Limits on Regret as a Tool for Incentive Design
Online Appendix

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Introduction

Thank you for participating in our study. Please turn off mobile phones and other electronic devices. These must remain turned off for the duration of the session.

This is an experiment on the economics of decision making. The money you earn will depend on both your decisions and chance. The session will be conducted through your computer terminal and the experimenter at the front. Do not talk to or attempt to communicate with any other participants during the experiment. If you have a question please raise your hand and one of the experimenters will come to where you are sitting to answer your question in private.

During the experiment, you will have the opportunity to earn a considerable amount of money depending on your decisions. At the end of the experiment, you will be paid in private and in cash (any amounts in excess of $200 will be paid privately by arrangement). On top of what you earn through your decisions during the experiment, you will also receive a $6 participation fee.

First Task

Our first task is to introduce you to the lottery cage that will be used throughout the experiment. It is a cage with fifty balls in it, numbered from 1 to 50, which we will spin to draw random balls from. During the experiment we will spin the cage and select balls from it at random, and enter the selected numbers into the monitor computer.

As a first task, we would like you to answer the twenty-one questions displayed on your screen. At the end of this session we will spin the lottery cage, and one participant in the room will be randomly selected to be paid based on their answer to one of the twenty-one questions on your screen (with equal probability of each question being selected).

In each question you are given the choice between entering a lottery in which you will win $10 if you correctly guess whether the number drawn from the cage is odd (numbers 1, 3,..., 49) or even (numbers 2, 4,...,50) and $0 if your guess is incorrect. The alternative option in each of the twenty-one questions is an amount $X with certainty, which varies across the questions.

If you are selected for payment on this first task, the computer will select one of the twenty-one questions for payment. If you chose the amount $X on the selected question, then $X will be added to your final payoff. If instead you chose to enter the lottery on that question, $10 will be added to your final payment only if your guess for the ball being odd/even was correct.

Please enter your answers to the questions now, where you can select your guess of odd or even on the right of your screen.

A.2 Simultaneous standard

Main Task

The experiment will consist of a single decision that will affect 30 rounds. In each round you will either receive a certain amount of money $$X$ or be entered into a lottery.

In the lotteries for our main task, three winning numbers will be selected sequentially from the cage, and a new lottery will be conducted for each of the 30 rounds. In any of the 30 rounds where your decision leads you to **enter the lottery**, the computer will randomly assign a new entry ticket to you for that round (three different numbers <A,B,C> from 1 to 50, where every possible ticket is equally likely in each round). The prizes that are added to your final payment are as follows:

- If all three numbers on your ticket match the winning numbers drawn from the cage that round, the prize is $250. Anyone who enters a lottery therefore has a 1 in 19,600 chance to win $250, which is equivalent to a 0.005% probability.

- If there are two matches on your ticket to the winning numbers drawn that round, the prize is $25. Anyone who enters a lottery therefore has a 141 in 19,600 chance to win $25, which is equivalent to a 0.72% probability.

- If any single number on your ticket matches one of the winning numbers drawn that round, the prize is $2.50. Anyone who enters a lottery therefore has a 3,243 in 19,600 chance to win $2.50, which is equivalent to a 16.55% probability.

- All tickets without any matches to the winning numbers lose. Anyone who enters a lottery therefore has a 16,215 in 19,600 chance of losing, which is equivalent to an 82.73% probability.

For example, suppose the winning numbers drawn for the lottery on a particular round are 1, 2 and 3:

- Any entrant with the lottery ticket <1, 2, 3> would have $250 added to their final payment.

- Any entrants with lottery tickets with two matching numbers would have $25 added to their final payment (tickets that looked like <1,2,⊗>, <1,3,⊗> or <2,3,⊗> for any non-matching number ⊗).

- Any entrant with a ticket number with a 1 or a 2 or a 3 on it would have $2.50 added to their final payment (tickets that looked like <1,⊗,⊗>, <2,⊗,⊗> or <3,⊗,⊗> , etc.).

- All other ticket numbers lose, so any lottery entrants with a ticket without the numbers 1, 2 or 3 on it would not win any amounts for this round.

Valuation Procedure

We are interested in how much you value entering the lottery in each of the 30 rounds.

For that purpose, we could ask a series of questions like those from the first task "Would you prefer $X for sure, or would you like to enter the lottery?" for all of the values for $X between $0.00 to $1.00.

Presumably, you would prefer to enter lotteries for rounds where the offered amount $X is very small, and where the offered amount is very large you would prefer to take the offer and not enter the lottery. In particular, after some point you'd likely switch from choosing to enter the lottery to instead taking the offer. The last offered amount $Y at which you prefer to enter the lottery is therefore the **maximum** amount of money you'd be willing to pay to enter. This is what we'll call your **value** for each lottery.

One problem with asking you which you prefer (entering the lottery or receiving the offer) for all of the possible values from $0.00 to $1.00 is that this would be quite time consuming. Instead, we will ask you to answer the following question:

- **What is the value $Y above which you would prefer the offered amount, and below which you would prefer to enter the lottery?**

After you have answered this question, we will roll a fair 100-sided die for each participant in the room 30 times. Your 30 offers for the 30 rounds will be given by the values of these these die rolls (in cents). So for every one of the 30 rounds in the experiment you will be given an offer $X between $0.01 and $1.00.

Whether or not you will enter the lottery for any particular round or add the offer $X to your final payment is determined by the choice you made for your value $Y:

- For all rounds where the offer $X is **less than or equal** to $Y, you will give up the offer, and instead be entered into the lottery for these rounds.

- For all rounds where the offer $X is **greater than** $Y, you will accept the offer and $X will be added to your final payment, but you will not be given a randomly drawn lottery ticket for these rounds. That is, you will only be given a lottery entry ticket for rounds where you **do not** keep the offer.

This process is designed to be similar to us asking you the hundred possible questions:

- **Would you prefer to enter the lottery or receive the certain payment $X?**
  (for $X=$0.01,$0.02,...,$0.99, $1.00)

In particular, this process has been designed so that the best strategy is to choose $Y equal to your value for entering each lottery round. Why?

- Suppose you value the lottery at **<u>$0.05</u>**:

    - If you chose $0.02 as your value, there is some chance the computer will select offers between $0.03 and $0.05, and you wouldn't enter the lottery for these rounds even though you value entering more than the offered amounts.

    - If you enter $0.08 as your value, there is some chance the computer will select offers between $0.06 and $0.08 and you will enter the lottery for these rounds, even though you value entering less than the offered amounts.

    - By entering $0.05 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

- Similarly, suppose you value the lottery at **<u>$0.95</u>**:

    - If you chose $0.92 as your value, there is some chance the computer will select offers between $0.93 and $0.95, and you wouldn't enter the lottery for some rounds despite valuing entering more than these amounts.

    - If you enter $0.98 as your value, there is some chance you will be giving up offers between $0.96 and $0.98, and you will enter the lottery for those rounds, even though you value entering less than the offered amount.

    - By entering $0.95 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

Again, this procedure has been designed you have <u>no incentive to lie</u> about your value for entering the lottery in each of the 30 rounds.

Payment

Your final payment for this experiment is the sum of your earnings over all 30 rounds. All offers accepted and all prizes won from lotteries will be automatically added to your final earnings and paid at the end of the experiment. One participant in the room will also be paid for the first task (the initial twenty-one questions). Additionally, a $6 participation fee will be added to all participant's final earnings.

Summary

We have also included a summary sheet for the main task. Please look at it now.

Practice

We will now give you three minutes to practice entering your values by clicking on the slider on your screens. You can click the slider freely to practice setting your value Y, where you can also hit the red button to simulate the computer's 30 die rolls to determine the offers X; at the bottom of the screen you will see a summary of the effect of your value choice.

Note that in your actual decision you will not see the actual 30 offers until **after** you have selected your value Y. We are including this here to help you understand the process before you make your value decision in the next part. Also, remember that none of the choices you make in the practice period will count for final payment.

After the three-minutes of practice, the experimental interface will test you on your understanding of these instructions. After **everyone** has successfully completed this quiz the experiment will begin and you will make your only decision for the main task: your value Y that will affects all 30 rounds.

A.3   Simultaneous regret

Main Task

The experiment will consist of a single decision that will affect 30 rounds. In each round you will either receive a certain amount of money X or be entered into a lottery.

In the lotteries for our main task, three winning numbers will be selected sequentially from the cage, and a new lottery will be conducted for each of the 30 rounds. Your ticket for all of the lotteries in this experiment (three different numbers <A,B,C> from 1 to 50) was randomly assigned to you when you entered this session when you were assigned a desk number. Your ticket has been printed out on your desk, and has been recorded on your computer. If your decision leads you to **enter the lottery** for any of the 30 rounds, the prizes that are added to your final payment are as follows:

- If all three numbers on your ticket match the winning numbers drawn from the cage that round, the prize is $250. Anyone who enters a lottery therefore has a 1 in 19,600 chance to win $250, which is equivalent to a 0.005% probability.

- If there are two matches on your ticket to the winning numbers drawn that round, the prize is $25. Anyone who enters a lottery therefore has a 141 in 19,600 chance to win $25, which is equivalent to a 0.72% probability.

- If any single number on your ticket matches one of the winning numbers drawn that round, the prize is $2.50. Anyone who enters a lottery therefore has a 3,243 in 19,600 chance to win $2.50, which is equivalent to a 16.55% probability.

- All tickets without any matches to the winning numbers lose. Anyone who enters a lottery therefore has a 16,215 in 19,600 chance of losing, which is equivalent to an 82.73% probability.

For example, suppose the winning numbers drawn for the lottery on a particular round are 1, 2 and 3:

- Any entrant with the lottery ticket <1, 2, 3> would have $250 added to their final payment.

- Any entrants with lottery tickets with two matching numbers would have $25 added to their final payment (tickets that looked like <1,2,⊗>, <1,3,⊗> or <2,3,⊗> for any non-matching number ⊗).

- Any entrant with a ticket number with a 1 or a 2 or a 3 on it would have $2.50 added to their final payment (tickets that looked like <1,⊗,⊗>, <2,⊗,⊗> or <3,⊗,⊗> , etc.).

- All other ticket numbers lose, so any lottery entrants with a ticket without the numbers 1, 2 or 3 on it would not win any amounts for this round.

Valuation Procedure

We are interested in how much you value entering the lottery in each of the 30 rounds.

For that purpose, we could ask a series of questions like those from the first task "Would you prefer $X for sure, or would you like to enter the lottery?" for all of the values for $X between $0.00 to $1.00.

Presumably, you would prefer to enter lotteries for rounds where the offered amount $X is very small, and where the offered amount is very large you would prefer to take the offer and not enter the lottery. In particular, after some point you'd likely switch from choosing to enter the lottery to instead taking the offer. The last offered amount $Y at which you prefer to enter the lottery is therefore the **maximum** amount of money you'd be willing to pay to enter. This is what we'll call your **value** for each lottery.

One problem with asking you which you prefer (entering the lottery or receiving the offer) for all of the possible values from $0.00 to $1.00 is that this would be quite time consuming. Instead, we will ask you to answer the following question:

- **What is the value $Y above which you would prefer the offered amount, and below which you would prefer to enter the lottery?**

After you have answered this question, we will roll a fair 100-sided die for each participant in the room 30 times. Your 30 offers for the 30 rounds will be given by the values of these these die rolls (in cents). So for every one of the 30 rounds in the experiment you will be given an offer $X between $0.01 and $1.00.

Whether or not you will enter the lottery for any particular round or add the offer $X to your final payment is determined by the choice you made for your value $Y:

- For all rounds where the offer $X is **less than or equal** to $Y, you will give up the offer, and instead be entered into the lottery for these rounds.

- For all rounds where the offer $X is **greater than** $Y, you will accept the offer and $X will be added to your final payment, but the ticket on your desk will not be entered into the lottery for these rounds. That is, even though the lottery ticket on your desk remains the same for all 30 rounds, your specific ticket will only win prizes for those rounds where you **do not** keep the offer.

This process is designed to be similar to us asking you the hundred possible questions:

- **Would you prefer to enter the lottery or receive the certain payment $X?** (for X=$0.01,$0.02,...,$0.99, $1.00)

In particular, this process has been designed so that the best strategy is to choose $Y equal to your value for entering each lottery round. Why?

- Suppose you value the lottery at **$0.05**:

  - If you chose $0.02 as your value, there is some chance the computer will select offers between $0.03 and $0.05, and you wouldn't enter the lottery for these rounds even though you value entering more than the offered amounts.

  - If you enter $0.08 as your value, there is some chance the computer will select offers between $0.06 and $0.08 and you will enter the lottery for these rounds, even though you value entering less than the offered amounts.

  - By entering $0.05 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

- Similarly, suppose you value the lottery at **$0.95**:

  - If you chose $0.92 as your value, there is some chance the computer will select offers between $0.93 and $0.95, and you wouldn't enter the lottery for some rounds despite valuing entering more than these amounts.

  - If you enter $0.98 as your value, there is some chance you will be giving up offers between $0.96 and $0.98, and you will enter the lottery for those rounds, even though you value entering less than the offered amount.

  - By entering $0.95 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

Again, this procedure has been designed you have no incentive to lie about your value for entering the lottery in each of the 30 rounds.

Payment

Your final payment for this experiment is the sum of your earnings over all 30 rounds. All offers accepted and all prizes won from lotteries will be automatically added to your final earnings and

paid at the end of the experiment. One participant in the room will also be paid for the first task (the initial twenty-one questions). Additionally, a \$6 participation fee will be added to all participant's final earnings.

Summary

We have also included a summary sheet for the main task. Please look at it now.

Practice

We will now give you three minutes to practice entering your values by clicking on the slider on your screens. You can click the slider freely to practice setting your value \$$Y$, where you can also hit the red button to simulate the computer's 30 die rolls to determine the offers \$$X$; at the bottom of the screen you will see a summary of the effect of your value choice.

Note that in your actual decision you will not see the actual 30 offers until **after** you have selected your value \$$Y$. We are including this here to help you understand the process before you make your value decision in the next part. Also, remember that none of the choices you make in the practice period will count for final payment.

After the three-minutes of practice, the experimental interface will test you on your understanding of these instructions. After **everyone** has successfully completed this quiz the experiment will begin and you will make your only decision for the main task: your value \$$Y$ that will affects all 30 rounds.

A.4 Sequential standard

Main Task

The experiment will consist of 30 rounds. In each round you will have to choose between receiving a certain amount of money $\$X$ or entering a lottery.

In the lotteries for our main task, three winning numbers will be selected sequentially from the cage. In any round where your choose to enter the lottery, the computer will randomly assign a new entry ticket to you (three different numbers <A,B,C> from 1 to 50, where every possible ticket is equally likely). If you **enter the lottery** in any round, the prizes that are added to your final payment are as follows:

- If all three numbers on your ticket match the winning numbers drawn from the cage that round, the prize is $250. Anyone who enters the lottery therefore has a 1 in 19,600 chance to win $250, which is equivalent to a 0.005% probability.

- If there are two matches on your ticket to the winning numbers drawn that round, the prize is $25. Anyone who enters the lottery therefore has a 141 in 19,600 chance to win $25, which is equivalent to a 0.72% probability.

- If any single number on your ticket matches one of the winning numbers drawn that round, the prize is $2.50. Anyone who enters the lottery therefore has a 3,243 in 19,600 chance to win $2.50, which is equivalent to a 16.55% probability.

- All tickets without any matches to the winning numbers lose. Anyone who enters the lottery therefore has a 16,215 in 19,600 chance of losing, which is equivalent to an 82.73% probability.

For example, if the winning numbers drawn were 1, 2 and 3:

- Any entrant with the lottery ticket <1, 2, 3> would win $250 for the round.

- Any entrants with lottery tickets with two matching numbers woul win $25 for the round (tickets that looked like <1,2,$\otimes$>, <1,3,$\otimes$> or <2,3,$\otimes$> for any non-matching number $\otimes$).

- Any entrant with a ticket number with a 1 or a 2 or a 3 on it would win $2.50 (tickets that looked like <1,$\otimes$,$\otimes$>, <2,$\otimes$,$\otimes$> or <3,$\otimes$,$\otimes$> , etc.).

- All other ticket numbers lose, so any lottery entrants with a ticket without the numbers 1, 2 or 3 on it would not win any amount that round.

Valuation Procedure

We are interested in how much you value entering the lottery.

For that purpose, we could ask a series of questions each round like those from the first task "Would you prefer X for sure, or would you like to enter the lottery?" for all of the values for X between $0.00 to $1.00.

