A Extended Discussion on Mechanisms

A.1 Noisy choices

In this section, we show that our findings are not an artifact of noisy decision-making. Specifically, we analyse the consequences of adding noise to payoffs, where the noise term is drawn from a symmetric distribution centred at zero (the so-called expected utility plus white noise (EU+N) model; Harless and Camerer, 1994; Hey and Orme, 1994). The econometric analysis in Section 5.3 explicitly accounts for noise, with the precision parameter γ capturing decision noise independently of the estimated tendency to choose the symmetric source, denoted by δ. Nevertheless, as the noise may be misspecified, we turn to two more direct tests of noise as a confounding factor.

Choice Probabilities Under Indifference. A central implication of the EU+N model is that when two strategies yield the same expected utility, they should be chosen with equal probability.[31] Our experimental design includes three environments in which the symmetric source has the same expected utility as either the asymmetric source or following the prior. The first three rows of Table A1 reports the probability of choosing the symmetric source versus the EU-equivalent alternative. Each row presents results from a logistic regression of a dummy variable for choosing the symmetric source, conditional on following a strategy that yields the same expected utility, with robust standard errors clustered on individuals.

The first row presents the High precision and $\rho = .55$ environment, where following both symmetric and asymmetric sources result in approximately the same payoff. The estimated probability of following the signal from the symmetric source conditional on following the signal is 69.1%, significantly higher than the (approximately) 50% predicted by the EU+N model. The next two rows present the two environments where the probability of guessing correctly is the same for choosing the symmetric source (either following it or guessing according to the prior) and choosing the asymmetric source and guessing according to the prior. Again, participants exhibit a systematic bias toward choosing the symmetric source.[32]

When ignoring the signal, the expected payoff is determined purely by the prior and the guess. Thus, according to the EU+N model, the predicted probability of choosing the symmetric rather than the asymmetric source conditional on ignoring the signal, the prior, and the guess, should be .50. The last row in Table A1 presents the marginal probability for choosing the symmetric source based on a logistic regression with the prior, the guess,

[31] This prediction also holds for alternative noise models, such as trembles and random preferences (see Loomes, 2005).

[32] Considering the two strategies that involve choosing the symmetric source separately, the EU+N model predicts that the symmetric source is chosen with probability $\frac{2}{3}$ rather than $\frac{1}{2}$. Even so, the estimated probabilities are still higher than predicted, significantly so in the second environment.

Table A1: Choice of the symmetric source vs. an EU-equivalent alternative.

Symmetric precision	Prior	Included strategies	% choosing symmetric	95% CI
High	.55	S, A	69.1%	[61.5%–76.7%]
High	.75	S, S_r, A_r	71.0%	[62.5%–79.5%]
Low	.40	S, S_b, A_b	91.7%	[86.1%–97.3%]
All	All	S_r, S_b, A_r, A_b	58.1%	[54.0%–62.3%]

Notes: Estimates based on logistic regressions of chosen strategy on a constant with robust standard errors clustered on individuals. The regression in the last row includes fixed effects for prior by guess. The strategies are S(ymmetric) or A(symmetric). No subscript indicates following the signal. Subscripts r and b indicate ignoring the signal and guessing r and b, respectively.

and their interaction, as independent variables with robust standard errors clustered on individuals and restricted to the rounds where the participant ignored the signal. The estimated probability of choosing the symmetric source is 58.1%, significantly higher than 50%.

Simulated Decision Noise. The results above establish a systematic tendency toward the symmetric source that cannot be explained purely by noise. However, it remains possible that noise contributes to this effect. To test this further, we estimated the model in Column (2) of Table 2 using 1,000 simulated data sets. Each dataset contains 760 observations, matching the experiment. For each observation, we assigned the chosen strategy based on the EU+N model, where expected utility was given by the probability of guessing correctly, with an added noise term drawn from a uniform distribution on $[-0.4, 0.4]$. The results indicate that the estimated δ parameter was significant at the .05 level in 46 out of the $1,000$ simulated data sets, with a mean value of 0.001 compared to 8.217 in the actual data. Thus, noise does not appear to bias the estimates upwards.[33]

[33]Noise does appear to bias the estimate for λ *downwards*, which cannot explain the significant *positive* estimate in the experiment. This effect does not exist for normally distributed noise.

A.2 Subjective beliefs

In this section we evaluate whether distortions in probability perceptions and belief updating can explain the bias towards the symmetric source.

