.043	0.006	−0.095	−0.114
	(0.121)	(0.090)	(0.073)	(0.087)	(0.107)
Female	−0.148**	0.074	0.008	0.096**	0.067
	(0.064)	(0.047)	(0.038)	(0.045)	(0.056)
White	0.032	−0.064	−0.009	0.011	0.041
	(0.079)	(0.059)	(0.048)	(0.057)	(0.070)
Young	−0.072	−0.023	−0.012	0.046	0.107*
	(0.064)	(0.048)	(0.039)	(0.046)	(0.057)
Low Schooling	0.023	0.031	−0.051	−0.034	−0.004
	(0.066)	(0.049)	(0.040)	(0.047)	(0.058)
Constant	0.596***	0.203***	0.139**	0.001	0.062
	(0.093)	(0.069)	(0.056)	(0.067)	(0.082)
Observations	223	223	223	223	223

Table 30: Deterministic Treatments: Main Treatment v Advisee Treatment: Individual Types Estimations Output

Notes: Results from a linear regression. The dependent variable takes value 1 if the subject is classified as (1) $V_L V_H$, (2) {MixV_H, $V_H V_H$}, (3) Focal, (4) Dom, (5) Dom or Res. Advisee is a dummy variable that takes value 1 if the observation corresponds to the advice treatment. Num Errors is individual-specific. Num Errors is the number of errors the subject made in the instructions (from 0 to 2). Female, White, Young and Low Schooling are a dummies that take value 1, respectively, if the subject's gender is female, the reported ethnicity is white, their age is below the median age of 32, and their schooling if their education level is 'Some College' or lower.

	(1) $V_L V_H$	(2) $\{MixV_H, V_H V_H\}$	(3) Focal	(4) Dom	(5) Dom or Res
Det	0.373***	−0.173**	−0.058	−0.022	−0.141
	(0.104)	(0.080)	(0.089)	(0.076)	(0.092)
Selected Advice mentions all outcomes	0.253**	−0.034	−0.146	−0.111	−0.074
	(0.107)	(0.082)	(0.092)	(0.078)	(0.095)
Num Errors	−0.161**	0.004	−0.069	0.098*	0.226***
	(0.078)	(0.060)	(0.067)	(0.057)	(0.069)
Female	−0.138	0.085	−0.023	0.066	0.076
	(0.100)	(0.077)	(0.086)	(0.073)	(0.089)
White	−0.046	−0.018	−0.067	−0.025	0.131
	(0.130)	(0.099)	(0.111)	(0.095)	(0.115)
Young	−0.111	−0.022	−0.006	0.047	0.138
	(0.100)	(0.076)	(0.085)	(0.073)	(0.088)
Low Schooling	0.096	0.233***	−0.171*	−0.113	−0.158*
	(0.103)	(0.079)	(0.088)	(0.075)	(0.092)
Constant	0.331**	0.139	0.438***	0.158	0.091
	(0.165)	(0.126)	(0.141)	(0.121)	(0.147)
Observations	81	81	81	81	81

Table 31: Advisee Treatments: Individual Types Estimations Output in parts 1 and 2

Notes: Results from a linear regression. The dependent variable takes value 1 if the subject is classified as (1) $V_L V_H$, (2) {MixV_H, $V_H V_H$}, (3) Focal, (4) Dom, (5) Dom or Res. Det is a dummy variable that takes value 1 if the observation corresponds to the deterministic treatment. The variable 'Selected Advice mentions all outcomes' is a dummy variable that takes value 1 if the advice selected as the 'most helpful' by the advisee mentions all four outcomes. Num Errors is individual-specific. Num Errors is the number of errors the subject made in the part 1 instructions (from 0 to 2). Female, White, Young and Low Schooling are a dummies that take value 1, respectively, if the subject's gender is female, the reported ethnicity is white, their age is below the median age of 32, and their schooling if their education level is 'Some College' or lower.