Presumably, you would prefer to enter the lottery when the offered amount X is very small, and when the offered amount is very large you would prefer to take the offer and not enter the lottery. In particular, after some point you'd likely switch from choosing to enter the lottery to instead taking the offer. The last offered amount Y at which you prefer to enter the lottery is therefore the **maximum** amount of money you'd be willing to pay to enter. This is what we'll call your **value** for the lottery.

One problem with asking you which you prefer (entering the lottery or receiving the offer) for all of the possible values from $0.00 to $1.00 is that this would be quite time consuming. Instead, we will ask you to answer the following question each round:

- **What is the value Y above which you would prefer the offered amount, and below which you would prefer to enter the lottery?**

After you have answered this question, we will roll a fair 100-sided die for each participant in the room. Your offer X will be given by the number rolled on this die (in cents). So for every one of the 30 rounds in the experiment you will be given an offer X between $0.01 and $1.00.

Whether or not you will enter the lottery that round or add the offer X to your final payment is determined by the choice you made for your value Y:

- If the offer X is **less than or equal** to Y, you will give up the offer and enter the lottery.

- If the offer X is **greater than** Y, you will accept the offer and X will be added to your final payment, but you will not be assigned a ticket for the lottery that round.

This process is designed to be similar to us asking you the hundred possible questions:

- **Would you prefer to enter the lottery or receive the certain payment X?** (for X=$0.01,$0.02,...,$0.99, $1.00)

In particular, this process has been designed so that the best strategy is to choose Y equal to your value for entering the lottery. Why?

- Suppose you value the lottery at **$0.05**:

- If you chose $0.02 as your value, there is some chance the computer will select an offer between $0.03 and $0.05, and you wouldn't enter the lottery even though you value entering more than the offered amount.

- If you enter $0.08 as your value, there is some chance the computer will select an offer between $0.06 and $0.08 and you will enter the lottery, even though you value entering less than the offered amount.

- By entering $0.05 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

- Similarly, suppose you value the lottery at **$0.95**:

  - If you chose $0.92 as your value, there is some chance the computer will select an offer between $0.93 and $0.95, and you wouldn't enter the lottery despite valuing entering more than these amounts.

  - If you enter $0.98 as your value, there is some chance you will be giving up offers between $0.96 and $0.98, and you will enter the lottery, even though you value entering less than the offered amount.

  - By entering $0.95 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

Again, this procedure has been designed so that in every round, you have no incentive to lie about your value for the lottery.

Payment

Your final payment for this experiment is the sum of your earnings over all 30 rounds. Any offers accepted or prizes won from the lottery will be automatically added to your final earnings at the end of each round. One participant in the room will also be paid for the first task (the initial twenty-one questions). Additionally, a $6 participation fee will be added to all participants' final earnings.

Summary

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Practice

We will now give you two minutes to practice entering your values by clicking on the slider on your screens. You can click the slider freely to practice setting your value Y, where you can also hit the red button to simulate the computers die roll to determine the offer X.

Note that, once the experiment begins, you will not see the offer X until **after** you have selected your value Y, we are including this here to help you understand the process. None of the choices you make in the practice period will count for final payment.

After the two-minutes of practice, the experimental interface will then test you on your understanding of these instructions. After **everyone** has successfully completed this quiz the experiment will begin.

A.5   Sequential regret

Main Task

The experiment will consist of 30 rounds. In each round you will have to choose between receiving a certain amount of money X or entering a lottery.

In the lotteries for our main task, three winning numbers will be selected sequentially from the cage. Your ticket for all of the lotteries in this experiment (three different numbers <A,B,C> from 1 to 50) was randomly assigned to you when you entered this session when you were assigned a desk number. Your ticket has been printed out on your desk, and has been recorded on your computer. If you **enter the lottery** in any round, the prizes that are added to your final payment are as follows:

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- Any entrant with a ticket number with a 1 or a 2 or a 3 on it would win $2.50 (tickets that looked like <1,$\otimes$,$\otimes$>, <2,$\otimes$,$\otimes$> or <3,$\otimes$,$\otimes$> , etc.).

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Whether or not you will enter the lottery that round or add the offer X to your final payment is determined by the choice you made for your value Y:

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This process is designed to be similar to us asking you the hundred possible questions:

- **Would you prefer to enter the lottery or receive the certain payment X?** (for X=$0.01,$0.02,...,$0.99, $1.00)

In particular, this process has been designed so that the best strategy is to choose Y equal to your value for entering the lottery. Why?

- Suppose you value the lottery at **$0.05**:

- If you chose $0.02 as your value, there is some chance the computer will select an offer between $0.03 and $0.05, and you wouldn't enter the lottery even though you value entering more than the offered amount.

- If you enter $0.08 as your value, there is some chance the computer will select an offer between $0.06 and $0.08 and you will enter the lottery, even though you value entering less than the offered amount.

- By entering $0.05 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

- Similarly, suppose you value the lottery at **$0.95**:

  - If you chose $0.92 as your value, there is some chance the computer will select an offer between $0.93 and $0.95, and you wouldn't enter the lottery despite valuing entering more than these amounts.

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After the two-minutes of practice, the experimental interface will then test you on your understanding of these instructions. After **<u>everyone</u>** has successfully completed this quiz the experiment will begin.

A.6 Sequential regret choice

Main Task

The experiment will consist of 30 rounds. In each round you will have to choose between receiving a certain amount of money X or entering a lottery.

In the lotteries for our main task, three winning numbers will be selected sequentially from the cage. In each round, you will be able to select your lottery ticket for the round (three different numbers <A,B,C> from 1 to 50) before choosing weather to participate in the lottery or not. If you **enter the lottery** in any round, the prizes that are added to your final payment are as follows:

- If all three numbers on your ticket match the winning numbers drawn from the cage that round, the prize is $250. Anyone who enters the lottery therefore has a 1 in 19,600 chance to win $250, which is equivalent to a 0.005% probability.

- If there are two matches on your ticket to the winning numbers drawn that round, the prize is $25. Anyone who enters the lottery therefore has a 141 in 19,600 chance to win $25, which is equivalent to a 0.72% probability.

- If any single number on your ticket matches one of the winning numbers drawn that round, the prize is $2.50.Anyone who enters the lottery therefore has a 3,243 in 19,600 chance to win $2.50, which is equivalent to a 16.55% probability.

- All tickets without any matches to the winning numbers lose. Anyone who enters the lottery therefore has a 16,215 in 19,600 chance of losing, which is equivalent to an 82.73% probability.

For example, if the winning numbers drawn were 1, 2 and 3:

- Any entrant with the lottery ticket <1, 2, 3> would win $250 for the round.

- Any entrants with lottery tickets with two matching numbers would win $25 for the round (tickets that looked like <1,2,⊗>, <1,3,⊗> or <2,3,⊗> for any non-matching number ⊗).

- Any entrant with a ticket number with a 1 or a 2 or a 3 on it would win $2.50 (tickets that looked like <1,⊗,⊗>, <2,⊗,⊗> or <3,⊗,⊗> , etc.).

- All other ticket numbers lose, so any lottery entrants with a ticket without the numbers 1, 2 or 3 on it would not win any amount that round.

Valuation Procedure

We are interested in how much you value entering the lottery.

For that purpose, we could ask a series of questions each round like those from the first task "Would you prefer $X for sure, or would you like to enter the lottery?" for all of the values for $X between $0.00 to $1.00.

Presumably, you would prefer to enter the lottery when the offered amount $X is very small, and when the offered amount is very large you would prefer to take the offer and not enter the lottery. In particular, after some point you'd likely switch from choosing to enter the lottery to instead taking the offer. The last offered amount $Y at which you prefer to enter the lottery is therefore the **maximum** amount of money you'd be willing to pay to enter. This is what we'll call your **value** for the lottery.

One problem with asking you which you prefer (entering the lottery or receiving the offer) for all of the possible values from $0.00 to $1.00 is that this would be quite time consuming. Instead, we will ask you to answer the following question each round:

- **What is the value $Y above which you would prefer the offered amount, and below which you would prefer to enter the lottery?**

After you have answered this question, we will roll a fair 100-sided die for each participant in the room. Your offer $X will be given by the number rolled on this die (in cents). So for every one of the 30 rounds in the experiment you will be given an offer $X between $0.01 and $1.00.

Whether or not you will enter the lottery that round or add the offer $X to your final payment is determined by the choice you made for your value $Y:

- If the offer $X is **less than or equal** to $Y, you will give up the offer and enter the lottery.

- If the offer $X is **greater than** $Y, you will accept the offer and $X will be added to your final payment, but your ticket will not be entered into the lottery that round.

This process is designed to be similar to us asking you the hundred possible questions:

- **Would you prefer to enter the lottery or receive the certain payment $X?** (for $X=$0.01,$0.02,...,$0.99, $1.00)

In particular, this process has been designed so that the best strategy is to choose $Y equal to your value for entering the lottery. Why?

- Suppose you value the lottery at **$0.05**:

- If you chose $0.02 as your value, there is some chance the computer will select an offer between $0.03 and $0.05, and you wouldn't enter the lottery even though you value entering more than the offered amount.

- If you enter $0.08 as your value, there is some chance the computer will select an offer between $0.06 and $0.08 and you will enter the lottery, even though you value entering less than the offered amount.

- By entering $0.05 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

- Similarly, suppose you value the lottery at **$0.95**:

  - If you chose $0.92 as your value, there is some chance the computer will select an offer between $0.93 and $0.95, and you wouldn't enter the lottery despite valuing entering more than these amounts.

  - If you enter $0.98 as your value, there is some chance you will be giving up offers between $0.96 and $0.98, and you will enter the lottery, even though you value entering less than the offered amount.

  - By entering $0.95 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

Again, this procedure has been designed so that in every round, you have no incentive to lie about your value for the lottery.

Payment

Your final payment for this experiment is the sum of your earnings over all 30 rounds. Any offers accepted or prizes won from the lottery will be automatically added to your final earnings at the end of each round. One participant in the room will also be paid for the first task (the initial twenty-one questions). Additionally, a $5 participation fee will be added to all participants' final earnings.

Summary

We have also included a summary sheet for the main task. Please look at it now.

Practice

We will now give you two minutes to practice entering your values by clicking on the slider on your screens. You can click the slider freely to practice setting your value Y, where you can also hit the red button to simulate the computers die roll to determine the offer X.

Note that, once the experiment begins, you will not see the offer X until **<u>after</u>** you have selected your value Y, we are including this here to help you understand the process. None of the choices you make in the practice period will count for final payment.

After the two-minutes of practice, the experimental interface will then test you on your understanding of these instructions. After **<u>everyone</u>** has successfully completed this quiz the experiment will begin.

A.7   Sequential regret social

Main Task

The experiment will consist of 30 rounds. In each round you will have to choose between receiving a certain amount of money X or entering a lottery.

In the lotteries for our main task, three winning numbers will be selected sequentially from the cage. Your ticket for all of the lotteries in this experiment (three different numbers <A,B,C> from 1 to 50) was randomly assigned to you when you entered this session when you were assigned a desk number. Your ticket has been printed out on your desk, and has been recorded on your computer. If you are sitting to the left of the aisle, your ticket is the three numbers under the column "Left Side"; while if you are seating to the right of the isle, your ticket is under the column "Right Side".

If you **enter the lottery** in any round, the prizes that are added to your final payment are as follows:

- If all three numbers on your ticket match the winning numbers drawn from the cage that round, the prize is $250. Anyone who enters the lottery therefore has a 1 in 19,600 chance to win $250, which is equivalent to a 0.005% probability.

- If there are two matches on your ticket to the winning numbers drawn that round, the prize is $25. Anyone who enters the lottery therefore has a 141 in 19,600 chance to win $25, which is equivalent to a 0.72% probability.

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- All tickets without any matches to the winning numbers lose.Anyone who enters the lottery therefore has a 16,215 in 19,600 chance of losing, which is equivalent to an 82.73% probability.

For example, if the winning numbers drawn were 1, 2 and 3:

- Any entrant with the lottery ticket <1, 2, 3> would win $250 for the round.

- Any entrants with lottery tickets with two matching numbers would win $25 for the round (tickets that looked like <1,2,⊗>, <1,3,⊗> or <2,3,⊗> for any non-matching number ⊗).

- Any entrant with a ticket number with a 1 or a 2 or a 3 on it would win $2.50 (tickets that looked like <1,⊗,⊗>, <2,⊗,⊗> or <3,⊗,⊗> , etc.).

- All other ticket numbers lose, so any lottery entrants with a ticket without the numbers 1, 2 or 3 on it would not win any amount that round.

Valuation Procedure

We are interested in how much you value entering the lottery.

For that purpose, we could ask a series of questions each round like those from the first task "Would you prefer $X for sure, or would you like to enter the lottery?" for all of the values for $X between $0.00 to $1.00.

Presumably, you would prefer to enter the lottery when the offered amount $X is very small, and when the offered amount is very large you would prefer to take the offer and not enter the lottery. In particular, after some point you'd likely switch from choosing to enter the lottery to instead taking the offer. The last offered amount $Y at which you prefer to enter the lottery is therefore the **maximum** amount of money you'd be willing to pay to enter. This is what we'll call your **value** for the lottery.

One problem with asking you which you prefer (entering the lottery or receiving the offer) for all of the possible values from $0.00 to $1.00 is that this would be quite time consuming. Instead, we will ask you to answer the following question each round:

- **What is the value $Y above which you would prefer the offered amount, and below which you would prefer to enter the lottery?**

After you have answered this question, we will roll a fair 100-sided die for each participant in the room. Your offer $X will be given by the number rolled on this die (in cents). So for every one of the 30 rounds in the experiment you will be given an offer $X between $0.01 and $1.00.

Whether or not you will enter the lottery that round or add the offer $X to your final payment is determined by the choice you made for your value $Y:

- If the offer $X is **less than or equal** to $Y, you will give up the offer and enter the lottery.

- If the offer $X is **greater than** $Y, you will accept the offer and $X will be added to your final payment, but your ticket will not be entered into the lottery that round.

This process is designed to be similar to us asking you the hundred possible questions:

- **Would you prefer to enter the lottery or receive the certain payment $X?** (for $X=$0.01,$0.02,...,$0.99, $1.00)

In particular, this process has been designed so that the best strategy is to choose $Y equal to your value for entering the lottery. Why?

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- Suppose you value the lottery at **<u>$0.05</u>**:

  - If you chose $0.02 as your value, there is some chance the computer will select an offer between $0.03 and $0.05, and you wouldn't enter the lottery even though you value entering more than the offered amount.

  - If you enter $0.08 as your value, there is some chance the computer will select an offer between $0.06 and $0.08 and you will enter the lottery, even though you value entering less than the offered amount.

  - By entering $0.05 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

- Similarly, suppose you value the lottery at **<u>$0.95</u>**:

  - If you chose $0.92 as your value, there is some chance the computer will select an offer between $0.93 and $0.95, and you wouldn't enter the lottery despite valuing entering more than these amounts.

  - If you enter $0.98 as your value, there is some chance you will be giving up offers between $0.96 and $0.98, and you will enter the lottery, even though you value entering less than the offered amount.

  - By entering $0.95 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

Again, this procedure has been designed so that in every round, you have <u>no incentive to lie</u> about your value for the lottery.

Payment

Your final payment for this experiment is the sum of your earnings over all 30 rounds. Any offers accepted or prizes won from the lottery will be automatically added to your final earnings at the end of each round. One participant in the room will also be paid for the first task (the initial twenty-one questions). Additionally, a $5 participation fee will be added to all participants' final earnings.

Summary

We have also included a summary sheet for the main task. Please look at it now.

Practice

We will now give you two minutes to practice entering your values by clicking on the slider on your screens. You can click the slider freely to practice setting your value Y, where you can also hit the red button to simulate the computers die roll to determine the offer X.

Note that, once the experiment begins, you will not see the offer X until **<u>after</u>** you have selected your value Y, we are including this here to help you understand the process. None of the choices you make in the practice period will count for final payment.

After the two-minutes of practice, the experimental interface will then test you on your understanding of these instructions. After **<u>everyone</u>** has successfully completed this quiz the experiment will begin.

A.8 Sequential regret random

Main Task

The experiment will consist of 30 rounds. In each round you will have to choose between receiving a certain amount of money $X or entering a lottery.

In the lotteries for our main task, three winning numbers will be selected sequentially from the cage. Your 30 tickets for each of the rounds of this experiment (three different numbers <A,B,C> from 1 to 50) were randomly assigned to you when you entered this session when you were assigned a desk number. The 30 tickets have been printed out on your desk, and have been recorded on your computer. If you **enter the lottery** in any round, the prizes that are added to your final payment are as follows:

- If all three numbers on your ticket match the winning numbers drawn from the cage that round, the prize is $250. Anyone who enters the lottery therefore has a 1 in 19,600 chance to win $250, which is equivalent to a 0.005% probability.