Tables A2 and A3 report the average deviations of posterior beliefs and conditional probabilities of receiving a signal from the objective Bayesian benchmarks, normalized by the maximum possible deviation.[34] Interestingly, while deviations in posterior beliefs are generally larger for the asymmetric source, deviations in the conditional probabilities of receiving a signal tend to be more pronounced for the symmetric sources.

Table A2: Average deviation from Bayesian Posteriors across sources and priors, normalized by the maximum possible deviation.

	Prior			
Source	0.10	0.40	0.55	0.75
Asymmetric	35.85%	37.40%	32.15%	26.87%
Symmetric High	24.05%	18.85%	16.07%	22.74%
Symmetric Low	23.13%	17.03%	13.12%	21.85%

Table A3: Average deviation from objective probabilities of receiving each signal across sources and priors, normalized by the maximum possible deviation.

	Prior			
Source	0.10	0.40	0.55	0.75
Asymmetric	42.71%	22.73%	13.00%	10.80%
Symmetric High	58.18%	39.13%	22.75%	18.26%
Symmetric Low	50.44%	36.84%	24.78%	23.85%

A natural question is whether these deviations in subjective beliefs translate into differences in how participants perceive the value of the information sources. To investigate this, we calculate the subjective value of each source as the expected gain from following the signal compared to following the prior, where the expected payoffs are computed using the subjective probabilities elicited in Parts 2 and 3 of the experiment.

Table A4 provides evidence consistent with the idea that subjective valuations may help rationalize participants' choices. Notably, even when the objective value of the symmetric source is zero, subjective beliefs assign it a positive value in over half of the cases. Conversely, when the asymmetric source has positive objective value, subjective beliefs often fail to reflect

[34] Similar qualitative patterns emerge when considering absolute deviations.

Table A4: Objective and subjective value of sources.

	Objective value			
	Symmetric source		Asymmetric source	
	No value	Positive value	No value	Positive value
Subjective value				
No value	49.7%	25.8%	70.5%	59.5%
Positive value	50.3%	74.2%	29.5%	40.5%
N	473	287	190	570

Notes: Percentage of cases in which the subjective beliefs indicate no value or positive value conditional on whether the source has value based on the Bayesian posteriors. Subjective value is determined based on subjective beliefs elicited in Part 2 of the experiment.

this, assigning it no value in approximately 60% of the cases. This asymmetry indicates a systematic tendency to overestimate the value of the symmetric source while underestimating the value of the asymmetric one.

Hence, the *belief* data reveals systematic deviations from Bayesian updating that could help explain departures from expected utility maximization in participants' *choices*. To further assess this explanation, we construct expected payoffs based on the elicited subjective beliefs and evaluate the frequency of payoff-maximizing strategies.[35]

Across the entire experiment, participants followed a payoff-maximizing strategy in 49.1% of rounds when payoffs are calculated using objective beliefs. This figure decreases to 42.1% when using subjective beliefs. Moreover, a substantial share (40.1%) of decisions cannot be rationalized by either objective or subjective beliefs, indicating that distortions in belief updating alone are insufficient to fully explain participants' choices.[36]

[35] There are eight possible strategies arising from the combination of two factors: the choice of information source (symmetric or asymmetric) and the color guess associated with each possible signal realization.

[36] Specifically, 31.3% of decisions are consistent with both objective and subjective beliefs, 10.8% only with subjective beliefs, and 17.8% only with objective beliefs.

A.3 Heuristic response to symmetry

In this section, we investigate whether the bias towards the symmetric source could result from confused participants relying on symmetry as a heuristic (Andreoni, 1995). To assess this, we examine how our results vary with participants' understanding of the task, using the number of mistakes made in the comprehension questions as a proxy. Additionally, we test the robustness of our findings by conditioning on cognitive abilities measured in the post-experimental questionnaire. While we observe some heterogeneous effects, our main results hold for the majority of participants.

Misunderstanding. To assess participants' understanding of the task, we examined the number of incorrect answers given to the comprehension questions before Part 1 of the experiment. After providing an incorrect answer, participants received feedback and could not proceed until answering all questions correctly. The total number of incorrect answers varied from zero (one participant) to 21 (also one participant), with a mean and median of 7 (see also Figure A1). This number significantly correlates with the choice of optimal strategies ($r(188) = -.369, p < .001$). Participants who made the median number of mistakes or less chose the optimal decision in 54.1% of cases, compared to only 41.3% among those who made more than the median number of mistakes.

Does this mean that the bias toward symmetry disappears among participants with better task comprehension? Table A5 presents our main model estimates alongside separate estimates for participants who made fewer or more than the median number of incorrect answers. The results indicate that those who who found the task difficult to understand were not only noisier (as reflected by a lower γ) but also exhibited a stronger tendency to choose the symmetric source (δ) and to follow signals (λ). However, even among participants who made fewer mistakes, the estimates for δ and λ remain substantial and statistically significant.