	(1) $V_L V_H$	(2) $\{MixV_H, V_H V_H\}$	(3) Focal	(4) Dom	(5) Dom or Res
One Firm	0.123**	−0.064	0.084	−0.092*	−0.142**
	(0.053)	(0.057)	(0.054)	(0.047)	(0.057)
Num Risky	−0.057*	−0.008	−0.008	0.071***	0.073**
	(0.029)	(0.031)	(0.029)	(0.026)	(0.031)
Num Risky × One Firm	−0.062	0.109**	−0.013	−0.063*	−0.034
	(0.041)	(0.044)	(0.041)	(0.036)	(0.044)
Num Errors	−0.104**	−0.060	0.049	0.078**	0.115**
	(0.043)	(0.047)	(0.044)	(0.038)	(0.046)
Num Errors × One Firm	0.038	0.032	−0.082*	0.014	0.011
	(0.048)	(0.052)	(0.049)	(0.043)	(0.052)
Female	−0.109***	−0.015	−0.028	0.062*	0.152***
	(0.041)	(0.044)	(0.041)	(0.036)	(0.043)
White	0.091**	0.024	−0.021	−0.106***	−0.094*
	(0.046)	(0.049)	(0.046)	(0.041)	(0.049)
Young	−0.075*	−0.000	0.087**	0.027	−0.012
	(0.041)	(0.044)	(0.041)	(0.036)	(0.044)
Low Schooling	−0.095**	0.022	0.010	0.077**	0.064
	(0.041)	(0.045)	(0.042)	(0.037)	(0.044)
Constant	0.339***	0.257***	0.156**	0.146***	0.249***
	(0.062)	(0.066)	(0.062)	(0.054)	(0.066)
Observations	404	404	404	404	404

Table 32: Probabilistic Treatments: Main Treatment (Parts 1 & 2) v. One Firm Treatment (Parts 3 & 4): Estimation output using the classification of types

Notes: Results from a linear regression. The dependent variable takes value 1 if the subject is classified as (1) $V_L V_H$, (2) {MixV_H, $V_H V_H$}, (3) Focal, (4) Dom, (5) Dom or Res. One Firm is a dummy that takes value 1 if the subject participated in the ONEFIRM treatment. Num Risky and Num Errors are individual-specific. Num Risky is the number of risky lotteries the subject chose in part 5 (from 0 to 3). Num Errors is the number of errors the subject made in the part 1 instructions (from 0 to 2). Female, White, Young and Low Schooling are a dummies that take value 1, respectively, if the subject's gender is female, the reported ethnicity is white, their age is below the median age of 32, and their schooling if their education level is 'Some College' or lower.

	(1) $V_L V_H$	(2) $\{MixV_H, V_H V_H\}$	(3) Focal	(4) Dom	(5) Dom or Res
One Firm	0.091	−0.018	−0.026	−0.040	−0.047
	(0.067)	(0.053)	(0.039)	(0.045)	(0.060)
Num Risky	−0.017	0.033	−0.015	0.020	−0.002
	(0.037)	(0.029)	(0.022)	(0.025)	(0.033)
Num Risky × One Firm	−0.077	−0.018	0.015	−0.001	0.080*
	(0.048)	(0.038)	(0.028)	(0.032)	(0.043)
Num Errors	−0.195***	−0.049	−0.048*	0.159***	0.292***
	(0.049)	(0.039)	(0.029)	(0.033)	(0.044)
Num Errors × One Firm	0.064	0.065	0.041	−0.073*	−0.171***
	(0.062)	(0.049)	(0.036)	(0.042)	(0.056)
Female	−0.087*	0.047	0.007	0.042	0.034
	(0.049)	(0.039)	(0.028)	(0.033)	(0.044)
White	0.073	−0.088*	0.011	−0.053	0.003
	(0.056)	(0.045)	(0.033)	(0.038)	(0.051)
Young	0.028	−0.062	−0.016	0.044	0.050
	(0.049)	(0.039)	(0.028)	(0.033)	(0.044)
Low Schooling	−0.038	0.092**	−0.036	0.026	−0.018
	(0.049)	(0.039)	(0.029)	(0.033)	(0.044)
Constant	0.518***	0.218***	0.126***	0.049	0.138**
	(0.077)	(0.061)	(0.045)	(0.052)	(0.070)
Observations	395	395	395	395	395

Table 33: Deterministic Treatments: Main Treatment (Parts 1 & 2) v. One Firm Treatment (Parts 3 & 4): Estimation output using the classification of types