- If there are two matches on your ticket to the winning numbers drawn that round, the prize is $25. Anyone who enters the lottery therefore has a 141 in 19,600 chance to win $25, which is equivalent to a 0.72% probability.

- If any single number on your ticket matches one of the winning numbers drawn that round, the prize is $2.50. Anyone who enters the lottery therefore has a 3,243 in 19,600 chance to win $2.50, which is equivalent to a 16.55% probability.

- All tickets without any matches to the winning numbers lose. Anyone who enters the lottery therefore has a 16,215 in 19,600 chance of losing, which is equivalent to an 82.73% probability.

For example, if the winning numbers drawn were 1, 2 and 3:

- Any entrant with the lottery ticket <1, 2, 3> would win $250 for the round.

- Any entrants with lottery tickets with two matching numbers would win $25 for the round (tickets that looked like <1,2,⊗>, <1,3,⊗> or <2,3,⊗> for any non-matching number ⊗).

- Any entrant with a ticket number with a 1 or a 2 or a 3 on it would win $2.50 (tickets that looked like <1,⊗,⊗>, <2,⊗,⊗> or <3,⊗,⊗> , etc.).

- All other ticket numbers lose, so any lottery entrants with a ticket without the numbers 1, 2 or 3 on it would not win any amount that round.

Valuation Procedure

We are interested in how much you value entering the lottery.

For that purpose, we could ask a series of questions each round like those from the first task "Would you prefer X for sure, or would you like to enter the lottery?" for all of the values for X between $0.00 to $1.00.

Presumably, you would prefer to enter the lottery when the offered amount X is very small, and when the offered amount is very large you would prefer to take the offer and not enter the lottery. In particular, after some point you'd likely switch from choosing to enter the lottery to instead taking the offer. The last offered amount Y at which you prefer to enter the lottery is therefore the **maximum** amount of money you'd be willing to pay to enter. This is what we'll call your **value** for the lottery.

One problem with asking you which you prefer (entering the lottery or receiving the offer) for all of the possible values from $0.00 to $1.00 is that this would be quite time consuming. Instead, we will ask you to answer the following question each round:

- **What is the value Y above which you would prefer the offered amount, and below which you would prefer to enter the lottery?**

After you have answered this question, we will roll a fair 100-sided die for each participant in the room. Your offer X will be given by the number rolled on this die (in cents). So for every one of the 30 rounds in the experiment you will be given an offer X between $0.01 and $1.00.

Whether or not you will enter the lottery that round or add the offer X to your final payment is determined by the choice you made for your value Y:

- If the offer X is **less than or equal** to Y, you will give up the offer and enter the lottery.

- If the offer X is **greater than** Y, you will accept the offer and X will be added to your final payment, but your assigned ticket for the round will not be entered into the lottery that round.

This process is designed to be similar to us asking you the hundred possible questions:

- **Would you prefer to enter the lottery or receive the certain payment X?** (for X=$0.01,$0.02,...,$0.99, $1.00)

In particular, this process has been designed so that the best strategy is to choose Y equal to your value for entering the lottery. Why?

- Suppose you value the lottery at **$0.05**:

- If you chose $0.02 as your value, there is some chance the computer will select an offer between $0.03 and $0.05, and you wouldn't enter the lottery even though you value entering more than the offered amount.

- If you enter $0.08 as your value, there is some chance the computer will select an offer between $0.06 and $0.08 and you will enter the lottery, even though you value entering less than the offered amount.

- By entering $0.05 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

- Similarly, suppose you value the lottery at **$0.95**:

  - If you chose $0.92 as your value, there is some chance the computer will select an offer between $0.93 and $0.95, and you wouldn't enter the lottery despite valuing entering more than these amounts.

  - If you enter $0.98 as your value, there is some chance you will be giving up offers between $0.96 and $0.98, and you will enter the lottery, even though you value entering less than the offered amount.

  - By entering $0.95 you guarantee that you will keep all offers greater than your value, and you will only enter the lottery when the offer is less than or equal to your value.

Again, this procedure has been designed so that in every round, you have no incentive to lie about your value for the lottery.

Payment

Your final payment for this experiment is the sum of your earnings over all 30 rounds. Any offers accepted or prizes won from the lottery will be automatically added to your final earnings at the end of each round. One participant in the room will also be paid for the first task (the initial twenty-one questions). Additionally, a $6 participation fee will be added to all participants' final earnings.

Summary

We have also included a summary sheet for the main task. Please look at it now.

Practice

We will now give you two minutes to practice entering your values by clicking on the slider on your screens. You can click the slider freely to practice setting your value Y, where you can also hit the red button to simulate the computers die roll to determine the offer X.

Note that, once the experiment begins, you will not see the offer X until **after** you have selected your value Y, we are including this here to help you understand the process. None of the choices you make in the practice period will count for final payment.

After the two-minutes of practice, the experimental interface will then test you on your understanding of these instructions. After **everyone** has successfully completed this quiz the experiment will begin.

B Experimental Interface

B.1 Multiple price list, practice round, and quiz

Please indicate, for every offer, whether you prefer to earn the money offered or to earn $10 if you guess correctly whether the number drawn is odd or even. The lottery roll that will determine the winning color will be rolled at the end of the experiment.

	Lottery		Offer		Choice
Q #1	$10 with 50% probability	or	$0.00 with certainty	?	Lottery ○ ○ Offer
Q #2	$10 with 50% probability	or	$0.50 with certainty	?	Lottery ○ ○ Offer
Q #3	$10 with 50% probability	or	$1.00 with certainty	?	Lottery ○ ○ Offer
Q #4	$10 with 50% probability	or	$1.50 with certainty	?	Lottery ○ ○ Offer
Q #5	$10 with 50% probability	or	$2.00 with certainty	?	Lottery ○ ○ Offer
Q #6	$10 with 50% probability	or	$2.50 with certainty	?	Lottery ○ ○ Offer
Q #7	$10 with 50% probability	or	$3.00 with certainty	?	Lottery ○ ○ Offer
Q #8	$10 with 50% probability	or	$3.50 with certainty	?	Lottery ○ ○ Offer
Q #9	$10 with 50% probability	or	$4.00 with certainty	?	Lottery ○ ○ Offer
Q #10	$10 with 50% probability	or	$4.50 with certainty	?	Lottery ○ ○ Offer
Q #11	$10 with 50% probability	or	$5.00 with certainty	?	Lottery ○ ○ Offer
Q #12	$10 with 50% probability	or	$5.50 with certainty	?	Lottery ○ ○ Offer
Q #13	$10 with 50% probability	or	$6.00 with certainty	?	Lottery ○ ○ Offer
Q #14	$10 with 50% probability	or	$6.50 with certainty	?	Lottery ○ ○ Offer
Q #15	$10 with 50% probability	or	$7.00 with certainty	?	Lottery ○ ○ Offer
Q #16	$10 with 50% probability	or	$7.50 with certainty	?	Lottery ○ ○ Offer
Q #17	$10 with 50% probability	or	$8.00 with certainty	?	Lottery ○ ○ Offer
Q #18	$10 with 50% probability	or	$8.50 with certainty	?	Lottery ○ ○ Offer
Q #19	$10 with 50% probability	or	$9.00 with certainty	?	Lottery ○ ○ Offer
Q #20	$10 with 50% probability	or	$9.50 with certainty	?	Lottery ○ ○ Offer
Q #21	$10 with 50% probability	or	$10.00 with certainty	?	Lottery ○ ○ Offer

Click the box below
to change your guess

Odd

CONFIRM SELECTION

(a) Multiple price list

Remaining Time [sec]: 114

You have 2 minutes to try out the valuation choice mechanism.
Click on the white box to select your value.
Click on the "New Offer" button to get a new random offer and see whether you would have entered the lottery or not.
Note: You will not see your offer before making your choice during the experiment.

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

(b) Initial screen of practice stage
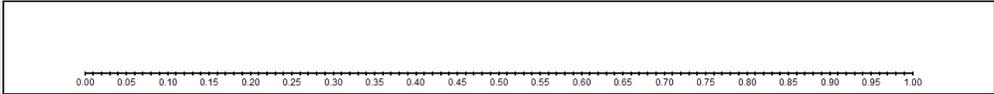
You have 2 minutes to try out the valuation choice mechanism.

Click on the white box to select your value.

Click on the "New Offer" button to get a new random offer and see whether you would have entered the lottery or not.

Note: You will not see your offer before making your choice during the experiment.

You enter the lottery if the offer is less than or equal to: **$0.70**

You accept any offer greater than or equal to: **$0.71**

NEW OFFER

Your offer is **$0.61**; therefore you would have **entered** the lottery.

(a) Practice feedback for sequential treatments

You have 3 minutes to try out the valuation choice mechanism; Click on the white box to select your value.

Click on the "New Offers" button to get a new random set of 30 offers and see if you would have entered the lottery or not in each round.

Note: You will not see your offers before making your choice during the experiment.

You enter the lottery in any round where the offer is less than or equal to: **$0.43**

You accept any offer greater than or equal to: **$0.44**

NEW OFFERS

Round	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Offer			0.56		0.59			0.46		0.66	1.00	0.70	0.76		0.63	0.53	0.75		0.94		0.87	0.44		0.66		0.99				
Lottery	0.31	0.26		0.09		0.28	0.16		0.20					0.02				0.35		0.10			0.16		0.37		0.11	0.15	0.02	0.02

In this example, you would earn **15** lottery entries and give up **$2.60** in offers to do so.

In this example, you would earn **$10.54** from the offers and give up entering **15** lotteries.

(b) Practice feedback for one-shot treatments

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Please answer the following questions about the valuation mechanism.
You must answer both questions correctly before proceeding to the next stage.

Suppose you selected a value of **$0.65** .

Enter an offer $X that would lead you to entering the lottery:

Enter an offer $X that would lead you to accepting the offer:

CONFIRM

(a) First part of comprehension quiz

Please answer the following questions about the lottery.
You must answer both questions correctly before proceeding to the next stage.

Suppose 2 of your numbers are drawn from the cage.
Enter the ammount of money you would earn that round

How many numbers do you need to match with the ones drawn from the cage to win $2.50

CONFIRM

(b) Second part of comprehension quiz
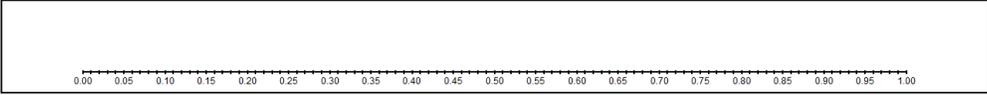
B.2   Sequential standard

Example rounds 1 and 2 for the sequential standard treatment.

Please click on the box below to choose your value.

If the offer you receive is **smaller or equal** than your value, you will choose to enter the lottery.

If the offer you receive is **greater** than your value, you will choose to receive the offer.

0.00   0.05   0.10   0.15   0.20   0.25   0.30   0.35   0.40   0.45   0.50   0.55   0.60   0.65   0.70   0.75   0.80   0.85   0.90   0.95   1.00

Please click on the box below to choose your value.

If the offer you receive is **smaller or equal** than your value, you will choose to enter the lottery.

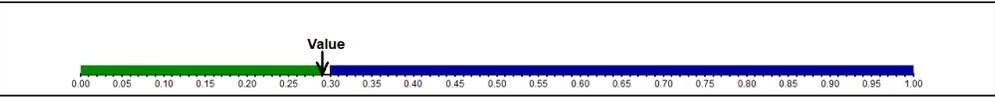If the offer you receive is **greater** than your value, you will choose to receive the offer.

Value

0.00   0.05   0.10   0.15   0.20   0.25   0.30   0.35   0.40   0.45   0.50   0.55   0.60   0.65   0.70   0.75   0.80   0.85   0.90   0.95   1.00

You enter the lottery if the offer is less than or equal to: $0.29

You accept any offer greater than or equal to: $0.30

CONFIRM

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Your offer is: **$0.22**

You have chosen to **enter** the lottery:

Offer
Value

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

You enter the lottery if the offer is less than or equal to: **$0.29**

You chose to accept any offer greater than or equal to: **$0.30**

The number rolled in the die that determined your offer was **22**

Your offer is therefore **$0.22**

Your numbers for the lottery are:

10   **12**   **46**

3 matching numbers win **$250**

2 matching numbers win **$25**

1 matching number win **$2.50**

Your offer was: **$0.22**

You **entered** the lottery:

The winning numbers are:

10

20

30

0 Matches wins $0
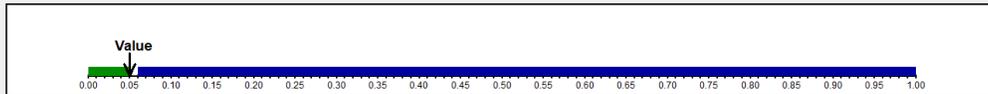
1 Match wins $2.50

2 Matches wins $25

3 Matches wins $250

Your numbers are:

10   **MATCH**

12   **No Match**

46   **No Match**

You won a prize

Your earnings this round are: **$2.50**

Your accumulated earnings are: **$2.50**

Please click on the box below to choose your value.
If the offer you receive is **smaller or equal** than your value, you will choose to enter the lottery.
If the offer you receive is **greater** than your value, you will choose to receive the offer.

Value
0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

You enter the lottery if the offer is less than or equal to: **$0.05**
You accept any offer greater than or equal to: **$0.06**

CONFIRM

Your offer is: **$0.27**
You have chosen to **not enter** the lottery:

Offer
Value
0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00
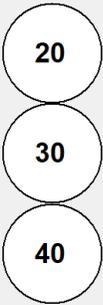
You enter the lottery if the offer is less than or equal to: **$0.05**
You chose to accept any offer greater than or equal to: **$0.06**

The number rolled in the die that determined your offer was **27**

Your offer is therefore **$0.27**

You accepted the offer of:

$0.27

You have not been assigned a lottery ticket this round.

38

Your offer was: **$0.27**

You did **not enter** the lottery:

The winning numbers are:

20

30

40

0 Matches wins $0

1 Match wins $2.50

2 Matches wins $25

3 Matches wins $250

You accepted the offer

Your earnings this round are: **$0.27**

Your accumulated earnings are: **$2.77**
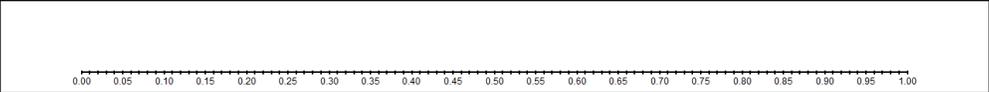
B.3 Sequential regret

Example rounds 1-3 for the sequential regret treatment.

Please click on the box below to choose your value.

If the offer you receive is **smaller or equal** than your value, you will choose to enter the lottery.

If the offer you receive is **greater** than your value, you will choose to receive the offer.

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

Please click on the box below to choose your value.

If the offer you receive is **smaller or equal** than your value, you will choose to enter the lottery.

If the offer you receive is **greater** than your value, you will choose to receive the offer.

Value

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

You enter the lottery if the offer is less than or equal to: **$0.89**

You accept any offer greater than or equal to: **$0.90**

CONFIRM

40

Your offer is: **$0.05**

You have chosen to **enter** the lottery:

Offer
Value
0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

You enter the lottery if the offer is less than or equal to: **$0.89**
You chose to accept any offer greater than or equal to: **$0.90**

The number rolled in the die that determined your offer was **5**

Your offer is therefore **$0.05**

Your numbers for the lottery are:

19 **40** **44**

3 matching numbers win **$250**
2 matching numbers win **$25**
1 matching number win **$2.50**

Period

1 out of 30

Next round will start in [sec]: 9

Your offer was: **$0.05**
You **entered** the lottery:

The winning numbers are:

10

20

30

0 Matches wins $0

1 Match wins $2.50

2 Matches wins $25

3 Matches wins $250

Your numbers are:

19 **No Match**

40 **No Match**

44 **No Match**

You did not win a prize

Your earnings this round are: **$0.00**

Your accumulated earnings are: **$0.00**

Please click on the box below to choose your value.
If the offer you receive is **smaller or equal** than your value, you will choose to enter the lottery.
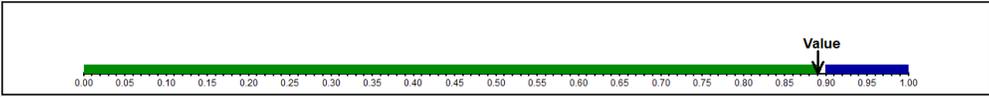If the offer you receive is **greater** than your value, you will choose to receive the offer.