Figure A1 provides further insights by estimating δ conditional on the number of incorrect answers. Two key patterns emerge, reinforcing the results from Table A5. First, a higher number of mistakes is associated with a stronger bias toward the symmetric source. Second, the majority of participants (164 out of 190, or 86.3%) made between 3 and 12 incorrect answers, and across this range, all estimates of δ remain positive and close to the main model's estimate.

Cognitive abilities. In the postexperimental questionnaire, we tested cognitive abilities using the Raven matrices test and a numeracy test.[37] The regression in Table A6 shows

[37] We did not collect Raven scores from 20 of the participants who participated in the first session due to a technical problem with presenting the matrices.

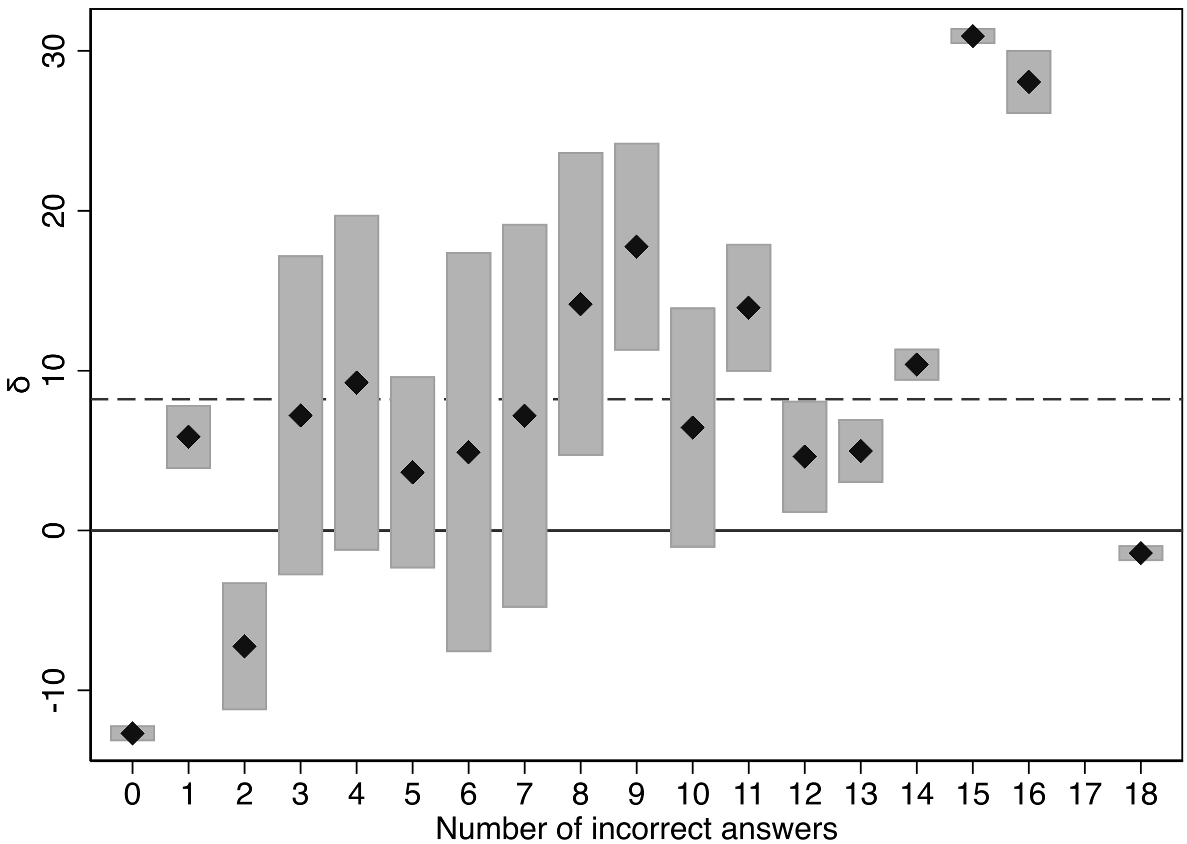


Figure A1: Misunderstanding and choosing the symmetric source.

Notes: Points mark the estimated δ conditional on number of incorrect answers to control questions. The bars represent the number of participants. The dashed line marks the estimate for δ in the main model. The figure excludes one outlier who gave 21 incorrect answers and chose the symmetric source in all but one round.

Table A5: Estimated effects of misunderstanding.