Notes: Results from a linear regression. The dependent variable takes value 1 if the subject is classified as (1) $V_L V_H$, (2) {MixV_H, $V_H V_H$}, (3) Focal, (4) Dom, (5) Dom or Res. One Firm is a dummy that takes value 1 if the subject participated in the ONEFIRM treatment. Num Risky and Num Errors are individual-specific. Num Risky is the number of risky lotteries the subject chose in part 5 (from 0 to 3). Num Errors is the number of errors the subject made in the part 1 instructions (from 0 to 2). Female, White, Young and Low Schooling are a dummies that take value 1, respectively, if the subject's gender is female, the reported ethnicity is white, their age is below the median age of 32, and their schooling if their education level is 'Some College' or lower.

	(1) $V_L V_H$	(2) $\{MixV_H, V_H V_H\}$	(3) Focal	(4) Dom	(5) Dom or Res
Det	0.255***	−0.045	−0.178***	−0.048	−0.032
	(0.055)	(0.054)	(0.047)	(0.036)	(0.041)
Num Risky	−0.091***	0.102***	−0.015	−0.007	0.004
	(0.029)	(0.029)	(0.025)	(0.019)	(0.022)
Num Risky × Det	0.018	−0.082**	0.023	0.012	0.041
	(0.040)	(0.039)	(0.034)	(0.026)	(0.030)
Num Errors	−0.024	−0.011	−0.021	0.059***	0.055***
	(0.023)	(0.023)	(0.020)	(0.015)	(0.018)
Num Errors × Det	−0.076*	0.040	0.026	0.005	0.010
	(0.040)	(0.040)	(0.034)	(0.027)	(0.030)
Female	−0.041	−0.000	0.004	0.015	0.037
	(0.042)	(0.041)	(0.035)	(0.027)	(0.031)
White	0.013	−0.078*	−0.012	−0.033	0.077**
	(0.045)	(0.044)	(0.038)	(0.030)	(0.034)
Young	−0.013	−0.065	0.073**	0.038	0.006
	(0.042)	(0.041)	(0.035)	(0.027)	(0.031)
Low Schooling	−0.120***	0.078*	0.017	0.063**	0.026
	(0.041)	(0.040)	(0.035)	(0.027)	(0.031)
V	0.367***	0.103**	0.104***	−0.258***	−0.574***
	(0.044)	(0.043)	(0.037)	(0.029)	(0.033)
Constant	0.179***	0.191***	0.144**	0.223***	0.487***
	(0.067)	(0.066)	(0.057)	(0.044)	(0.051)
Observations	428	428	428	428	428

Table 34: ONEFIRM Treatments: Individual Types Estimations Output in Parts 3 & 4

Notes: Results from a linear regression. The dependent variable takes value 1 if the subject is classified as (1) $V_L V_H$, (2) {MixV_H, $V_H V_H$}, (3) Focal, (4) Dom, (5) Dom or Res. Det is a dummy variable that takes value 1 if the observation corresponds to the deterministic treatment. Num Risky and Num Errors are individual-specific. Num Risky is the number of risky lotteries the subject chose in part 5 (from 0 to 3). Num Errors is the number of errors the subject made in the instructions. Female, White, Young and Low Schooling are a dummies that take value 1, respectively, if the subject's gender is female, the reported ethnicity is white, their age is below the median age of 32, and their schooling if their education level is 'Some College' or lower. The variable V is a dummy variable that equals 1 if the subject selected $p = v$ in the last 10 periods of problems with one firm (last 5 periods of part 1 and 5 periods of part 2).