Value

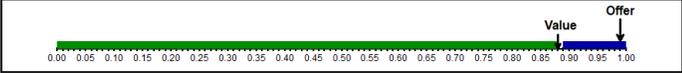| 0.00 | 0.05 | 0.10 | 0.15 | 0.20 | 0.25 | 0.30 | 0.35 | 0.40 | 0.45 | 0.50 | 0.55 | 0.60 | 0.65 | 0.70 | 0.75 | 0.80 | 0.85 | 0.90 | 0.95 | 1.00 |
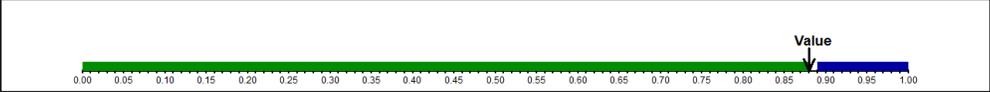
You enter the lottery if the offer is less than or equal to: **$0.88**
You accept any offer greater than or equal to: **$0.89**

CONFIRM

Your offer is: **$0.99**
You have chosen to **not enter** the lottery:

Value   Offer

| 0.00 | 0.05 | 0.10 | 0.15 | 0.20 | 0.25 | 0.30 | 0.35 | 0.40 | 0.45 | 0.50 | 0.55 | 0.60 | 0.65 | 0.70 | 0.75 | 0.80 | 0.85 | 0.90 | 0.95 | 1.00 |

You enter the lottery if the offer is less than or equal to: **$0.88**
You chose to accept any offer greater than or equal to: **$0.89**

The number rolled in the die that determined your offer was **99**

Your offer is therefore **$0.99**

You accepted the offer of:

$0.99

Your ticket will not participate in the lottery this round.

Your offer was: **$0.99**

You did **not enter** the lottery:

The winning numbers are:

10

20

30

0 Matches wins $0

1 Match wins $2.50

2 Matches wins $25

3 Matches wins $250

You accepted the offer

Your earnings this round are: **$0.99**

Your accumulated earnings are: **$0.99**

Please click on the box below to choose your value.

If the offer you receive is **smaller or equal** than your value, you will choose to enter the lottery.

If the offer you receive is **greater** than your value, you will choose to receive the offer.

Value

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

You enter the lottery if the offer is less than or equal to: **$0.87**

You accept any offer greater than or equal to: **$0.88**

CONFIRM

43

Your offer is: **$0.20**

You have chosen to **enter** the lottery:

Offer

Value

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

You enter the lottery if the offer is less than or equal to: **$0.87**

You chose to accept any offer greater than or equal to: **$0.88**

The number rolled in the die that determined your offer was **20**

Your offer is therefore **$0.20**

Your numbers for the lottery are:

19   40   44

3 matching numbers win **$250**

2 matching numbers win **$25**

1 matching number win **$2.50**

Your offer was: **$0.20**

You **entered** the lottery:

The winning numbers are:

10

20

30

0 Matches wins $0

1 Match wins $2.50

2 Matches wins $25

3 Matches wins $250

Your numbers are:

19   **No Match**

40   **No Match**

44   **No Match**

You did not win a prize

Your earnings this round are: **$0.00**

Your accumulated earnings are: **$0.99**
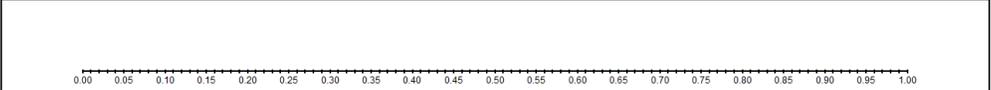
B.4 Simultaneous standard

Example rounds for the one-shot standard treatment.

Please click on the box below to choose your value.

In each round the offer you receive is **smaller or equal** than your value, you will choose to enter the lottery.

In each round the offer you receive is **greater** than your value, you will choose to receive the offer.

Please click on the box below to choose your value.

In each round the offer you receive is **smaller or equal** than your value, you will choose to enter the lottery.

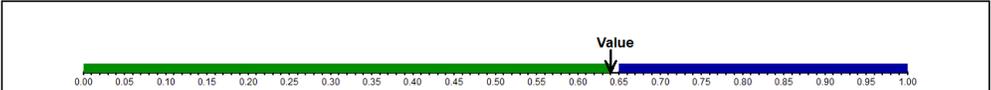In each round the offer you receive is **greater** than your value, you will choose to receive the offer.

Value

You enter the lottery if the offer is less than or equal to: $0.64

You accept any offer greater than or equal to: $0.65

CONFIRM

Your offer is: **$0.05**

You have chosen to **enter** the lottery:

Offer   Value

0.00   0.05   0.10   0.15   0.20   0.25   0.30   0.35   0.40   0.45   0.50   0.55   0.60   0.65   0.70   0.75   0.80   0.85   0.90   0.95   1.00

You enter the lottery if the offer is less than or equal to: **$0.64**
You chose to accept any offer greater than or equal to: **$0.65**

The number rolled in the die that determined your offer was **5**

Your offer is therefore **$0.05**

Your numbers for the lottery are:

(27)   (42)   (43)

3 matching numbers win **$250**
2 matching numbers win **$25**
1 matching number win **$2.50**

Your offer was: **$0.05**
You **entered** the lottery:

The winning numbers are:

(10)

(20)

(30)

0 Matches wins $0

1 Match wins $2.50

2 Matches wins $25

3 Matches wins $250

Your numbers are:

(27)   **No Match**

(42)   **No Match**

(43)   **No Match**

You did not win a prize

Your earnings this round are: **$0.00**

Your accumulated earnings are: **$0.00**

Your offer is: **$0.72**

You have chosen to **not enter** the lottery:

Value | Offer

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

You enter the lottery if the offer is less than or equal to: **$0.64**

You chose to accept any offer greater than or equal to: **$0.65**

The number rolled in the die that determined your offer was **72**

Your offer is therefore **$0.72**

You accepted the offer of:

$0.72

You have not been assigned a lottery ticket this round.

Your offer was: **$0.72**

You did **not enter** the lottery:

The winning numbers are:

10

20

30

0 Matches wins $0

1 Match wins $2.50

2 Matches wins $25

3 Matches wins $250

You accepted the offer

Your earnings this round are: **$0.72**

Your accumulated earnings are: **$0.72**
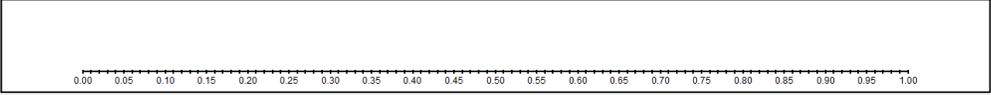
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B.5 Simultaneous regret

Example rounds for the one-shot regret treatment.

Please click on the box below to choose your value.
In each round the offer you receive is **smaller or equal** than your value, you will choose to enter the lottery.
In each round the offer you receive is **greater** than your value, you will choose to receive the offer.

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

Please click on the box below to choose your value.
In each round the offer you receive is **smaller or equal** than your value, you will choose to enter the lottery.
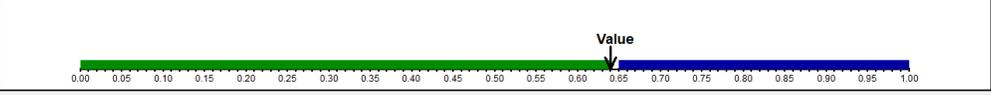In each round the offer you receive is **greater** than your value, you will choose to receive the offer.

Value

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

You enter the lottery if the offer is less than or equal to: **$0.64**
You accept any offer greater than or equal to: **$0.65**

CONFIRM

Your offer is: **$0.05**

You have chosen to **enter** the lottery:

Your numbers for the lottery are:

(19) (40) (44)

Offer

Value

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

You enter the lottery if the offer is less than or equal to: **$0.64**

You chose to accept any offer greater than or equal to: **$0.65**

The number rolled in the die that determined your offer was **5**

Your offer is therefore **$0.05**

3 matching numbers win **$250**

2 matching numbers win **$25**

1 matching number win **$2.50**

Your offer was: **$0.05**

You **entered** the lottery:

The winning numbers are:

(10)

(20)

(30)

0 Matches wins $0

1 Match wins $2.50

2 Matches wins $25

3 Matches wins $250

Your numbers are:

(19) **No Match**

(40) **No Match**

(44) **No Match**

You did not win a prize

Your earnings this round are: **$0.00**

Your accumulated earnings are: **$0.00**

Your offer is: **$0.72**

You have chosen to **not enter** the lottery:

Value — Offer

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

You enter the lottery if the offer is less than or equal to: **$0.64**
You chose to accept any offer greater than or equal to: **$0.65**

The number rolled in the die that determined your offer was **72**

Your offer is therefore **$0.72**

You accepted the offer of:

$0.72

Your ticket will not participate in the lottery this round.

Your offer is: **$0.99**

You have chosen to **not enter** the lottery:

Value — Offer

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

You enter the lottery if the offer is less than or equal to: **$0.64**
You chose to accept any offer greater than or equal to: **$0.65**

The number rolled in the die that determined your offer was **99**

Your offer is therefore **$0.99**

You accepted the offer of:

$0.99

Your ticket will not participate in the lottery this round.

Your offer is: **$0.20**

You have chosen to **enter** the lottery:

Your numbers for the lottery are:

(19) (40) (44)

Offer

Value

0.00 0.05 0.10 0.15 0.20 0.25 0.30 0.35 0.40 0.45 0.50 0.55 0.60 0.65 0.70 0.75 0.80 0.85 0.90 0.95 1.00

You enter the lottery if the offer is less than or equal to: **$0.64**

You chose to accept any offer greater than or equal to: **$0.65**

The number rolled in the die that determined your offer was **20**

Your offer is therefore **$0.20**

3 matching numbers win **$250**

2 matching numbers win **$25**

1 matching number win **$2.50**

Your offer was: **$0.20**

You **entered** the lottery:

The winning numbers are:

(10)

(20)

(40)

0 Matches wins $0

1 Match wins $2.50

2 Matches wins $25

3 Matches wins $250

Your numbers are:

(19) **No Match**

(40) **MATCH**

(44) **No Match**

You won a prize

Your earnings this round are: **$2.50**

Your accumulated earnings are: **$4.21**

C Online Experiments

C.1 Online interface and instructions

This section contains instructions and screenshots for the online experiments. Instructions are shorter than the ones used in the lab, but the content is exactly the same. The online environment also added treatment-specific video instructions. For example, the following link contains the video instructions for the Standard-Sequential treatment: https://vimeo.com/809922508?share=copy. The subsequent sections present the relevant screenshots for each treatments. Beginning on section C.1.2, common screens (e.g., practice round, initial disclaimer, etc) are suppressed and only the treatment-specific stages are shown.

C.1.1 Sequential standard

Hi.

This survey is part of a study on decision-making. It takes approximately 25 minutes to complete. Your participation is anonymous and voluntary. If you complete the study, you will receive a $3 participation fee. You will also have the opportunity to earn extra money throughout the study. Your final earnings will depend both on your decisions and chance.

Alex Imas is the researcher responsible for this study. He is an Associate Professor at the Booth School of Business at the University of Chicago. You can contact him at alex.imas@chicagobooth.edu. This study has been approved by the Social and Behavioral Science Institutional Review Board at the University of Chicago. You can contact the IRB by email at sbs-irb@chicago.edu or by phone at 773-702-2915.

→

Figure C.1: Initial disclaimer and IRB information

Thank you for participating!

The study consists of 20 rounds. In each round you will choose between an amount of money or entering a lottery. Whenever you enter the lottery, you will be assigned a lottery ticket with three numbers between 1 and 50. The numbers on your lottery ticket will be randomly selected by the computer.

For each round the computer will also randomly select three winning numbers, between 1 and 50, that will be used to determine lottery prizes (if any).

→

Figure C.2: Instructions (page 1)

If you enter the lottery, the prizes are determined as follows:

1. If all three numbers on your ticket match the winning numbers, you win $150. Anyone who enters the lottery has a 1 in 19,600 chance (0.005% probability) to win $150.
2. If two numbers on your ticket match the winning numbers, the prize is $15. Anyone who enters the lottery has a 141 in 19,600 chance (0.72% probability) to win $15.
3. If one number on your ticket matches the winning numbers, the prize is $1.50. Anyone who enters the lottery has a 3,243 in 19,600 chance (16.55% probability) to win $1.50.
4. Tickets without any matches with the winning numbers lose. Anyone who enters the lottery has a 16,215 in 19,600 chance (82.73% probability) to win $0.

→

Figure C.3: Instructions (page 2)

We are interested in how much you value entering the lottery.

For each of the 20 rounds, we will ask your value for entering the lottery, which can be any number between $0 and $0.50. In each round, your entry decision is determined by comparing your value to an offer amount, also between $0 and $0.50, that is randomly selected by the computer.

Whenever the random offer is smaller than or equal to your value, you will enter the lottery.

And whenever the random offer is greater than your value, you will not enter the lottery and instead will receive the offer amount.

→

Figure C.4: Instructions (page 3)

Since the offer amount is randomly determined, **it is in your best interest to choose your true value for the lottery**.

That is because choosing your true value guarantees that you will only enter the lottery when your true value is greater than or equal to the random offer; and that you will not enter the lottery, but instead take the offer, only when your true lottery value is lower than the random offer.

For example, suppose your true value for the lottery is $0.05. If you choose $0.05 as your value, you will only enter the lottery when the random offer is equal to $0.05 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.06 and $0.50 — but instead the offer amount will be added to your earnings.

Alternatively, suppose your true value for the lottery is $0.45. If you choose $0.45 as your value, you will only enter the lottery when the random offer is equal to $0.45 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.46 and $0.50.

The next page contains a short video explaining the study interface and the entry decision.

Figure C.5: Instructions (page 4)

Click play to watch the instructions. You will be able to proceed after watching.

Figure C.6: Video instructions

PRACTICE ROUND

Click on the slider to select your value.

Click on the button to get a random offer and see whether you would have entered the lottery or not.

Note: You will not see your offer before making your choice during the experiment. Click here to access the instructions.

Click on the bar and drag the handle to select a value between $0 and $0.50

0   0.05   0.1   0.15   0.2   0.25   0.3   0.35   0.4   0.45   0.5

Generate Offer

Figure C.7: Practice round (initial screen)

PRACTICE ROUND

Click on the slider to select your value.

Click on the button to get a random offer and see whether you would have entered the lottery or not.

Note: You will not see your offer before making your choice during the experiment. Click here to access the instructions.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.35
You accept any offer greater than or equal to: $0.36

Generate Offer

Figure C.8: Practice round (value selection)

PRACTICE ROUND

Click on the slider to select your value.

Click on the button to get a random offer and see whether you would have entered the lottery or not.

Note: You will not see your offer before making your choice during the experiment. Click here to access the instructions.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.35
You accept any offer greater than or equal to: $0.36

Generate Offer

Your offer is $0.37; therefore you would have not entered the lottery.

Figure C.9: Practice round (random offer 1)

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PRACTICE ROUND

Click on the slider to select your value.
Click on the button to get a random offer and see whether you would have entered the lottery or not.
Note: You will not see your offer before making your choice during the experiment. Click here to access the instructions.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.35
You accept any offer greater than or equal to: $0.36

Generate Offer

Your offer is $0.48; therefore you would have not entered the lottery.

Figure C.10: Practice round (random offer 2)

You will now complete a short quiz to test your understanding of the instructions. You need to answer all questions correctly to be able to proceed.

You can click here to access the instructions.

→

Figure C.11: Quiz introduction

(You can click here to access the instructions.)

Suppose you selected a value of $0.35.

Enter an offer $X that would lead you to enter the lottery:

$ ⬚

Enter an offer $X that would lead you to accept the offer and not enter the lottery:

$ ⬚

→

Figure C.12: Comprehension quiz (page 1)

(You can click here to access the instructions.)

Suppose you selected a value of $0.35.

Enter an offer $X that would lead you to enter the lottery:

$ .25

Enter an offer $X that would lead you to accept the offer and not enter the lottery:

$ .45

→

Figure C.13: Comprehension quiz with answers (page 1)

(You can click here to access the instructions.)

Suppose 2 of the numbers on your lottery ticket match the winning numbers.
Enter the amount of money you would earn that round:

$☐

How many numbers from your lottery ticket do you need to match with the winning numbers to win $1.50?

☐

→

Figure C.14: Comprehension quiz (page 2)

(You can click here to access the instructions.)

Suppose 2 of the numbers on your lottery ticket match the winning numbers.
Enter the amount of money you would earn that round:

$ 15

How many numbers from your lottery ticket do you need to match with the winning numbers to win $1.50?