	None	Below median	Above median
δ	8.217***	6.119**	12.540***
	(4.59)	(3.17)	(3.47)
λ	13.442***	9.430***	20.999***
	(5.39)	(3.56)	(3.88)
ξ	2.946	1.214	6.120
	(1.29)	(0.46)	(1.40)
γ	0.054***	0.062***	0.043***
	(22.21)	(18.28)	(12.89)
N	7600	4600	3000

Notes: t-statistics in parentheses based on robust standard errors clustered on individuals.
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

that numeracy, but not Raven, scores are associated with the share of optimal strategies at the individual level. Figure A2 shows the share of optimal strategies by numeracy score, with 95% confidence intervals based on a regressions of optimal strategies on dummies for numeracy scores.

This positive correlation may be because people with lower numeracy skills are less accurate, but also because they rely on heuristics that lead them towards the symmetric source or to follow signals when they should not. To identify the roots of this correlation, we estimated the parameters of the model presented in Section 5.3, allowing them to vary with the cognitive skills measures. Column (1) in Table A7 estimates the baseline model on the participants for whom we have numeracy and Raven scores. Column (2) allows the tendency to choose the symmetric source δ and the precision parameter γ and Column (3) allows all parameters to vary with numeracy. Column (4) estimates the model only for the 57 with the highest numeracy score of 5 out of 5. We see that high numeracy is significantly associated with lower noise (higher γ), but not with lower values of the choice parameters.[38] The estimates for δ and λ are, if at all, higher for high-numeracy participants, indicating that the tendencies to choose the symmetric source and to follow the signal can not be explained by low cognitive skills.

[38] The estimate for ξ varies significantly with numeracy, however the tendency to follow signals does not vary significantly with numeracy, either for the asymmetric source (λ) or for the symmetric source ($\lambda + \xi$).

Table A6: Cognitive ability and optimal strategies.

	Optimal straegies
Numeracy	0.0401**
	(3.30)
Raven	-0.0216
	(−1.23)
Intercept	0.378***
	(7.62)
N	170

Notes: OLS regression of proportion of optimal strategies on cognitive ability measures. t-statistics in parentheses.

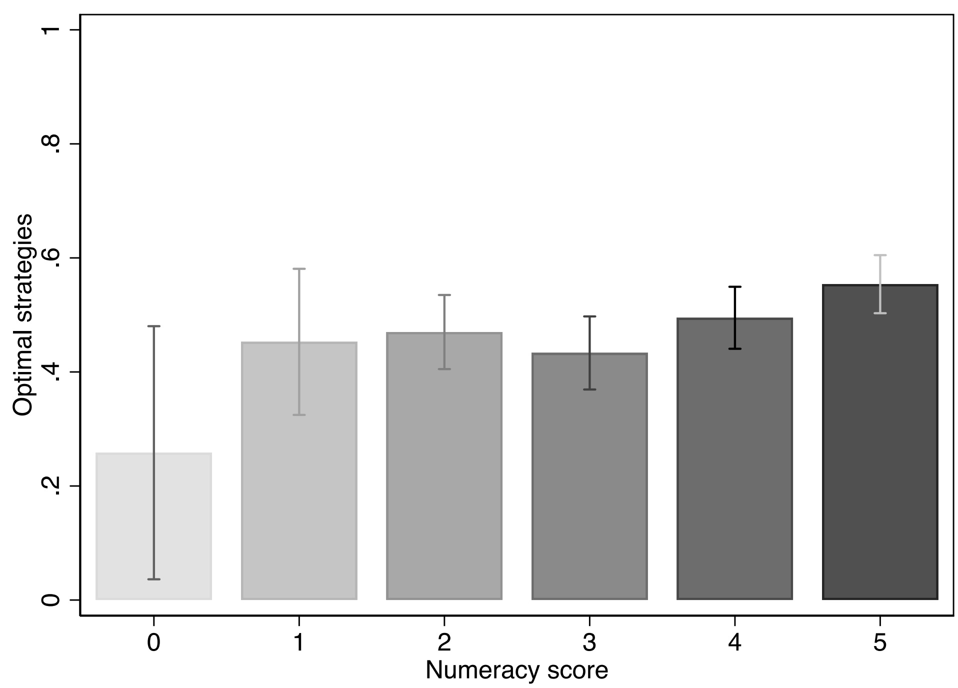


Figure A2: Optimal choices and numeracy.

Table A7: Estimated effects of cognitive abilities.