	(1) $V_L V_H$	(2) $\{MixV_H, V_H V_H\}$	(3) Focal	(4) Dom	(5) Dom or Res
Det	0.117	0.021	0.004	−0.084	−0.142*
	(0.073)	(0.074)	(0.064)	(0.070)	(0.082)
Advice mentions all outcomes	0.395***	−0.088	0.062	−0.184***	−0.369***
	(0.068)	(0.069)	(0.059)	(0.065)	(0.076)
Advice mentions all outcomes × Det	0.025	−0.148	−0.112	0.090	0.234**
	(0.092)	(0.093)	(0.080)	(0.088)	(0.103)
Num Risky	−0.029	−0.015	0.003	0.058**	0.042
	(0.029)	(0.029)	(0.025)	(0.028)	(0.032)
Num Risky × Det	0.004	0.050	−0.016	−0.036	−0.039
	(0.042)	(0.043)	(0.037)	(0.040)	(0.047)
Num Errors	−0.045	−0.075*	0.057	0.048	0.063
	(0.043)	(0.044)	(0.038)	(0.041)	(0.048)
Num Errors × Det	−0.042	−0.027	−0.119**	0.086	0.188***
	(0.062)	(0.063)	(0.054)	(0.059)	(0.069)
Female	−0.095**	0.031	−0.005	0.056	0.068
	(0.041)	(0.042)	(0.036)	(0.039)	(0.046)
White	0.063	0.032	−0.011	−0.079*	−0.084
	(0.050)	(0.051)	(0.044)	(0.048)	(0.056)
Young	−0.007	−0.007	−0.009	0.024	0.022
	(0.041)	(0.042)	(0.036)	(0.039)	(0.046)
Low Schooling	0.010	0.034	−0.048	0.026	0.004
	(0.043)	(0.043)	(0.037)	(0.041)	(0.048)
Constant	0.132*	0.257***	0.178***	0.220***	0.433***
	(0.069)	(0.070)	(0.060)	(0.066)	(0.077)
Observations	371	371	371	371	371

Table 35: Main Treatments: Estimation Output using last 5 rounds of part 1 and part 2 for the classification of types

Notes: Results from a linear regression. The dependent variable takes value 1 if the subject is classified as (1) $V_L V_H$, (2) {MixV_H, $V_H V_H$}, (3) Focal, (4) Dom, (5) Dom or Res. Det is a dummy variable that takes value 1 if the observation corresponds to the deterministic treatment. Advice mentions all outcomes is a dummy variable that takes value 1 if the advice mentions all outcomes. Num Risky and Num Errors are individual-specific. Num Risky is the number of risky lotteries the subject chose in part 5 (from 0 to 3). Num Errors is the number of errors the subject made in the part 1 instructions (from 0 to 2). Female, White, Young and Low Schooling are a dummies that take value 1, respectively, if the subject's gender is female, the reported ethnicity is white, their age is below the median age of 32, and their schooling if their education level is 'Some College' or lower.

	(1) V_L^4	(2) V_H^4	(3) Mix^4	(4) Dom^4	(5) Dom^4 or Res^4
Det	−0.103	0.045	0.084*	0.010	−0.026
	(0.063)	(0.056)	(0.050)	(0.052)	(0.059)
Num Risky	−0.059*	0.054*	−0.025	0.036	0.030
	(0.032)	(0.029)	(0.026)	(0.027)	(0.030)
Num Risky × Det	−0.061	0.016	0.038	−0.017	0.006
	(0.047)	(0.042)	(0.037)	(0.039)	(0.044)
Num Errors	−0.126***	0.025	0.003	0.001	0.097**
	(0.048)	(0.043)	(0.038)	(0.039)	(0.044)
Num Errors × Det	0.076	−0.100*	0.010	0.085	0.014
	(0.066)	(0.059)	(0.053)	(0.054)	(0.061)
Female	0.023	0.030	−0.024	−0.035	−0.029
	(0.046)	(0.042)	(0.037)	(0.038)	(0.043)
White	0.104*	−0.028	0.032	−0.086*	−0.108**
	(0.056)	(0.050)	(0.045)	(0.046)	(0.052)
Young	−0.002	−0.007	0.025	0.007	−0.016
	(0.046)	(0.041)	(0.037)	(0.038)	(0.043)
Low Schooling	−0.017	0.008	0.021	0.044	−0.013
	(0.047)	(0.042)	(0.038)	(0.039)	(0.044)
Advice mentions all outcomes	0.134**	−0.106**	0.030	−0.089*	−0.057
	(0.057)	(0.051)	(0.045)	(0.047)	(0.053)
$V_L V_H$	0.331***	−0.030	−0.049	−0.188***	−0.252***
	(0.059)	(0.053)	(0.047)	(0.049)	(0.055)
Constant	0.312***	0.210***	0.068	0.289***	0.409***
	(0.074)	(0.066)	(0.059)	(0.061)	(0.069)
Observations	371	371	371	371	371

