

APPENDIX:

INSTRUCTIONS GIVEN TO SUBJECTS

(translated from Polish into English)

[SEE GREEN SQUARE BRACKETS COMMENTS
FOR DIFFERENCES BETWEEN EXPERIMENTAL TREATMENTS]

Welcome to our experiment!

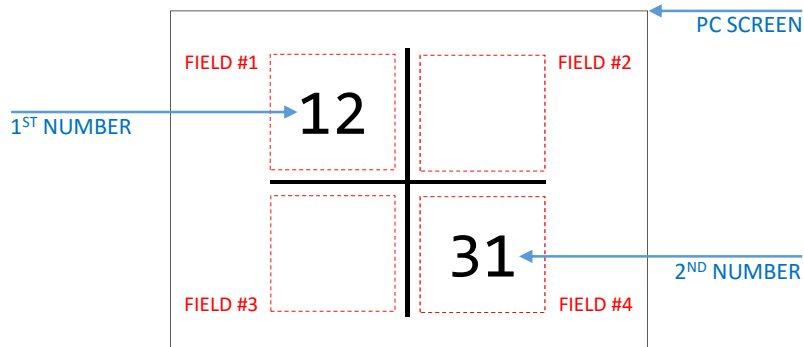
The study consists of two parts. We will now explain the first one.

You can proceed to the next part of these instructions by pressing **ANY** key.

If you forget anything, the instructions are also displayed on the large board that you and the other subject in the room can see. Both of you receive the same instructions.

In every round of the study your task will be to **choose one of the two two-digit numbers** displayed on the screen.

The numbers will be displayed in two out of four squares visible on the screen. For instance, it could look like this:



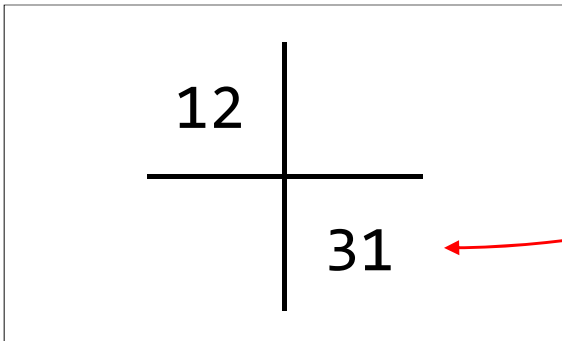
Before each round you will see a message telling you what to keep in mind when choosing the number.

More specifically, you will face **two kinds of tasks**.

The first type of task that you can get is:

„Pick **the same** [DIFFERENT for one of the players in the two matching-pennies treatments] number as the computer. The computer will **select the number closer to XX**”

Where XX is eg. 27. After pressing ANY key, the message will disappear and your choice screen will be displayed.



In this example, the right answer is 31.

ATTENTION: Every time you select the same [DIFFERENT] number as the computer, you will receive **one point**. The points will then be converted to your monetary reward: **for every point you will receive 0.50 PLN.**

The second type of task that you can get is:

„Pick the same **[DIFFERENT]** number as the computer. The computer will **randomly** choose one of the numbers”

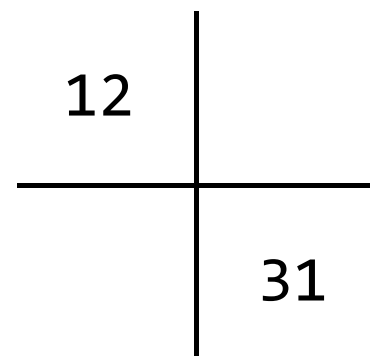
Before the experiment, the computer randomly picked one of each pair of numbers by tossing a fair coin. The numbers picked are in the envelope next to you, but you can only check them **after** you finish the experiment.

If you pick the same **[DIFFERENT]** number as the computer, you get **ZERO** points. Otherwise, you get **TWO** points.