	None	δ	All	High numeracy
δ	7.577***	13.257**	3.118	10.141***
	(4.11)	(2.58)	(0.54)	(3.41)
Numeracy$_\delta$		−1.721	0.871	
		(−1.43)	(0.66)	
Raven$_\delta$		0.541	0.742	
		(0.37)	(0.35)	
λ	13.057***	13.137***	−0.098	17.862***
	(5.02)	(5.20)	(−0.01)	(4.65)
Numeracy$_\lambda$			2.050	
			(0.93)	
Raven$_\lambda$			3.208	
			(1.19)	
ξ	3.604	3.275	18.408*	−4.164
	(1.56)	(1.42)	(2.36)	(−1.05)
Numeracy$_\xi$			−4.100*	
			(−2.30)	
Raven$_\xi$			0.265	
			(0.10)	
γ	0.054***	0.038***	0.045***	0.063***
	(21.10)	(5.47)	(5.02)	(12.34)
Numeracy$_\gamma$		0.005**	0.005*	
		(3.27)	(2.41)	
Raven$_\gamma$		−0.001	−0.004	
		(−0.39)	(−1.49)	
N	6,800	6,800	6,800	2,280

Notes: t-statistics in parentheses based on robust standard errors clustered on individuals.
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

B Experimental Instructions

Welcome and thank you for taking part in this experiment. Please remain quiet and switch off your mobile phone. It is important that you do not talk to other participants during the entire experiment. Please read these instructions very carefully; the better you understand the instructions the more money you will be able to earn. If you have further questions after reading the instructions, please give us a sign by raising your hand out of your cubicle. We will then approach you in order to answer your questions personally. Please do not ask aloud.

During the experiment all sums of money are listed in ECU (for Experimental Currency Unit). Your earnings during the experiment will be converted to pounds at the end and paid to you in cash. The exchange rate is 50 ECU = £1. The earnings will be added to a participation payment of £5.

In this experiment you will not interact with other participants. Your earnings will depend on your decisions and on chance, as will be explained in the following. The experiment is divided into three parts. Your final payoff will be the sum of your earnings in the three parts.

After the experiment, we will ask you to complete a short questionnaire, which we need for the statistical analysis of the experimental data. The data of the questionnaire, as well as all your decisions during the experiments will be anonymous.

Please, stay in your seat until all other subjects have finished the experiment. The lab administrator will let you know when to stand up.

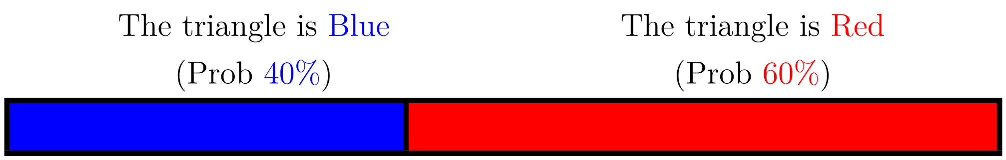
INSTRUCTIONS PART I

This part consists of **four** blocks, and each block consists of **ten** rounds. The instructions are **identical** for each round. Your task in each round will be to **guess the colour of a triangle**. As explained below, you will know **how the computer chooses** the colour of the triangle. You will also be able to choose a computerised advisor to receive **advice** from regarding the colour of the triangle.

The Triangle Colour

The **colour of the triangle** will be **randomly** chosen at the **beginning of each round** to be one of two colours. For example, the triangle can be either blue ▲ or red ▲. The **two possible colours** will change from block to block, and will be announced at the beginning of each block. In these instructions, we will use blue and red as in the example above.

The **probability** that the triangle is blue ▲ or red ▲ will also change from block to block and will be announced at the beginning of each block. For example, the triangle is blue ▲ with 40% probability, and red ▲ with 60% probability. This will be presented on the computer screen as:



The advisors

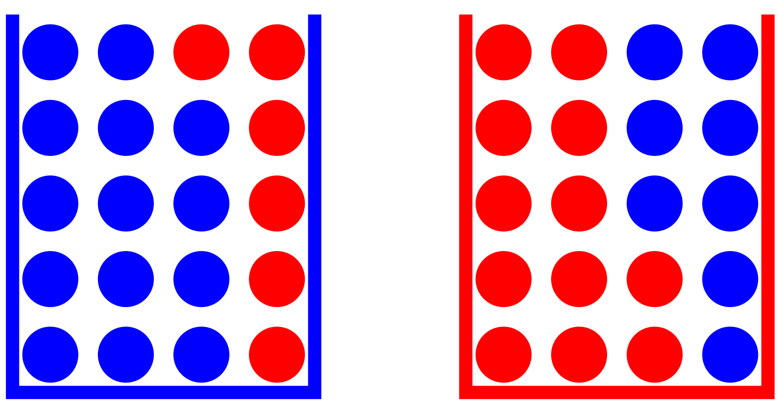
You will not know the colour of the triangle, and **your objective will be to guess the colour of the triangle**. For that, you will receive an advice from an advisor that will be simulated by the computer. You will be able to choose **one of two advisors**.