1

→

Figure C.15: Comprehension quiz with answers (page 2)

Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to
enter the lottery.
If the offer you receive is **greater than** your value, then you will choose to **receive the
offer.**

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

→

Figure C.16: Value-selection stage

Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to
enter the lottery.
If the offer you receive is **greater than** your value, then you will choose to **receive the
offer.**

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.41
You accept any offer greater than or equal to: $0.42

→

Figure C.17: Example 1: Value-selection stage

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Your random offer is: **$0.35**.
The offer of $0.35 is less than your selected value of $0.41.
Therefore, you have **entered** the lottery this round.

Your lottery ticket this round is:

(3)   (27)   (30)

3 matching numbers win **$150**
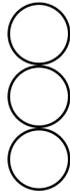2 matching numbers win **$15**
1 matching number wins **$1.50**

→

Figure C.18: Example 1: Random offer and lottery-entry stage (page 1)

Your offer was: **$0.35**.
You **entered** the lottery.

Click on each of the balls below to reveal the
winning numbers.

Your ticket numbers are:

(3)

(27)

(30)

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Figure C.19: Example 1: Random offer and lottery-entry stage (page 2)

Your offer was: **$0.35**.
You **entered** the lottery.

Click on each of the balls below to reveal the winning numbers.

Your ticket numbers are:

26

34

41

3

27

30

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

You did not win a prize.

Your earnings this round are:
$0
Your accumulated earnings are:
$0.00

Figure C.20: Example 1: Random offer and lottery-entry stage (page 3)

Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to **enter the lottery.**
If the offer you receive is **greater than** your value, then you will choose to **receive the offer**.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.06
You accept any offer greater than or equal to: $0.07
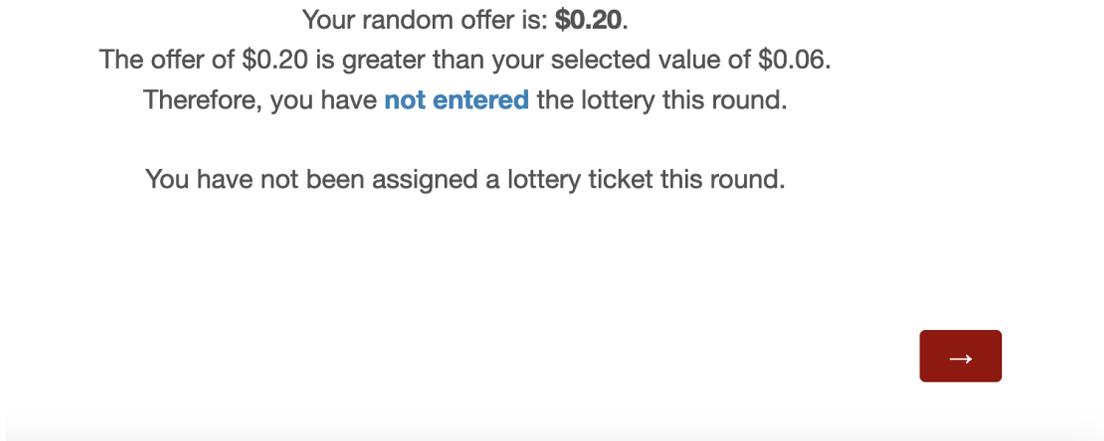
→

Figure C.21: Example 2: Value-selection stage

Your random offer is: **$0.20**.

The offer of $0.20 is greater than your selected value of $0.06.

Therefore, you have **not entered** the lottery this round.

You have not been assigned a lottery ticket this round.

→

Figure C.22: Example 1: Random offer and lottery-entry stage (page 1)

Your offer was: **$0.20**.

You did **not enter** the lottery.

Click on each of the balls below to reveal the winning numbers.

You accepted the offer.

Your earnings for this round are:
$0.20
Your accumulated earnings are:
$0.20

0 Matches wins **$0**
1 Match wins **$1.50**
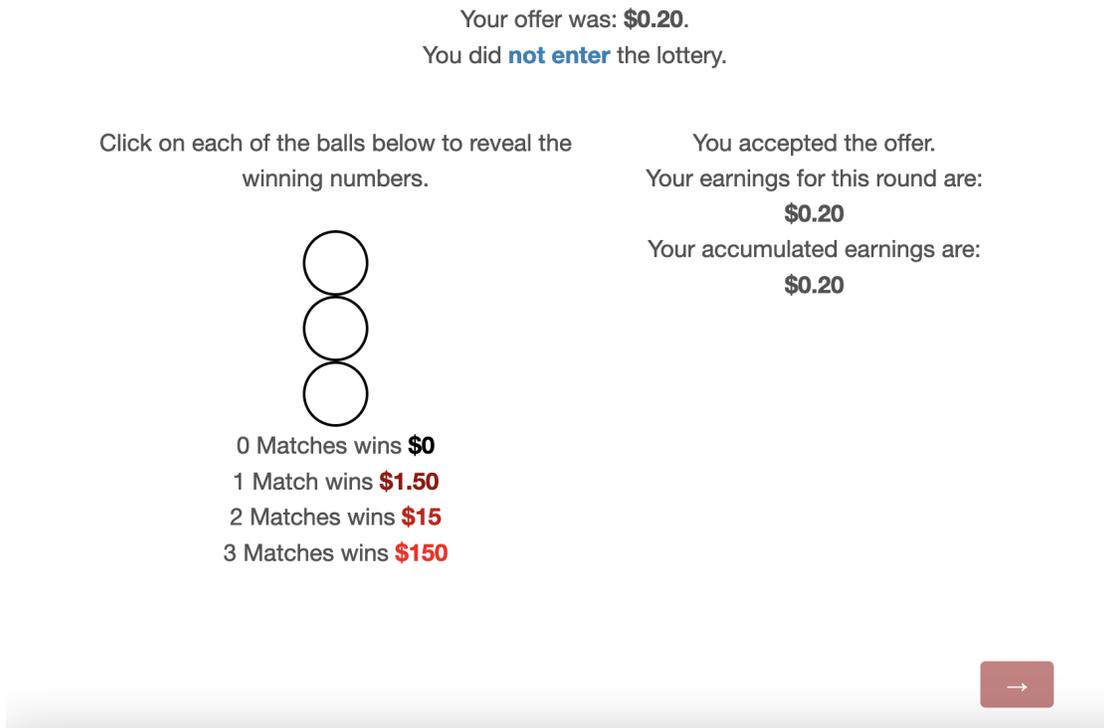2 Matches wins **$15**
3 Matches wins **$150**

→

Figure C.23: Example 1: Random offer and lottery-entry stage (page 2)

What is your age?

What is your gender?

Male

Female

Other

Prefer not to answer

→

Figure C.24: Demographic questionnaire

Thank you for completing the experiment.

Your accumulated earnings are: **$10.37**
Your total earnings for the experiment are: **$13.37**

Please go to the next page to be redirected to your unique completion code.

Your result will only be valid with the submission of the correct completion code.

→

Figure C.25: Final feedback screen

C.1.2 Sequential regret

Thank you for participating!

The study consists of 20 rounds. In each round you will choose between an amount of money or entering a lottery. At the start of the study, you will be assigned a lottery ticket with three numbers between 1 and 50. The numbers on your lottery ticket will be randomly selected by the computer. This will be your lottery ticket for the entire study.

For each round the computer will also randomly select three winning numbers, between 1 and 50, that will be used to determine lottery prizes (if any).

→

Figure C.26: Instructions (page 1)

If you enter the lottery, the prizes are determined as follows:

1. If all three numbers on your ticket match the winning numbers, you win $150. Anyone who enters the lottery has a 1 in 19,600 chance (0.005% probability) to win $150.
2. If two numbers on your ticket match the winning numbers, the prize is $15. Anyone who enters the lottery has a 141 in 19,600 chance (0.72% probability) to win $15.
3. If one number on your ticket matches the winning numbers, the prize is $1.50. Anyone who enters the lottery has a 3,243 in 19,600 chance (16.55% probability) to win $1.50.
4. Tickets without any matches with the winning numbers lose. Anyone who enters the lottery has a 16,215 in 19,600 chance (82.73% probability) to win $0.

→

Figure C.27: Instructions (page 2)

We are interested in how much you value entering the lottery.

For each of the 20 rounds, we will ask your value for entering the lottery, which can be any number between $0 and $0.50. In each round, your entry decision is determined by comparing your value to an offer amount, also between $0 and $0.50, that is randomly selected by the computer.

Whenever the random offer is smaller than or equal to your value, you will enter the lottery.

And whenever the random offer is greater than your value, you will not enter the lottery and instead will receive the offer amount.

→

Figure C.28: Instructions (page 3)

Since the offer amount is randomly determined, **it is in your best interest to choose your true value for the lottery**.

That is because choosing your true value guarantees that you will only enter the lottery when your true value is greater than or equal to the random offer; and that you will not enter the lottery, but instead take the offer, only when your true lottery value is lower than the random offer.

For example, suppose your true value for the lottery is $0.05. If you choose $0.05 as your value, you will only enter the lottery when the random offer is equal to $0.05 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.06 and $0.50 — but instead the offer amount will be added to your earnings.

Alternatively, suppose your true value for the lottery is $0.45. If you choose $0.45 as your value, you will only enter the lottery when the random offer is equal to $0.45 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.46 and $0.50.

The next page contains a short video explaining the study interface and the entry decision.

→

Figure C.29: Instructions (page 4)

You have been assigned a random lottery ticket for the remainder of the experiment.
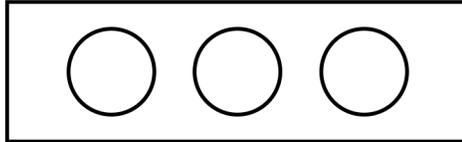Click on each of the balls below to reveal your ticket.

Figure C.30: Ticket assignment (page 1)

You have been assigned a random lottery ticket for the remainder of the experiment.
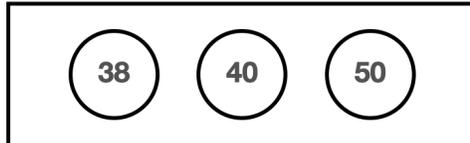Click on each of the balls below to reveal your ticket.
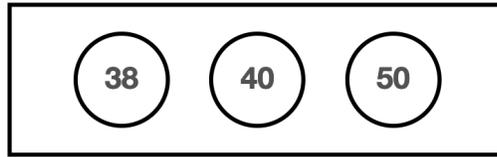
38   40   50

Figure C.31: Ticket assignment (page 2)

Recall that your lottery ticket is:

Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to
enter the lottery.
If the offer you receive is **greater than** your value, then you will choose to **receive the
offer**.

Click on the bar and drag the handle to select a value between $0 and $0.50

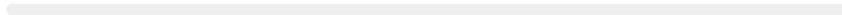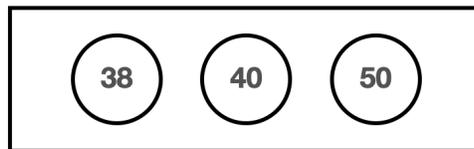| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

Figure C.32: Value-selection stage

Recall that your lottery ticket is:

Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to
enter the lottery.
If the offer you receive is **greater than** your value, then you will choose to **receive the
offer**.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.35
You accept any offer greater than or equal to: $0.36

Figure C.33: Example 1: Value-selection stage
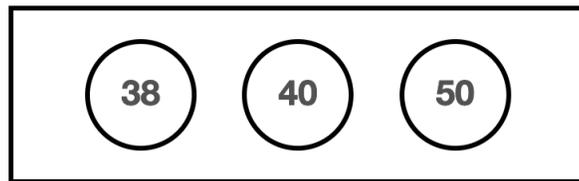
Recall that your lottery ticket is:

Your random offer is: **$0.05**.
The offer of $0.05 is less than your selected value of $0.35.
Therefore, you have **entered** the lottery this round.

Your lottery ticket is:

3 matching numbers win **$150**
2 matching numbers win **$15**
1 matching number wins **$1.50**

Figure C.34: Example 1: Random offer and lottery-entry stage (page 1)
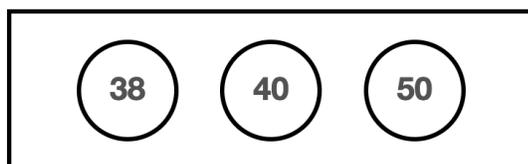
Recall that your lottery ticket is:

38	**40**	**50**

Your offer was: **$0.05**.
You **entered** the lottery.

Click on each of the balls below to reveal the winning numbers.

Your ticket numbers are:

38

40

50

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Figure C.35: Example 1: Random offer and lottery-entry stage (page 2)

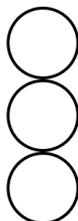Recall that your lottery ticket is:

38	40	50

Your offer was: **$0.05**.
You **entered** the lottery.

Click on each of the balls below to reveal the
winning numbers.

25

39

50

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Your ticket numbers are:

38

40

50   MATCH
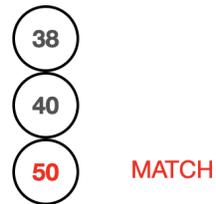
You won a prize.

Your earnings this round are:
$1.50
Your accumulated earnings are:
$1.50

Figure C.36: Example 1: Random offer and lottery-entry stage (page 3)
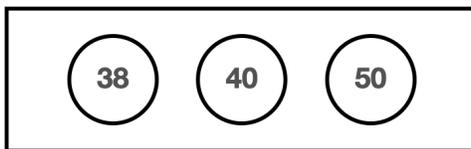
71

Recall that your lottery ticket is:

Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to **enter the lottery.**

If the offer you receive is **greater than** your value, then you will choose to **receive the offer.**

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.04
You accept any offer greater than or equal to: $0.05

Figure C.37: Example 2: Value-selection stage

Recall that your lottery ticket is:
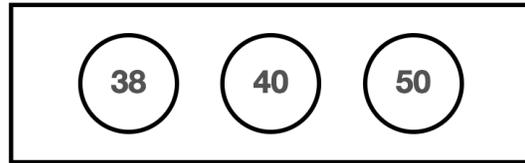
Your random offer is: **$0.21**.
The offer of $0.21 is greater than your selected value of $0.04.
Therefore, you have **not entered** the lottery this round.

→

Figure C.38: Example 2: Random offer and lottery-entry stage (page 1)

Recall that your lottery ticket is:

Your offer was: **$0.21**.
You did **not enter** the lottery.

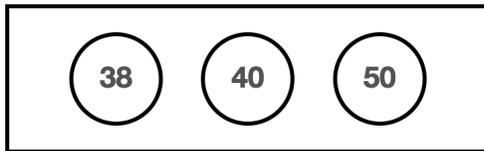Click on each of the balls below to reveal the winning numbers.

You **accepted** the offer.

Your earnings for this round are:
$0.21
Your accumulated earnings are:
$1.71

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Figure C.39: Example 2: Random offer and lottery-entry stage (page 2)
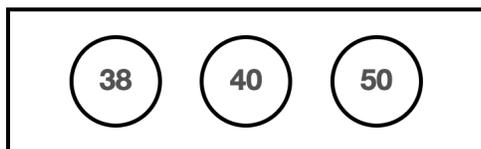
Recall that your lottery ticket is:

Your offer was: **$0.21**.
You did **not enter** the lottery.

Click on each of the balls below to reveal the
winning numbers.

You **accepted** the offer.

9

13

29

Your earnings for this round are:
$0.21
Your accumulated earnings are:
$1.71

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Figure C.40: Example 2: Random offer and lottery-entry stage (page 3)

C.1.3 Simultaneous standard

Thank you for participating!

The study consists of 20 rounds. In each round you will choose between an amount of money or entering a lottery. Whenever you enter the lottery, you will be assigned a lottery ticket with three numbers between 1 and 50. The numbers on your lottery ticket will be randomly selected by the computer.

For each round the computer will also randomly select three winning numbers, between 1 and 50, that will be used to determine lottery prizes (if any).

→

Figure C.41: Instructions (page 1)

We are interested in how much you value entering the lottery.

At the beginning of the study, we will ask your value for entering the lottery, which can be any number between $0 and $0.50. This will be your value for all 20 rounds. In each round, your entry decision is determined by comparing your value to an offer amount, also between $0 and $0.50, that is randomly selected by the computer.

Whenever the random offer is smaller than or equal to your value, you will enter the lottery.

And whenever the random offer is greater than your value, you will not enter the lottery and instead will receive the offer amount.

→

Figure C.42: Instructions (page 2)

We are interested in how much you value entering the lottery.

At the beginning of the study, we will ask your value for entering the lottery, which can be any number between $0 and $0.50. This will be your value for all 20 rounds. In each round, your entry decision is determined by comparing your value to an offer amount, also between $0 and $0.50, that is randomly selected by the computer.

Whenever the random offer is smaller than or equal to your value, you will enter the lottery.

And whenever the random offer is greater than your value, you will not enter the lottery and instead will receive the offer amount.