Table 36: Main Treatments: Estimation output using last 5 rounds of part 4 for the classification of types

Notes: Results from a linear regression. The dependent variable takes value 1 if the subject is classified as (1) V_L^4 (selecting $p = v_L$ in the last 5 rounds of part 4), (2) V_H^4 (selecting $p = v_H$ in the last 5 rounds of part 4), (3) Mix^4 (selecting $p \in \{v_L, v_H\}$ in last 5 rounds of part 4, where both $p = v_H$ and $p = v_L$ must be selected at least once), (4) Dom^4 (selecting $p \notin \{v_L, v_H\}$ in last 5 rounds of part 4), (5) Dom^4 or $Residual^4$. Det=1 is a dummy variable that takes value 1 if the observation corresponds to the deterministic treatment. Advice mentions all outcomes is a dummy that equals 1 if the advice of the subject mentions all four outcomes (v, p) with $v, p \in \{v_L, v_H\}$. Num Risky and Num Errors are individual-specific. Num Risky is the number of risky lotteries the subject chooses in part 5 (from 0 to 3). Num Errors is the number of errors the subject made in the part 1 instructions (from 0 to 2). Female, White, Young and Low Schooling are a dummies that take value 1, respectively, if the subject's gender is female, the reported ethnicity is white, their age is below the median age of 32, and their schooling if their education level is 'Some College' or lower. $V_L V_H$ is a dummy variable that takes value 1 if the subject is classified as $V_L V_H$ using choices from parts 1 and 2.

B Protocol for Coding Advice

The purpose of this document is to explain how to do the coding. The coding produces a spreadsheet. The first column is the ID of the participant who submitted the advice. The second column contains the advice itself. The third column identifies the treatment (Probabilistic, Deterministic). The columns to fill in are:

- Recommendation: This column contains the price that the adviser recommends. To do this place yourself in the shoes of the advisee and consider: "what price is this recommendation indicating that I should submit?"
  - If the advice directly recommends a price (e.g. "pick 20"), then simply write down this price.
  - If the advice recommends a range (e.g. "pick a price between 20 and 120"), then write down the midpoint of the range.
  - If the advice recommends two prices, then write:
    - -99 if the prices are 20 and 120 and there is a justified correct reason for this selection. [See Example 1]
    - -98 if the prices are 20 and 120 and there is a justification that is correct but incomplete. [See Example 2.]
    - -97 if the prices are 20 and 120 and there is a justification that is incorrect. [See Example 3.]
    - -96 if the prices are not 20 and 120.
    - Leave blank if there is no recommendation on what to submit.
- Payoff_vLpL: This variable should record the information that the subject conveys with respect to the payoff if the value of the company is low (20) and the price submitted is also low (20).
  1. Enter -1: The subject explicitly describes the event and explicitly discusses the profit, but the logic of the computation is incorrect. For example, consider a subject who claims that buying a company of value 20 for a price of 20 leads to losses. This logic incorrect. [Comment: If the computation is incorrect quantitatively, but the advice is qualitatively correct (e.g. when there is a computation error) DO NOT include in this category.]
  2. Enter 0: If what happens in this case is not discussed implicitly or explicitly.
  3. Enter 1: If what happens in this case is implicitly discussed. An implicit discussion means that the case is not directly mentioned, but it is clearly implied by the advice that this case exists and what would happen here. See Example 4 for an illustration.
  4. Enter 2: If what happens in the case is explicitly discussed, but only qualitatively. The subject does not provide an explicit computation. For example, this could be when the subject mentions that there is a gain if the bid is low and the value is low.

5. Enter 3: If what happens in the case is quantified. This is the case in which the subject explicitly computes the payoff in this outcome. The computation need not be correct (there can be an algebraic mistake), but if there is a computation and the qualitative result is sound, then classify it as 3.