Each advisor **has two urns**, a **blue urn** and a **red urn** (corresponding to each of the colours). Each urn is filled with 20 balls, some of which are blue and the others are red. **There are always more blue balls in the blue urn than in the red urn** (and, therefore, more red balls in the red urn than in the blue urn).

Which advice an advisor gives you depends on a **random ball** drawn from the **urn that corresponds to the true colour of the triangle**. That is,

- if the colour of the triangle is blue ▲, a ball will be drawn from the blue urn
- if the colour of the triangle is red ▲, a ball will be drawn from the red urn.

For example, the blue urn may contain 14 blue balls and 6 red balls, and the red urn may contain 8 blue balls and 12 red balls, as in the figure below. As you can see, there are more blue balls in the blue urn than in the red urn.



Blue urn Red urn

Choosing advisors

In each round you will be asked to choose between **two advisors**. The computer will present you with the **two urns** of each of the **two advisors**. You should consider these urns carefully, and decide **which advisor you prefer to receive advice from**. The two advisors will be the same for all rounds within a block.

Guessing the colour of the triangle

After choosing the advisor, you will be asked to guess the **colour of the triangle**. Your choice can **depend on the advice** you receive, in the following way. The computer will ask you to guess the colour of the triangle **twice**. Once for the case that the advisor you chose gives you a blue advice, and again for the case that the advisor you chose gives you a red advice. After you have made the choice, and without observing the advice, the computer will determine the advice by randomly selecting a ball from the urn of the advisor you chose that corresponds to the colour of the triangle. That is, if the colour of the triangle is blue ▲, the computer will choose a ball from the blue urn. If the colour of the triangle is red ▲, the computer will choose a ball from the red urn. The colour of the **drawn ball** will determine the **advice you receive**, in the following way: if the ball drawn is blue, the computer will implement the guess that you chose after a blue advice, and if the colour of the drawn ball is red, the computer will implement the guess that you chose after a red advice. Your **payoff** will be determined by the **guess corresponding to the advice** and the colour of the triangle.

Summary of the round

1. The computer chooses the colour of a triangle according to a known rule (probability).
2. You choose one of two advisors.
3. You choose which colour to guess for each advice.
4. The computer determines the advice and follows your guess.

Your Payoff

Your payoff will depend on **whether you guessed the colour of the triangle correctly**. If your guess is correct, you will receive 100 ECU. Otherwise you will receive 0 ECU.

Information at the end of each Round

At the end of each round, you will receive the following information about the round: the **colour of the triangle**, which **advisor** you chose, what **advice** you received from the advisor, what was your **guess**, and your **payoff** for the round.

Final Earnings

At the end of the experiment, the computer will randomly select **two rounds** in each of the **four blocks**, which makes a total of **eight** rounds. You will receive the payoffs that you had earned in **each** of these selected rounds. Each of the 40 rounds has the **same chance** of being selected.

Control Questions

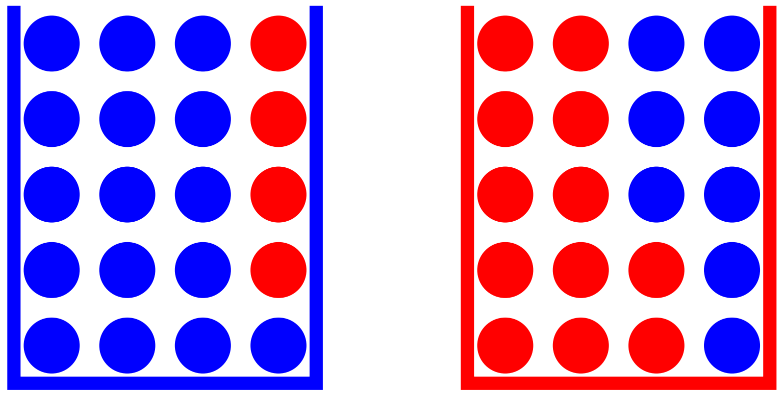
Before starting the experiment, you will have to answer some control questions in the computer terminal. Once you and all the other participants have answered all the control questions, Round 1 will begin.