→

Figure C.43: Instructions (page 3)

Since the offer amount is randomly determined, **it is in your best interest to choose your true value for the lottery**.

That is because choosing your true value guarantees that you will only enter the lottery when your true value is greater than or equal to the random offer; and that you will not enter the lottery, but instead take the offer, only when your true lottery value is lower than the random offer.

For example, suppose your true value for the lottery is $0.05. If you choose $0.05 as your value, you will only enter the lottery when the random offer is equal to $0.05 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.06 and $0.50 — but instead the offer amount will be added to your earnings.

Alternatively, suppose your true value for the lottery is $0.45. If you choose $0.45 as your value, you will only enter the lottery when the random offer is equal to $0.45 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.46 and $0.50.

The next page contains a short video explaining the study interface and the entry decision.

→

Figure C.44: Instructions (page 4)

PRACTICE ROUND

Click on the slider to select your value.

Click on the button to get a random offer and see whether you would have entered the lottery or not.

Note: You will not see your offer before making your choice during the experiment. Click here to access the instructions.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

Generate Offer

Round																			
Lottery																			
Offer																			

Figure C.45: Practice stage

PRACTICE ROUND

Click on the slider to select your value.

Click on the button to get a random offer and see whether you would have entered the lottery or not.

Note: You will not see your offer before making your choice during the experiment. Click here to access the instructions.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.35
You accept any offer greater than or equal to: $0.36

Generate Offer

Round																			
Lottery																			
Offer																			

Figure C.46: Practice stage (example valuation)

77

PRACTICE ROUND

Click on the slider to select your value.

Click on the button to get a random offer and see whether you would have entered the lottery or not.

Note: You will not see your offer before making your choice during the experiment. Click here to access the instructions.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.35
You accept any offer greater than or equal to: $0.36

Generate Offer

Round	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Lottery		0.30	0.06	0.07	0.17		0.21		0.08		0.34			0.27		0.05	0.08		0.26	0.33
Offer	0.44					0.48		0.38		0.43		0.40	0.38		0.43			0.44		

In this example, you would earn 12 lottery entries and give up $2.22 in offers to do so.
In this example, you would earn $3.38 from the offers and give up entering 8 lotteries.

Figure C.47: Practice stage (example random offers)

Please click on the slider below to choose your value for the remainder of the experiment.

In each round, if the offer you receive is **smaller than or equal to** your value, then you will choose to **enter the lottery**.
In each round, if the offer you receive is **greater than** your value, then you will choose to **receive the offer**.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

Figure C.48: Value-selection stage

Please click on the slider below to choose your value for the remainder of the experiment.

In each round, if the offer you receive is **smaller than or equal to** your value, then you will choose to **enter the lottery.**
In each round, if the offer you receive is **greater than** your value, then you will choose to **receive the offer.**

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.36
You accept any offer greater than or equal to: $0.37

Figure C.49: Example 1: Value-selection stage

Your random offer is: **$0.46**.
The offer of $0.46 is greater than your selected value of $0.36.
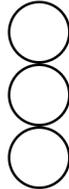Therefore, you have **not entered** the lottery this round.

You have not been assigned a lottery ticket this round.

→

Figure C.50: Example 1: Random offer and lottery-entry stage (page 1)

Your offer was: **$0.46**.
You did **not enter** the lottery.

Click on each of the balls below to reveal the
winning numbers.

You accepted the offer.
Your earnings for this round are:
$0.46
Your accumulated earnings are:
$0.46

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

→

Figure C.51: Example 1: Random offer and lottery-entry stage (page 2)

Your offer was: **$0.46**.
You did **not enter** the lottery.

Click on each of the balls below to reveal the
winning numbers.

You accepted the offer.
Your earnings for this round are:
$0.46
Your accumulated earnings are:
$0.46

11

13

19

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

→

Figure C.52: Example 1: Random offer and lottery-entry stage (page 3)

Your random offer is: **$0.29**.

The offer of $0.29 is less than your selected value of $0.36.

Therefore, you have **entered** the lottery this round.
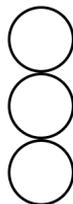
Your lottery ticket this round is:

(5)   (36)   (37)

3 matching numbers win **$150**

2 matching numbers win **$15**

1 matching number wins **$1.50**

Figure C.53: Example 2: Random offer and lottery-entry stage (page 1)

Your offer was: **$0.29**.
You **entered** the lottery.

Click on each of the balls below to reveal the winning numbers.

Your ticket numbers are:

(5)

(36)

(37)

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Figure C.54: Example 2: Random offer and lottery-entry stage (page 2)

Your offer was: **$0.29**.
You **entered** the lottery.

Click on each of the balls below to reveal the winning numbers.

Your ticket numbers are:

(23)

(38)

(40)

(5)

(36)

(37)

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

You did not win a prize.

Your earnings this round are:
$0
Your accumulated earnings are:
$0.46

Figure C.55: Example 2: Random offer and lottery-entry stage (page 3)

C.1.4 Simultaneous regret

Thank you for participating!

The study consists of 20 rounds. In each round you will choose between an amount of money or entering a lottery. At the start of the study, you will be assigned a lottery ticket with three numbers between 1 and 50. The numbers on your lottery ticket will be randomly selected by the computer. This will be your lottery ticket for the entire study.

For each round the computer will also randomly select three winning numbers, between 1 and 50, that will be used to determine lottery prizes (if any).

→

Figure C.56: Instructions (page 1)

If you enter the lottery, the prizes are determined as follows:

1. If all three numbers on your ticket match the winning numbers, you win $150. Anyone who enters the lottery has a 1 in 19,600 chance (0.005% probability) to win $150.
2. If two numbers on your ticket match the winning numbers, the prize is $15. Anyone who enters the lottery has a 141 in 19,600 chance (0.72% probability) to win $15.
3. If one number on your ticket matches the winning numbers, the prize is $1.50. Anyone who enters the lottery has a 3,243 in 19,600 chance (16.55% probability) to win $1.50.
4. Tickets without any matches with the winning numbers lose. Anyone who enters the lottery has a 16,215 in 19,600 chance (82.73% probability) to win $0.

→

Figure C.57: Instructions (page 2)

We are interested in how much you value entering the lottery.

At the beginning of the study, we will ask your value for entering the lottery, which can be any number between $0 and $0.50. This will be your value for all 20 rounds. In each round, your entry decision is determined by comparing your value to an offer amount, also between $0 and $0.50, that is randomly selected by the computer.

Whenever the random offer is smaller than or equal to your value, you will enter the lottery.

And whenever the random offer is greater than your value, you will not enter the lottery and instead will receive the offer amount.

→

Figure C.58: Instructions (page 3)

Since the offer amount is randomly determined, **it is in your best interest to choose your true value for the lottery**.

That is because choosing your true value guarantees that you will only enter the lottery when your true value is greater than or equal to the random offer; and that you will not enter the lottery, but instead take the offer, only when your true lottery value is lower than the random offer.

For example, suppose your true value for the lottery is $0.05. If you choose $0.05 as your value, you will only enter the lottery when the random offer is equal to $0.05 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.06 and $0.50 — but instead the offer amount will be added to your earnings.

Alternatively, suppose your true value for the lottery is $0.45. If you choose $0.45 as your value, you will only enter the lottery when the random offer is equal to $0.45 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.46 and $0.50.

The next page contains a short video explaining the study interface and the entry decision.

→

Figure C.59: Instructions (page 4)

PRACTICE ROUND

Click on the slider to select your value.
Click on the button to get a random offer and see whether you would have entered the lottery or not.
Note: You will not see your offer before making your choice during the experiment. Click here to access the instructions.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

Generate Offer

Round																				
Lottery																				
Offer																				

Figure C.60: Practice stage

PRACTICE ROUND

Click on the slider to select your value.
Click on the button to get a random offer and see whether you would have entered the lottery or not.
Note: You will not see your offer before making your choice during the experiment. Click here to access the instructions.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.30
You accept any offer greater than or equal to: $0.31

Generate Offer

Round	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Lottery	0.30		0.16	0.08	0.05	0.29	0.07	0.15	0.15		0.23	0.01		0.21	0.20	0.10	0.09	0.22	0.30	0.28
Offer		0.46							0.41				0.37							

In this example, you would earn 17 lottery entries and give up $2.89 in offers to do so.
In this example, you would earn $1.24 from the offers and give up entering 3 lotteries.

Figure C.61: Practice stage with example

You have been assigned a random lottery ticket for the remainder of the experiment.
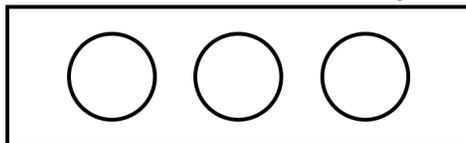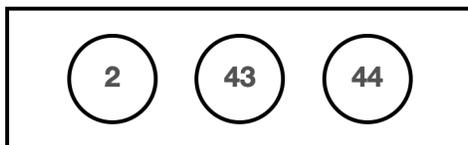Click on each of the balls below to reveal your ticket.

Figure C.62: Ticket assignment stage

Recall that your lottery ticket is:

2 **43** **44**

Please click on the slider below to choose your value for the remainder of the experiment.

In each round, if the offer you receive is **smaller than or equal to** your value, then you will choose to **enter the lottery**.
In each round, if the offer you receive is **greater than** your value, then you will choose to **receive the offer**.

Click on the bar and drag the handle to select a value between $0 and $0.50

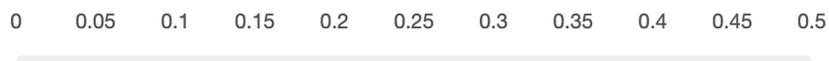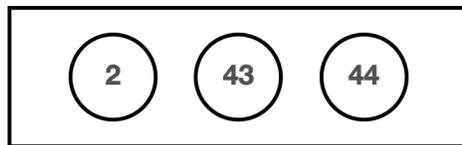0   0.05   0.1   0.15   0.2   0.25   0.3   0.35   0.4   0.45   0.5

Figure C.63: Value-selection stage

Recall that your lottery ticket is:

Please click on the slider below to choose your value for the remainder of the experiment.

In each round, if the offer you receive is **smaller than or equal to** your value, then you will choose to **enter the lottery**.
In each round, if the offer you receive is **greater than** your value, then you will choose to **receive the offer**.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.41
You accept any offer greater than or equal to: $0.42

Figure C.64: Example 1: Random offer and lottery-entry stage (page 1)

87

Recall that your lottery ticket is:

2   43   44
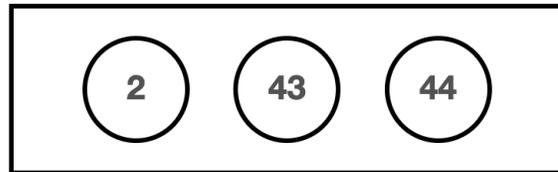
Your random offer is: **$0.32**.
The offer of $0.32 is less than your selected value of $0.41.
Therefore, you have **entered** the lottery this round.

Your lottery ticket is:
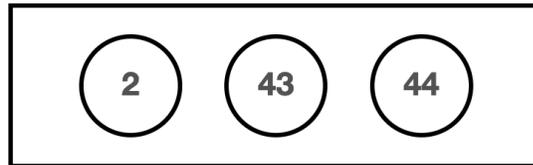
2   43   44

3 matching numbers win **$150**
2 matching numbers win **$15**
1 matching number wins **$1.50**

→

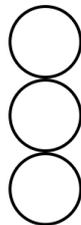Figure C.65: Example 1: Random offer and lottery-entry stage (page 2)

Recall that your lottery ticket is:

(2)   (43)   (44)

Your offer was: **$0.32**.
You **entered** the lottery.

Click on each of the balls below to reveal the
winning numbers.

Your ticket numbers are:

(2)

(43)

(44)

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Figure C.66: Example 1: Random offer and lottery-entry stage (page 3)

Recall that your lottery ticket is:

Your offer was: **$0.32**.
You **entered** the lottery.

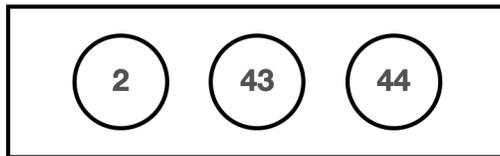Click on each of the balls below to reveal the winning numbers.

| 25 |
| 41 |
| 43 |

Your ticket numbers are:

| 2 |
| 43 | MATCH |
| 44 |

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**
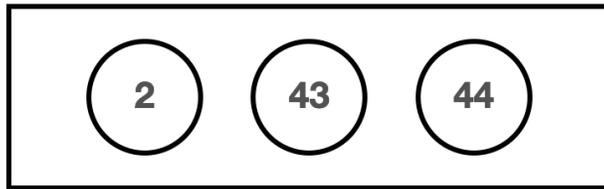
You won a prize.

Your earnings this round are:
$1.50
Your accumulated earnings are:
$1.50

Figure C.67: Example 1: Random offer and lottery-entry stage (page 4)

Recall that your lottery ticket is:

Your random offer is: **$0.03**.
The offer of $0.03 is less than your selected value of $0.41.
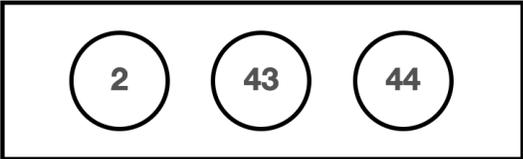Therefore, you have **entered** the lottery this round.

Your lottery ticket is:

3 matching numbers win **$150**
2 matching numbers win **$15**
1 matching number wins **$1.50**

Figure C.68: Example 2: Random offer and lottery-entry stage (page 4)

Recall that your lottery ticket is:

| 2 | 43 | 44 |

Your offer was: **$0.03**.
You **entered** the lottery.

Click on each of the balls below to reveal the winning numbers.

Your ticket numbers are:

2

43

44

0 Matches wins **$0**
1 Match wins **$1.50**
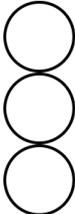2 Matches wins **$15**
3 Matches wins **$150**

Figure C.69: Example 2: Random offer and lottery-entry stage (page 4)

Recall that your lottery ticket is:

Your offer was: **$0.03**.
You **entered** the lottery.

Click on each of the balls below to reveal the winning numbers.
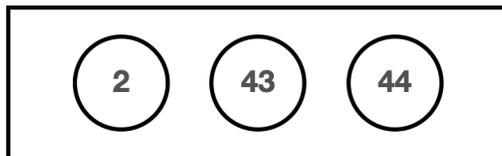

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Your ticket numbers are:

You did not win a prize.

Your earnings this round are:
$0
Your accumulated earnings are:
$1.50

Figure C.70: Example 2: Random offer and lottery-entry stage (page 4)

C.1.5 Sequential regret with random tickets

This treatment is very similar to the original Sequential-Regret treatment. The only difference is that a new lottery tickets is assigned at the start of each round, instead of a fixed ticket for the entire session.

Thank you for participating!

The study consists of 20 rounds. In each round you will choose between an amount of money or entering a lottery. In every round, you will be assigned a new lottery ticket with three numbers between 1 and 50. The numbers on your lottery ticket will be randomly selected by the computer.

For each round the computer will also randomly select three winning numbers, between 1 and 50, that will be used to determine lottery prizes (if any).

→

Figure C.71: Instructions (page 1)

If you enter the lottery, the prizes are determined as follows:

1. If all three numbers on your ticket match the winning numbers, you win $150. Anyone who enters the lottery has a 1 in 19,600 chance (0.005% probability) to win $150.
2. If two numbers on your ticket match the winning numbers, the prize is $15. Anyone who enters the lottery has a 141 in 19,600 chance (0.72% probability) to win $15.
3. If one number on your ticket matches the winning numbers, the prize is $1.50. Anyone who enters the lottery has a 3,243 in 19,600 chance (16.55% probability) to win $1.50.
4. Tickets without any matches with the winning numbers lose. Anyone who enters the lottery has a 16,215 in 19,600 chance (82.73% probability) to win $0.

→

Figure C.72: Instructions (page 2)

We are interested in how much you value entering the lottery.

For each of the 20 rounds, we will ask your value for entering the lottery, which can be any number between $0 and $0.50. In each round, your entry decision is determined by comparing your value to an offer amount, also between $0 and $0.50, that is randomly selected by the computer.

Whenever the random offer is smaller than or equal to your value, you will enter the lottery.

And whenever the random offer is greater than your value, you will not enter the lottery and instead will receive the offer amount.

→

Figure C.73: Instructions (page 3)

Since the offer amount is randomly determined, **it is in your best interest to choose your true value for the lottery**.

That is because choosing your true value guarantees that you will only enter the lottery when your true value is greater than or equal to the random offer; and that you will not enter the lottery, but instead take the offer, only when your true lottery value is lower than the random offer.