- Payoff_vHpL: This variable should record the information that the subject conveys with respect to the payoff if the value of the company is high (120) and the price submitted is low (20). Use the same classification as for Payoff_vLpL. [Note #1: Particularly in the deterministic treatment this payoff can be implicitly computed by subjects saying: that you just "don't buy" the high-value company. Any subject who implicitly or explicitly recognizes that should be classified as if they had explicitly computed the payoff for the outcome.] [Note #2: In the Deterministic treatment it is possible that subjects compute this payoff in conjunction with the payoff for the vL pL case. Subjects may just say: if you bid pL the profit is X and in the computation of X they have implicitly recognized that they are not buying the high-value company. This should be noted as if subjects are explicitly computing both the payoff of vLpL and the payoff of vHpL.]

- Payoff_vLpH: This variable should record the information that the subject conveys with respect to the payoff if the value of the company is low (20) and the price submitted is high (120). Use the same classification as for Payoff_vLpL.

- Payoff_vHpH: This variable should record the information that the subject conveys with respect to the payoff if the value of the company is high (120) and the price submitted is also high (120). Use the same classification as for Payoff_vLpL. [Note #3: In the Deterministic treatment it is possible that subjects compute this payoff in conjunction with the payoff for the vL pH case. This should be noted as if subjects are explicitly computing both the payoff of vLpH and the payoff of vHpH.]

- Probabilities [Only for the probabilistic treatment.]:
  - Enter 0 if the subject does not mention anything about probabilities.
  - Enter 1 if the subject mentions probabilities (e.g. 50-50).
  - Enter 2 if the subject describes the probabilities as frequencies (e.g. 50% of the times).

- Payoffs: In the case of the probabilistic treatments this variable should report on what subjects say with respect to the expected payoff of offering some prices. For example, what is the expected payoff of submitting a price equal to the low bid and what is the expected payoff of a price equal to the high value. In the case of the deterministic treatment this variable reports on what subjects say with respect to payoffs.

  1. Enter -1 if the subject computes the payoffs in a manner that is qualitatively incorrect. (e.g. the subject reports that there are losses in the deterministic treatment if the price

equals the low value.) Do not include in this category if the subject makes a computation error that does not affect the qualitative logic.

2. Enter 0 if the subject does not discuss payoffs implicitly or explicitly.
3. Enter 1 if the subject discusses at least one of the payoffs implicitly. In the Probabilistic treatment this should involve the following: (i) An explicit or implicit discussion of all outcomes or a discussion of an explicit or implicit discussion of what happens for a pair of outcomes; and (ii) some statement that weighs these outcomes. For example: a discussion of the outcomes followed by "bidding 120 is not worth the risk" is an implicit statement that can be interpreted in the following way. Taking overall into account the expected utility of bidding 20 and the expected utility of bidding 120, the latter is not higher than the former. A case in which the choice is based only on avoiding losses (e.g. don't bid high because you could lose money) or a case in which the choice is based only on gains (e.g. bid high because you could gain a lot of money) should not be classified as in this category. For the deterministic treatment an example is provided in Example 5.
4. Enter 2 if the subject explicitly computes at least one of the payoffs. The computation does not need to be numerically correct, but if it is qualitatively correct and there is at least one of the payoffs computed, it should be reported as in this category.
5. Enter 3 if the subject explicitly computes both the payoff of submitting a low price and the payoff of submitting a high price. The computation does not need to be numerically correct, but if it is qualitatively correct and there is at least one of the payoffs computed, it should be reported as in this category.

- NoDominated: Enter 1 if the subject explains why it is dominated to submit prices lower than 20, or between 20 and 120, or higher than 120. Enter 0 if this is not explicitly discussed.

- Safe [Probabilistic treatment only]: Enter 1 if the subject recommends a certain price using the word/idea that this is the "safe" option. Enter 0 if there is no mention of "safe" as a concern for the choice.

- Gains [Probabilistic treatment only]: Enter 1 if the subject recommends a certain price using the word/idea that the perspective of "gains" should drive the choice.

- Explanation: Enter 1 if there is an explicit justification provided for the recommendation. The justification may be incorrect (e.g. Bid 120 because it guarantees profits), but there is some justification for the recommendation. Enter 0 if there is no justification. [Comment: For example, if the subject recommends bidding 120 because that's what my gut recommended, this should not be classified as an explanation. The explanation should have some connection to the problem.]