Control Questions Part I

1. How many rounds will determine your earnings in this part?
   [Enter number]
2. Will you know the colour of the triangle before making your decision?
   Yes
   ✓ No
3. Will the triangle always have the same colour?
   Yes
   ✓ No
4. What is the probability that the triangle is of a certain colour?
   The probability will change from round to round.
   ✓ The probability will change from block to block.
   50%
   60%
5. In each round, you choose...
   Which advisor to receive advice from.
   Which advisor, and which urn of that advisor, to receive advice from.
   ✓ Which advisor to receive advice from, and which colour to guess for each possible advice.
   Which colour to guess for each of the two possible advisors.
6. The advice you receive depends on...
   Only on the colour of the triangle.
   Only on the advisor you chose.
   ✓ On the colour of the triangle and the advisor you chose.
   On the advisor you chose and one randomly selected urn of that advisor.
7. You are more likely to receive blue advice if...
   The probability of choosing the blue triangle is higher.
   There are more blue balls in the advisor's urn that corresponds to the blue triangle.
   There are more blue balls in the advisor's urn that corresponds to the red triangle.
   ✓ All of the above.
   None of the above.
8. If the advice from your advisor is [red/blue], the likelihood that the triangle is [red/blue] is always...
   ✓ Higher than if the advice was [blue/red].
   Lower than if the advice was [blue/red].
   The same as if the advice was [blue/red].

Higher than the likelihood that the triangle is [blue/red].

9. Suppose that the two colours are blue and red, and that the advisor you chose has the following urns: [blue and red are randomly switched for half the participants]



Blue urn   Red urn

If the selected triangle is Red, then the advice will be a random ball from an urn with…

16 blue balls and 4 red balls

✓ 8 blue balls and 12 red balls

10 blue balls and 10 red balls

None of the above.

10. Suppose that at the end of the period you learn that…

[This question is repeated three times. Each time, the triangle colour, guesses, and advice are determined randomly and independently, and the correct answer is set accordingly.]

- The triangle was [red/blue]
- You chose an advisor
- Your guess was [red/blue] if your advisor's advice was Red
- Your guess was [red/blue] if your advisor's advice was Blue
- Your advisor's advice was [red/blue]

What is your payoff in this period?

0

✓ 100

INSTRUCTIONS PARTS II AND III

This part consists of **eight** rounds. The instructions will be the same in all rounds.

Recall that in **Part I** you had to select one of **two advisors** who would give you advice to guess one of **two possible colours** of the triangle.

[Part II] In **Part II**, your task will be **to estimate the chances of the triangle being of each colour** for each of the **two possible advices** you may receive from **a predetermined advisor**.

[Part III] In **Part III**, your task will be **to estimate the chances of receiving each of the two possible advices** from **a predetermined advisor**.

The Triangle Colour

In each round, the triangle will be of one of **two possible colours** (in these instructions we will stick to the example of blue ▲ or red ▲). The **probability** that the triangle is of one or the other color will be presented on the computer screen using a coloured bar, exactly as in **Part I**. Here is again the example using the colours blue ▲ and red ▲:

The triangle is Blue (Prob 40%) | The triangle is Red (Prob 60%)

These probabilities will be different for each different pair of colours.

The advisor

In **Part II**, there will be **only one advisor** in each round. As in **Part I** (**Parts I and II**), you will see the two urns of that advisor: in our example, a **blue urn** and a **red urn**. Each urn is filled with 20 balls, some of which are blue and the others are red. There are always more blue balls in the blue urn than in the red urn (and, therefore, more red balls in the red urn than in the blue urn).

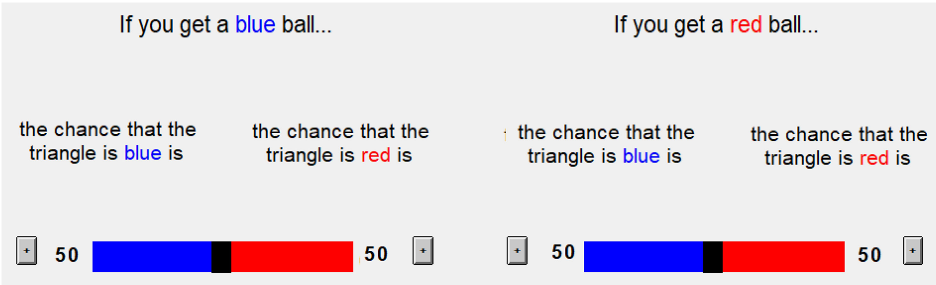
The advisor can give you one of two advices. Which advice an advisor gives you depends on a **random ball** drawn from the **urn that corresponds to the true colour of the triangle**. That is,

- if the colour of the triangle is blue ▲, a ball will be drawn from the blue urn
- if the colour of the triangle is red ▲, a ball will be drawn from the red urn.