For example, suppose your true value for the lottery is $0.05. If you choose $0.05 as your value, you will only enter the lottery when the random offer is equal to $0.05 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.06 and $0.50 — but instead the offer amount will be added to your earnings.

Alternatively, suppose your true value for the lottery is $0.45. If you choose $0.45 as your value, you will only enter the lottery when the random offer is equal to $0.45 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.46 and $0.50.

The next page contains a short video explaining the study interface and the entry decision.

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</div>

Figure C.74: Instructions (page 4)

Your lottery ticket for this round is:
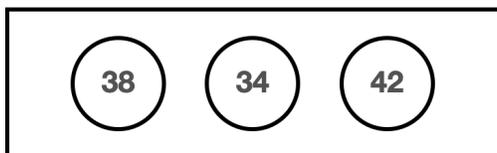
Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to
enter the lottery.
If the offer you receive is **greater than** your value, then you will choose to **receive the offer.**

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

Figure C.75: Value-selection stage

Your lottery ticket for this round is:

38   34   42
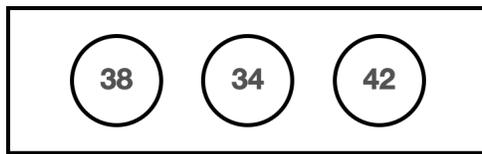
Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to
enter the lottery.
If the offer you receive is **greater than** your value, then you will choose to **receive the
offer**.

Click on the bar and drag the handle to select a value between $0 and $0.50

0   0.05   0.1   0.15   0.2   0.25   0.3   0.35   0.4   0.45   0.5
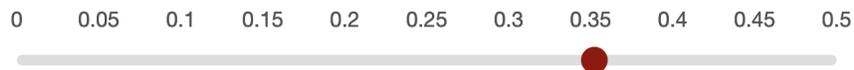
You enter the lottery if the offer is less than or equal to: $0.36
You accept any offer greater than or equal to: $0.37

Figure C.76: Example 1: Value-selection stage

Recall that your lottery ticket is:

(38)   (34)   (42)
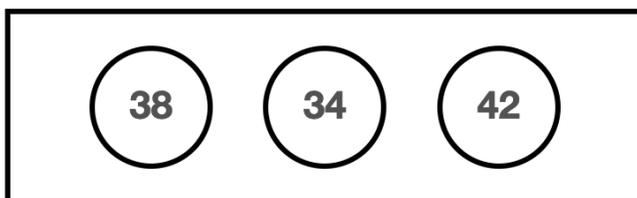
Your random offer is: **$0.18**.
The offer of $0.18 is less than your selected value of $0.36.
Therefore, you have **entered** the lottery this round.

Your lottery ticket is:

(38)   (34)   (42)

3 matching numbers win **$150**
2 matching numbers win **$15**
1 matching number wins **$1.50**

Figure C.77: Example 1: Random offer and lottery-entry stage (page 1)
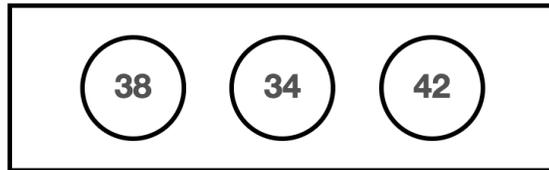
Recall that your lottery ticket is:

```
┌─────────────────────────────────────┐
│    ( 38 )      ( 34 )      ( 42 )    │
└─────────────────────────────────────┘
```

Your offer was: **$0.18**.
You **entered** the lottery.

Click on each of the balls below to reveal the   Your ticket numbers are:
winning numbers.

```
         ( )                                    ( 38 )

         ( )                                    ( 34 )

         ( )                                    ( 42 )
```

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Figure C.78: Example 1: Random offer and lottery-entry stage (page 2)

Recall that your lottery ticket is:

Your offer was: **$0.18**.
You **entered** the lottery.

Click on each of the balls below to reveal the
winning numbers.

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Your ticket numbers are:

    MATCH
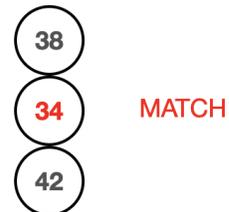
You won a prize.

Your earnings this round are:
$1.50
Your accumulated earnings are:
$1.50

Figure C.79: Example 1: Random offer and lottery-entry stage (page 3)

Your lottery ticket for this round is:
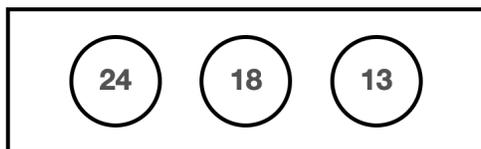
Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to **enter the lottery.**
If the offer you receive is **greater than** your value, then you will choose to **receive the offer.**

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.09
You accept any offer greater than or equal to: $0.10

Figure C.80: Example 2: Value-selection stage

Recall that your lottery ticket is:

Your random offer is: **$0.34**.
The offer of $0.34 is greater than your selected value of $0.09.
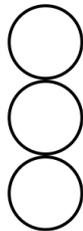Therefore, you have **not entered** the lottery this round.

Figure C.81: Example 2: Random offer and lottery-entry stage (page 1)

Recall that your lottery ticket is:

24   18   13

Your offer was: **$0.34**.
You did **not enter** the lottery.
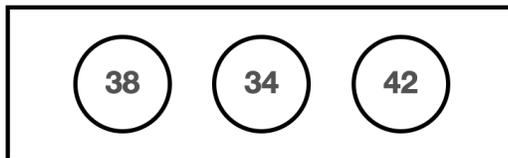
Click on each of the balls below to reveal the
winning numbers.

You **accepted** the offer.

Your earnings for this round are:
$0.34
Your accumulated earnings are:
$1.84

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Figure C.82: Example 2: Random offer and lottery-entry stage (page 2)

Recall that your lottery ticket is:

24   18   13

Your offer was: **$0.34**.
You did **not enter** the lottery.

Click on each of the balls below to reveal the
winning numbers.

You **accepted** the offer.

29

41

49

Your earnings for this round are:
$0.34
Your accumulated earnings are:
$1.84

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Figure C.83: Example 2: Random offer and lottery-entry stage (page 3)

C.1.6 Sequential regret choice

The only difference between this treatment and the original Sequential-Regret treatment is that now participants choose their own lottery ticket at the start of each round.

Thank you for participating!

The study consists of 20 rounds. In each round you will choose between an amount of money or entering a lottery. In every round, you will be asked to choose a new lottery ticket with three numbers between 1 and 50. Each lottery ticket can only be selected once. That is, the same combination of three numbers cannot be used in more than one round.

For each round the computer will also randomly select three winning numbers, between 1 and 50, that will be used to determine lottery prizes (if any).

→

Figure C.84: Instructions (page 1)

If you enter the lottery, the prizes are determined as follows:

1. If all three numbers on your ticket match the winning numbers, you win $150. Anyone who enters the lottery has a 1 in 19,600 chance (0.005% probability) to win $150.
2. If two numbers on your ticket match the winning numbers, the prize is $15. Anyone who enters the lottery has a 141 in 19,600 chance (0.72% probability) to win $15.
3. If one number on your ticket matches the winning numbers, the prize is $1.50. Anyone who enters the lottery has a 3,243 in 19,600 chance (16.55% probability) to win $1.50.
4. Tickets without any matches with the winning numbers lose. Anyone who enters the lottery has a 16,215 in 19,600 chance (82.73% probability) to win $0.

→

Figure C.85: Instructions (page 2)

We are interested in how much you value entering the lottery.

For each of the 20 rounds, we will ask your value for entering the lottery, which can be any number between $0 and $0.50. In each round, your entry decision is determined by comparing your value to an offer amount, also between $0 and $0.50, that is randomly selected by the computer.

Whenever the random offer is smaller than or equal to your value, you will enter the lottery.

And whenever the random offer is greater than your value, you will not enter the lottery and instead will receive the offer amount.

→

Figure C.86: Instructions (page 3)

Since the offer amount is randomly determined, **it is in your best interest to choose your true value for the lottery**.

That is because choosing your true value guarantees that you will only enter the lottery when your true value is greater than or equal to the random offer; and that you will not enter the lottery, but instead take the offer, only when your true lottery value is lower than the random offer.

For example, suppose your true value for the lottery is $0.05. If you choose $0.05 as your value, you will only enter the lottery when the random offer is equal to $0.05 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.06 and $0.50 — but instead the offer amount will be added to your earnings.

Alternatively, suppose your true value for the lottery is $0.45. If you choose $0.45 as your value, you will only enter the lottery when the random offer is equal to $0.45 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.46 and $0.50.

The next page contains a short video explaining the study interface and the entry decision.

→

Figure C.87: Instructions (page 4)

Select your lottery ticket for this round:

Number 1

Number 2

Number 3

Figure C.88: Ticket-selection stage

Select your lottery ticket for this round:

Number 1   10

Number 2   20

Number 3   30

Figure C.89: Example 1: choice of lottery ticket
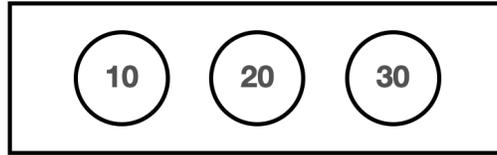
Your lottery ticket for this round is:

10   20   30

Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to **enter the lottery**.

If the offer you receive is **greater than** your value, then you will choose to **receive the offer**.

Click on the bar and drag the handle to select a value between $0 and $0.50

0   0.05   0.1   0.15   0.2   0.25   0.3   0.35   0.4   0.45   0.5

Figure C.90: Example 1: value-selection stage (page 1)

Your lottery ticket for this round is:

10   20   30

Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to **enter the lottery**.

If the offer you receive is **greater than** your value, then you will choose to **receive the offer**.

Click on the bar and drag the handle to select a value between $0 and $0.50

0   0.05   0.1   0.15   0.2   0.25   0.3   0.35   0.4   0.45   0.5

You enter the lottery if the offer is less than or equal to: $0.35
You accept any offer greater than or equal to: $0.36

Figure C.91: Example 1: value-selection stage (page 2)
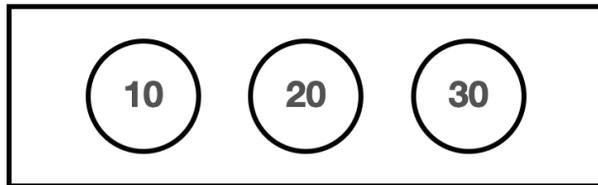
Recall that your lottery ticket is:

10   20   30

Your random offer is: **$0.05**.
The offer of $0.05 is less than your selected value of $0.35.
Therefore, you have **entered** the lottery this round.

Your lottery ticket is:

10   20   30

3 matching numbers win **$150**
2 matching numbers win **$15**
1 matching number wins **$1.50**

Figure C.92: Example 1: Random offer and lottery-entry stage (page 1)
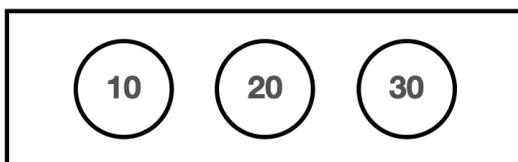
Recall that your lottery ticket is:

Your offer was: **$0.05**.
You **entered** the lottery.

Click on each of the balls below to reveal the winning numbers.

Your ticket numbers are:

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Figure C.93: Example 1: Random offer and lottery-entry stage (page 2

Recall that your lottery ticket is:

10	20	30

Your offer was: **$0.05**.
You **entered** the lottery.

Click on each of the balls below to reveal the winning numbers.

23

34

45

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Your ticket numbers are:

10

20

30

You did not win a prize.

Your earnings this round are:
$0
Your accumulated earnings are:
$0.00

Figure C.94: Example 1: Random offer and lottery-entry stage (page 3)

Select your lottery ticket for this round:

Number 1

Number 2

Number 3

Figure C.95: Ticket-selection stage

Select your lottery ticket for this round:

Number 1   5

Number 2   6

Number 3   7

Figure C.96: Example 2: choice of lottery ticket
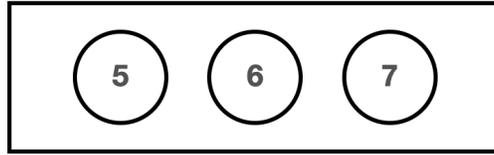
Your lottery ticket for this round is:

| 5 | 6 | 7 |

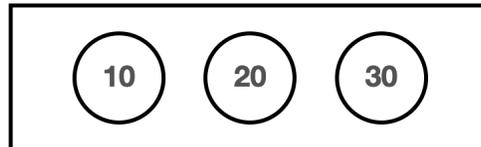Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to **enter the lottery**.
If the offer you receive is **greater than** your value, then you will choose to **receive the offer**.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

Figure C.97: Example 2: value-selection stage (page 1)
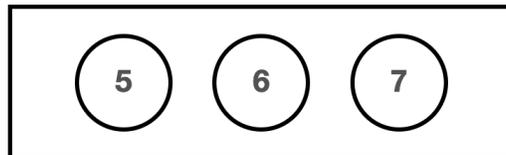
Your lottery ticket for this round is:

| 5 | 6 | 7 |

Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to **enter the lottery**.
If the offer you receive is **greater than** your value, then you will choose to **receive the offer**.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.05
You accept any offer greater than or equal to: $0.06

Figure C.98: Example 2: value-selection stage (page 2)

Recall that your lottery ticket is:
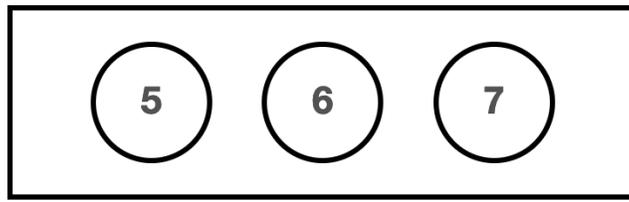
Your random offer is: **$0.12**.
The offer of $0.12 is greater than your selected value of $0.05.
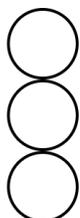Therefore, you have **not entered** the lottery this round.

Figure C.99: Example 2: Random offer and lottery-entry stage (page 1)
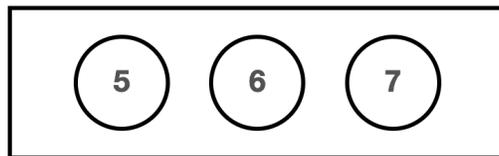
Recall that your lottery ticket is:

Your offer was: **$0.12**.
You did **not enter** the lottery.

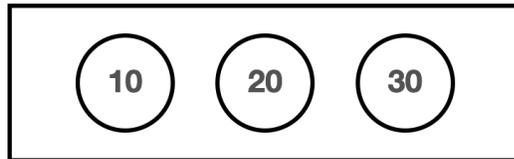Click on each of the balls below to reveal the
winning numbers.

You **accepted** the offer.

Your earnings for this round are:
$0.12
Your accumulated earnings are:
$0.12

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

Figure C.100: Example 2: Random offer and lottery-entry stage (page 2
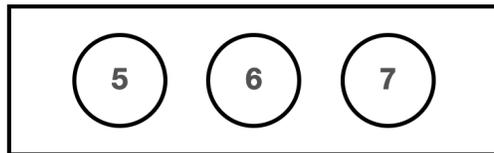
Recall that your lottery ticket is:

| 5 | 6 | 7 |

Your offer was: **$0.12**.
You did **not enter** the lottery.

Click on each of the balls below to reveal the
winning numbers.

15

27

31

0 Matches wins **$0**
1 Match wins **$1.50**
2 Matches wins **$15**
3 Matches wins **$150**

You **accepted** the offer.

Your earnings for this round are:
$0.12
Your accumulated earnings are:
$0.12

Figure C.101: Example 2: Random offer and lottery-entry stage (page 3)

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C.1.7 Sequential standard without round feedback

This treatment is similar to Sequential-Standard, except participants receive round-level feedback on lottery entry only; information on lottery realizations is disclosed at the the end of the session.

Thank you for participating!

The study consists of 20 rounds. In each round you will choose between an amount of money or entering a lottery. Whenever you enter the lottery, you will be assigned a lottery ticket with three numbers between 1 and 50. The numbers on your lottery ticket will be randomly selected by the computer.

For each round the computer will also randomly select three winning numbers, between 1 and 50, that will be used to determine lottery prizes (if any).

→

Figure C.102: Instructions (page 1)

If you enter the lottery, the prizes are determined as follows:

1. If all three numbers on your ticket match the winning numbers, you win $150. Anyone who enters the lottery has a 1 in 19,600 chance (0.005% probability) to win $150.
2. If two numbers on your ticket match the winning numbers, the prize is $15. Anyone who enters the lottery has a 141 in 19,600 chance (0.72% probability) to win $15.
3. If one number on your ticket matches the winning numbers, the prize is $1.50. Anyone who enters the lottery has a 3,243 in 19,600 chance (16.55% probability) to win $1.50.
4. Tickets without any matches with the winning numbers lose. Anyone who enters the lottery has a 16,215 in 19,600 chance (82.73% probability) to win $0.