Examples:

Example 1: "Since you know the value of the company will be either exactly 20 or 120, I would choose between those 2 numbers to maximize your profit, as anything going over that would take away from your profit. If you offer 20 as a price and the value ends up being 20, the value to you would be 1.5 times = 30. The 30 value to you minus the 20 price you paid = 10, and 10 x 2=20 in profit points for you. You have the potential to earn either 20 cents if per your instructions you earn 1 cent per point, or 60 cents if per your instructions you earn 3 cents per point. So in recap, if your offering price is 20, you have the potential to make a bonus of either 20 cents, 60 cents, or zero if B ends up being the company value. If you offer 120 as your price and the value ends up being 120, the value to you would be 1.5 times = 180. The 180 value to you minus the 120 price you paid = 60, and 60 x 2=120 in profit points for you. You have the potential to earn either $1.20 if per your instructions you earn 1 cent per point, or $3.60 if per your instructions you earn 3 cents per point. However, if the value ends up being 20, the value to you would be 1.5 times =30. The 30 value to you minus the 120 price you paid = -90, and -90 x 2=-180 negative profit points for you. In this case you have the risk of losing either $1.80 if each point equals 1 cent, or losing $5.40 if each point equals 3 cents. So in recap, if your offering price is 120, you have the potential to make a bonus of either $1.20, $3.60, or losing $1.80 or $5.40. If you want bigger bonuses but are willing to risk losses, I'd offer the higher value of A or B, but if you want no risk of loss with moderate gains, I'd offer the lower value of A or B. " [Comment: completely explains the problem and the options. Should be deemed as -99 even if the computations are incorrect. If the advice is qualitatively complete and qualitatively correct, then should be classified as -99.]

Example 2: "Choosing 20 has the chance of purchasing Company A without a loss in profits if A is selected. If you choose 120, and A is selected, then you will purchase A at a loss." [Comment: Describes only part of the lottery. The part that is described is correct, but the information is incomplete for a decision-maker to decide which price to submit. The advice is incomplete, so classified as -98]

Example 3: "You will make a lot more money if B is chosen but there is still a chance A will be chosen. If you choose 20 you will definitely make some money. But if you choose a number higher than 20 is A is chosen then you cannot buy the property and your profit is zero. If you are a risk taker, choose a value higher to or equal to 120. I hope that helps you." [Comment: It is not true that if the bid is higher than 20 it is not possible to buy A. This is a case in which the advice is classified as -97.]

Example 4: "So If you want to play it safe, you could always choose the smaller amount. There's not going to be much of a reward compared to the other option but if you're worried about your overall bonus, it might be the way to go. Still, it's flipping a coin so if you have the attitude of "go big or go home" you should go for the larger option. If the bonus is 4 times larger than the option, then it would be worth the risk I would think." [Comment: In this case the subject discusses the payoff if bidding low: "There's not going to be much of a reward. . . " Here the subject

is implicitly mentioning that that there can be a reward if the price is equal to the low value. They are not explicitly discussing this alternative, however. Notice also that the subject is also implicitly discussing the payoffs in the outcomes when the price is high. The subject writes: "... go big or go home you should go for the larger option. If the bonus (...), then it would be worth the risk (...)" If the subject mentions "risk" she is implicitly recognizing the possibility of a loss by bidding high and by suggesting to go for it also implicitly recognizing the possibility of a reward.]

Example 5: "If there is a large discrepancy between the numbers enter the smaller number. If you don't enter the smaller number you are going to wind up losing all your profit by the price you're paying for the smaller company. If the numbers are close together enter the number for the higher company so you make money off both companies. " [Comment: In this case that corresponds to the deterministic treatment, the subject discusses that there are profits if you enter the high price that would be lost by paying the high price for the smaller company. This is an implicit discussion of the payoff of submitting a high price in the deterministic treatment. Notice that when the subject says "if you don't enter the smaller number" it is implicit that entering the smaller number does not result in losing all the profit. Hence the subject is implicitly saying that the profit of entering the smaller value is larger than the profit of entering the higher number.]