Once you take a look at the numbers and decide which one to choose, you do this in the following way:

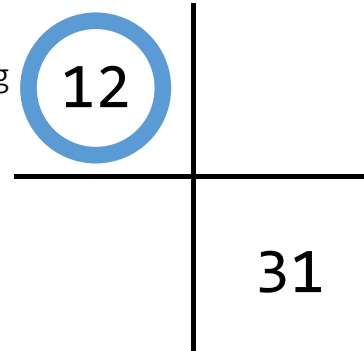
1) press **ANY key**

[this tells an „eye-tracking” device to record your choice]



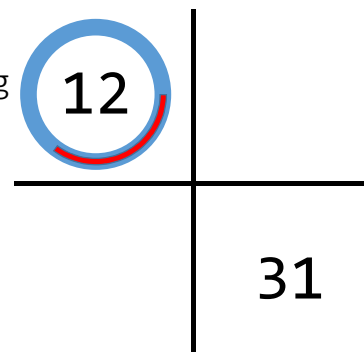
Once you take a look at the numbers and decide which one to choose, you do this in the following way:

- 1) press **ANY key**
[this tells an „eye-tracking” device to record your choice]
- 2) **LOOK** at your chosen number (let’s say 12);
the number becomes surrounded by a blue ring



Once you take a look at the numbers and decide which one to choose, you do this in the following way:

- 1) press **ANY key**
[this tells an „eye-tracking” device to record your choice]
- 2) **LOOK** at your chosen number (let’s say 12);
the number becomes surrounded by a blue ring
- 3) **WAIT**, trying not to shift your gaze, until a red progress bar encircles the number.
That’s it!



We will now calibrate the eye-tracking device, so that it can record your choices. Please follow a red dot with your gaze as it moves around the screen.

After that, please **try not to take your eyes off the screen** during the rest of the study.

The experiment will start right after calibration.

We will now start **the second part of the study**.

In every round, you and the other subject in the room will now each see **exactly the same two numbers** in the same two positions.

If you pick THE SAME **[in the two matching-pennies treatments, THE SAME replaced with DIFFERENT for one of the two subjects]** number as the other subject, you receive TWO points. Otherwise, you receive ZERO points.

If the other subject picks THE SAME **[in the two matching-pennies treatments, THE SAME replaced with DIFFERENT for one of the two subjects]** number as you, she receives TWO points. Otherwise, she receives ZERO points.

IMPORTANT: you are not allowed to communicate with the other player and you must each choose independently every time!

[ONLY THE TWO NO-FEEDBACK TREATMENTS]

ATTENTION: you will only find out what the other subject chose in every round, and how many points you each scored, **once you both finish the entire experiment**

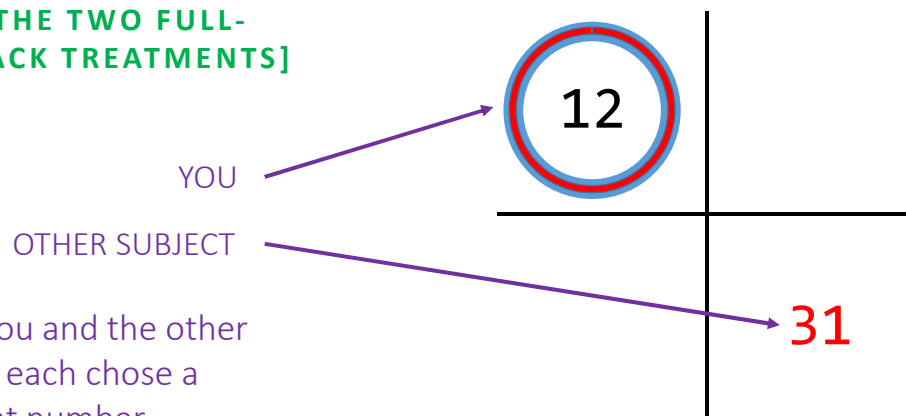
[ONLY THE TWO FULL-FEEDBACK TREATMENTS]

ATTENTION: after every round, once you **BOTH** choose your numbers, you will each see the number chosen by the other party **highlighted in RED** (the one YOU chose is still surrounded by the blue ring).

You will also see how many points you each scored in that round.

See the next slide for what it might look like.

[ONLY THE TWO FULL-FEEDBACK TREATMENTS]



Here, you and the other subject each chose a different number.

YOU: [XX*] points

OTHER SUBJECT: [YY*] points

[* in coordination x full feedback XX = YY = ZERO;
in matching-pennies x full feedback XX = ZERO, YY = TWO for one subject
and XX = TWO, YY = ZERO for the other]