→

Figure C.103: Instructions (page 2)

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We are interested in how much you value entering the lottery.

For each of the 20 rounds, we will ask your value for entering the lottery, which can be any number between $0 and $0.50. In each round, your entry decision is determined by comparing your value to an offer amount, also between $0 and $0.50, that is randomly selected by the computer.

Whenever the random offer is smaller than or equal to your value, you will enter the lottery.

And whenever the random offer is greater than your value, you will not enter the lottery and instead will receive the offer amount.

In each one of the 20 rounds of the experiment, you will learn whether you entered the lottery that round, or if you instead received the offer but did not enter. You will NOT receive feedback about your lottery ticket, the winning numbers, or any prizes won until the end of the experiment.

After the last round, the computer will randomly draw lottery tickets and winning numbers for each of the 20 rounds. You will then receive detailed information about your earnings in each round, as well as your total earnings for the experiment.

<div style="text-align:right;">

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</div>

Figure C.104: Instructions (page 3)

Since the offer amount is randomly determined, **it is in your best interest to choose your true value for the lottery**.

That is because choosing your true value guarantees that you will only enter the lottery when your true value is greater than or equal to the random offer; and that you will not enter the lottery, but instead take the offer, only when your true lottery value is lower than the random offer.

For example, suppose your true value for the lottery is $0.05. If you choose $0.05 as your value, you will only enter the lottery when the random offer is equal to $0.05 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.06 and $0.50 — but instead the offer amount will be added to your earnings.

Alternatively, suppose your true value for the lottery is $0.45. If you choose $0.45 as your value, you will only enter the lottery when the random offer is equal to $0.45 or lower. On the other hand, you will not enter the lottery whenever the offer amount is between $0.46 and $0.50.

The next page contains a short video explaining the study interface and the entry decision.

<div align="right">

→

</div>

Figure C.105: Instructions (page 4)

Please click on the slider below to choose your value.

If the offer you receive is **smaller than or equal to** your value, then you will choose to **enter the lottery**.
If the offer you receive is **greater than** your value, then you will choose to **receive the offer**.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

Figure C.106: Value-selection stage

Your random offer is: **$0.42**.
The offer of $0.42 is greater than your selected value of $0.35.
Therefore, you have **not entered** the lottery this round.

Figure C.107: Example 1: round-level feedback

Thank you for completing the experiment. After reviewing the information in this screen, click the button to complete the study.

Your accumulated earnings are: **$5.83**
Your total earnings for the experiment are: **$8.83**

Round	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Lottery Value	0.35	0.35	0.25	0.30	0.15	0.25	0.36	0.15	0.34	0.41	0.15	0.29	0.20	0.26	0.15	0.41	0.24	0.41	0.16	0.45
Offer	0.44	0.42	0.17	0.38	0.11	0.15	0.39	0.04	0.12	0.24	0.38	0.32	0.23	0.49	0.40	0.46	0.11	0.42	0.11	0.13
Lottery 1	-	-	13	-	49	27	-	29	48	30	-	-	-	-	-	-	42	-	12	30
Lottery 2	-	-	44	-	42	11	-	35	33	31	-	-	-	-	-	-	28	-	19	7
Lottery 3	-	-	45	-	7	16	-	10	23	1	-	-	-	-	-	-	49	-	4	10
Winning 1	49	33	23	8	22	35	3	27	47	14	38	19	47	46	42	38	18	48	1	12
Winning 2	41	18	40	16	21	7	50	35	30	32	49	37	31	31	43	5	5	50	36	4
Winning 3	22	48	18	40	47	33	21	46	19	44	13	47	14	47	26	42	25	35	28	13
Earnings	0.44	0.42	0.00	0.38	0.00	0.00	0.39	1.50	0.00	0.00	0.38	0.32	0.23	0.49	0.40	0.46	0.00	0.42	0.00	0.00

Figure C.108: Feedback at the end of session

C.1.8 Sequential treatments with modified practice

We also ran modified versions of the Standard and Regret sequential treatments in which the practice round was similar to the one in simultaneous treatments. The screenshots on this section depict the practice stage for these robustness treatments; all other stages are similar to the original treatments.

Figure C.109: Modified practice round

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.45
You accept any offer greater than or equal to: $0.46

Generate Offer

Round	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Lottery	0.42	0.29	0.36	0.03	0.11	0.36	0.05	0.24	0.30	0.12	0.31	0.35	0.21	0.05	0.36	0.30	0.20	0.08	0.12	0.17
Offer																				

In this example, you would earn 20 lottery entries and give up $4.43 in offers to do so.
In this example, you would earn $0.00 from the offers and give up entering 0 lotteries.

Figure C.110: Example 1: modified practice round

PRACTICE ROUND

Click on the slider to select your value.

Click on the button to get a random offer and see whether you would have entered the lottery or not.

Note: This practice round simulates what would happen over the course of the 20 rounds. During the experiment, however, you will choose a value and receive a different offer every round, and will not see your offer before making your choice. Click here to access the instructions.

Click on the bar and drag the handle to select a value between $0 and $0.50

| 0 | 0.05 | 0.1 | 0.15 | 0.2 | 0.25 | 0.3 | 0.35 | 0.4 | 0.45 | 0.5 |

You enter the lottery if the offer is less than or equal to: $0.04
You accept any offer greater than or equal to: $0.05

Generate Offer

Round	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Lottery									0.04											
Offer	0.19	0.30	0.22	0.24	0.17	0.30	0.10	0.38		0.43	0.17	0.18	0.22	0.08	0.08	0.49	0.10	0.13	0.12	0.31

In this example, you would earn 1 lottery entry and give up $0.04 in offers to do so.
In this example, you would earn $4.21 from the offers and give up entering 19 lotteries.

Figure C.111: Example 2: modified practice round

D Additional results

D.1 Waves of laboratory experiments

This section compares the main results on both the original and later waves of laboratory experiments. Table D.1 presents the results from the initial wave, whereas Table D.2 reports on the same regressions for the later sessions. All of the main results are directionally replicated in the later sample, with many coefficients statistically significant even with the smaller sample. Finally, we cannot reject the null in a joint test of equal coefficients either for first-round only ($p = 0.3480$) or for all rounds ($p = 0.668$).

Table D.1: Regression-based hypothesis tests using data from first wave of lab experiments

	First round		All rounds	
	(I)	(II)	(III)	(IV)
Hypothesis 1: $(\hat{V}_{\text{Sim.}}^{\text{Reg.}} - \hat{V}_{\text{Sim.}}^{\text{Std.}})$	5.1 $(p = 0.453)$	5.7 $(p = 0.390)$	5.1 $(p = 0.482)$	5.8 $(p = 0.414)$
Hypothesis 2: $(\hat{V}_{\text{Seq.}}^{\text{Std.}} - \hat{V}_{\text{Sim.}}^{\text{Std.}})$	39.0 $(p < 0.001)$	39.9 $(p < 0.001)$	32.0 $(p < 0.001)$	32.7 $(p < 0.001)$
Hypothesis 3: $(\hat{V}_{\text{Seq.}}^{\text{Reg.}} - \hat{V}_{\text{Sim.}}^{\text{Reg.}})$	19.4 $(p = 0.005)$	18.5 $(p = 0.006)$	19.0 $(p = 0.004)$	23.7 $(p < 0.001)$
Hypothesis 4: $(\hat{V}_{\text{Seq.}}^{\text{Reg.}} - \hat{V}_{\text{Seq.}}^{\text{Std.}})$	-14.5 $(p = 0.034)$	-15.7 $(p = 0.019)$	-7.9 $(p = 0.162)$	-8.8 $(p = 0.088)$
Gender control	No	Yes	No	Yes
N	200	200	3100	3100

Note: Significance tests p-values are given in parentheses. Coefficients in columns (I) and (II) are derived from OLS regressions of lottery valuations using only the first-round valuation (one observation per participant). Columns (III) and (IV) report results from estimations allowing for a participant random-effect in the sequential treatments (3000 sequential choices, compared to 100 for the simultaneous treatments).

Table D.2: Regression-based hypothesis tests using data from second wave of lab experiments

	First round		All rounds	
	(I)	(II)	(III)	(IV)
Hypothesis 1: $(\hat{V}_{\text{Sim.}}^{\text{Reg.}} - \hat{V}_{\text{Sim.}}^{\text{Std.}})$	7.6 $(p = 0.404)$	7.8 $(p = 0.390)$	7.6 $(p = 0.401)$	7.8 $(p = 0.382)$
Hypothesis 2: $(\hat{V}_{\text{Seq.}}^{\text{Std.}} - \hat{V}_{\text{Sim.}}^{\text{Std.}})$	25.2 $(p = 0.010)$	25.6 $(p = 0.009)$	25.5 $(p = 0.008)$	26.5 $(p = 0.004)$
Hypothesis 3: $(\hat{V}_{\text{Seq.}}^{\text{Reg.}} - \hat{V}_{\text{Sim.}}^{\text{Reg.}})$	12.5 $(p = 0.217)$	12.0 $(p = 0.235)$	19.1 $(p = 0.027)$	18.7 $(p = 0.029dd)$
Hypothesis 4: $(\hat{V}_{\text{Seq.}}^{\text{Reg.}} - \hat{V}_{\text{Seq.}}^{\text{Std.}})$	-5.0 $(p = 0.628)$	-5.8 $(p = 0.582)$	1.2 $(p = 0.892)$	-0.2 $(p = 0.973)$
Gender control	No	Yes	No	Yes
N	120	120	1,860	1,860

Note: Significance tests p-values are given in parentheses. Coefficients in columns (I) and (II) are derived from OLS regressions of lottery valuations using only the first-round valuation (one observation per participant). Columns (III) and (IV) report results from estimations allowing for a participant random-effect in the sequential treatments (1,800 for sequential choices, compared to 60 for the simultaneous treatments).

D.2 Main results with modified practice stage

Table D.3 below reports coefficients on the same regressions as our main results table (Table 2 in the main paper), but using data from the sequential treatments with the modified practice stage. With the exception of the first-round sequentiality effect for regret lotteries, all of the main findings are directionally replicated with these new data (though sequentiality effects are diminished), with some statistically significant coefficients even in the smaller sample.

Table D.3: Regression-based hypothesis tests with sequential treatments with modified practice stage

	First round		All rounds	
	(I)	(II)	(III)	(IV)
Hypothesis 2: $(\hat{V}_{\text{Seq.}}^{\text{Std.}} - \hat{V}_{\text{Sim.}}^{\text{Std.}})$	15.4 ($p = 0.065$)	14.4 ($p = 0.060$)	24.4 ($p = 0.001$)	23.7 ($p = 0.001$)
Hypothesis 3: $(\hat{V}_{\text{Seq.}}^{\text{Reg.}} - \hat{V}_{\text{Sim.}}^{\text{Reg.}})$	2.8 ($p = 0.740$)	-0.5 ($p = 0.948$)	16.1 ($p = 0.036$)	13.5 ($p = 0.075$)
Hypothesis 4: $(\hat{V}_{\text{Seq.}}^{\text{Reg.}} - \hat{V}_{\text{Seq.}}^{\text{Std.}})$	-6.5 ($p = 0.532$)	-8.9 ($p = 0.348$)	-2.3 ($p = 0.793$)	-3.3 ($p = 0.700$)
Gender control	No	Yes	No	Yes
N	110	110	4,800	4,800

Note: Significance tests p-values are given in parentheses. Coefficients in columns (I) and (II) are derived from OLS regressions of lottery valuations using only the first-round valuation (one observation per participant). Columns (III) and (IV) report results from estimations allowing for a participant random-effect in the sequential treatments (4,800 sequential choices, compared to 160 for the simultaneous treatments). Hypothesis 1 is unchanged since it does not involve any sequential treatment.

D.3 Additional results from online experiments

D.3.1 Test of main hypotheses with online data

Table D.4 reports the coefficients of OLS regression testing our main hypothesis using data from online experiments. With the exception of the sequentiality premium for regret lotteries over all rounds, we do not replicate the results from our lab study. In fact, most of the estimated coefficients are small in magnitude and standard errors are much larger compared to the lab data.

Table D.4: Regression-based hypothesis using data from online experiments

	First round		All rounds		N
	(I)	(II)	(III)	(IV)	
Hypothesis 1: $(\hat{V}_{\text{Sim.}}^{\text{Reg.}} - \hat{V}_{\text{Sim.}}^{\text{Std.}})$	-2.4 $(p = 0.698)$	-2.4 $(p = 0.696)$	-2.4 $(p = 0.698)$	-2.4 $(p = 0.696)$	156 / 3,120
Hypothesis 2: $(\hat{V}_{\text{Seq.}}^{\text{Std.}} - \hat{V}_{\text{Sim.}}^{\text{Std.}})$	$-.06$ $(p = 0.990)$	$-.2$ $(p = 0.970)$	1.2 $(p = 0.819)$	1.0 $(p = 0.849)$	211 / 4,220
Hypothesis 3: $(\hat{V}_{\text{Seq.}}^{\text{Reg.}} - \hat{V}_{\text{Sim.}}^{\text{Reg.}})$	3.9 $(p = 0.442)$	3.9 $(p = 0.441)$	9.8 $(p = 0.044)$	9.8 $(p = 0.044)$	218 / 4,360
Hypothesis 4: $(\hat{V}_{\text{Seq.}}^{\text{Reg.}} - \hat{V}_{\text{Seq.}}^{\text{Std.}})$	1.6 $(p = 0.720)$	0.8 $(p = 0.845)$	6.1 $(p = 0.100)$	5.7 $(p = 0.125)$	273 / 5,460
Gender control	No	Yes	No	Yes	

Note: Significance tests p-values are given in parentheses. Coefficients in columns (I) and (II) are derived from OLS regressions of lottery valuations using only the first-round valuation (one observation per participant). Columns (III) and (IV) report results from estimations allowing for a participant random-effect in the sequential treatments. The last column reports sample sizes for first-round only and for all 20 rounds, respectively.

D.3.2 Random Regret and Random Choice treatments

Table D.5 reports on OLS regressions of the valuations (as a share of expected value) on indicators for the (a) original Random treatment, (b) the Random Regret, and (c) the Random Choice treatments. The omitted category is the original Sequential-Standard treatment. With the exception of the Regret-Random treatment for first-round valuations in a specification with gender control, we do not find evidence of differences in valuations. Moreover, we cannot reject the null of equality of coefficients in all of the models.

Table D.5: OLS regression of lottery valuations for selected sequential treatments

	First round		All rounds	
	(I)	(II)	(III)	(IV)
Regret	0.2 $(p = 0.961)$	0.2 $(p = 0.970)$	5.4 $(p = 0.097)$	5.3 $(p = 0.097)$
Regret-Random	-4.2 $(p = 0.294)$	-3.9 $(p = 0.318)$	0.6 $(p = 0.859)$	0.8 $(p = 0.818)$
Regret-Choice	-7.7 $(p = 0.059)$	-8.3 $(p = 0.041)$	-0.9 $(p = 0.806)$	-1.4 $(p = 0.714)$
Gender control	No	Yes	No	Yes
N	598	598	11,960	11,960

Note: Significance tests p-values are given in parentheses. Coefficients in columns (I) and (II) are derived from OLS regressions of lottery valuations using only the first-round valuation (one observation per participant). Columns (III) and (IV) report results from estimations allowing for a participant random-effect in the sequential treatments. Omitted category is the Sequential-Standard treatment.

D.3.3 Results from modified practice stages

Table D.6 reports on OLS regressions of lottery valuations (as a share of expected value) on an indicators for the modified-practice version of treatments Sequential-Standard and Sequential-Regret. The omitted category is the original Sequential-Standard treatment. None of the regression coefficients are significant at conventional levels.

Table D.6: OLS regression of lottery valuations on an indicator for treatments with modified-practice

	Sequential-Standard		Sequential-Regret	
	First round	All rounds	First round	All rounds
Modified practice	-1.5	0.8	-6.9	-3.1
	$(p = 0.758)$	$(p = 0.846)$	$(p = 0.167)$	$(p = 0.490)$
Gender control	No	No	No	No
N	208	4,160	221	4,420

Note: Significance tests p-values are given in parentheses. Coefficients in columns (I) and (II) are derived from OLS regressions of lottery valuations using only the first-round valuation (one observation per participant). Columns (III) and (IV) report results from estimations allowing for a participant random-effect in the sequential treatments.