Your decision (Only Part II)

For each possible advice that the advisor may give you (blue or red in the example), you must determine the **chance** (out of 100) that the **triangle is** blue ▲ and the **chance** that the **triangle is** red ▲. For example, if you think that the triangle is **equally** likely to be blue ▲ or red ▲, you should enter the number 50 for each colour. If you think that there is **80%** chance that the triangle is blue ▲ (and hence **20%** chance that the triangle is red ▲) you should enter the number **80** for blue and **20** for red.

As you have to decide these chances for each of the advisors' advice, you will need to take your decision with two sliders that will look as follows:



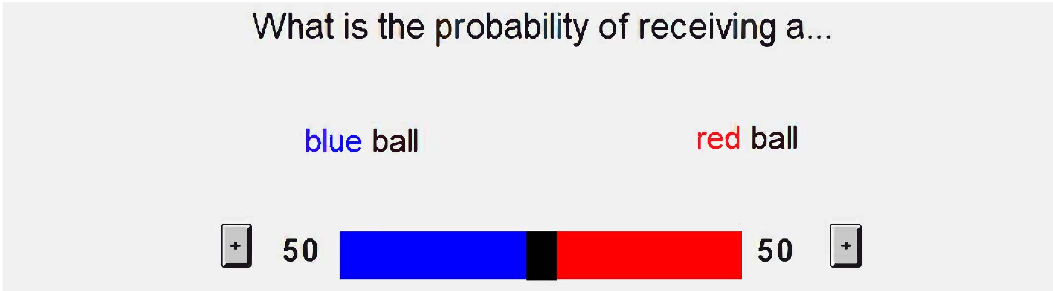
The slider on the left corresponds to the advice given by a blue ball and the slider on the right corresponds to the advice given by a red ball.

Your decision (Part III)

Your task is to estimate the **chance** of receiving each of the two possible advices (blue or red in the example). You can think about it this way: if the advisor gives you 100 advices, where the color of the triangle is chosen anew for each advice, how many times do you expect to receive a blue advice and how many times do you expect to receive a red advice?

For example, if you think that you are equally likely to receive a blue advice and a red advice, you should enter the number **50 for each colour**. If you think that there is **80%** chance of receiving a blue advice (and hence **20%** chance of receiving a red advice) you should enter the number **80** for blue and **20** for red.

You will need to take your decision with one slider that will look as follows:



[Both sections of the decision in Parts II and III continue as follows] **Both numbers on each slider change simultaneously** as the sum of the chances must be equal to 100. There are **two ways** in which you can change those numbers: by using the **slider** or by using the push **buttons** on the left and right of the slider.

- If you want to **increase** the chance of the triangle being blue ▲ (which will **decrease** the chance of the triangle being red ▲) you can either **push the button on the left or move the slider to the right**.
- If you want to **increase** the chance of the triangle being red ▲ (which will **decrease** the chance of the triangle being blue ▲) you can either **push the button on the right or move the slider to the left**.

In the beginning of each round, the slider will start at a chance of **50** for the triangle being of either colour. You will have to **click on the slider or push one of the buttons** at least once before you can submit your final decision. You will be able to practice with the sliders before starting this part.

Your Payoff

The computer will select the **colour of the triangle**, and then draw a random ball from the advisor's urn that corresponds to the **chosen colour of the triangle**.

[Part II] **Your payoff** will depend on the **colour of the triangle**, and your **guess about the chances** of each colour for the **corresponding advice** (that is, the drawn ball). You can **either** win a prize of **50 ECU**, or receive **0 ECU**. The procedure of determining your payoff, described below, is somewhat complex. It is designed to guarantee that **if your estimate of the chances is correct, you have the best chances of winning the prize if you enter the numbers according to what you truly believe**.

[Part III] Your payoff will depend on the **colour of the ball**, and your **guess**. You can **either** win a prize of 50 ECU, or receive 0 ECU. The procedure of determining your payoff, described below, is the same as the one used in **Part II**. To remind you, it is designed to guarantee that **if your estimate of the chances is correct, you have the best chances**

of winning the prize if you enter the number according to what you truly believe.

To determine whether you receive the prize of **50 ECU**, the computer will randomly choose **two numbers between 0 and 100** (including decimal numbers), with each possible number **equally likely** to be chosen. Draws are independent in the sense that the outcome of the first draw in no way affects the outcome of the second draw.

If the **colour of the [PII]: triangle / [PIII]: advice** is blue ▲, you will receive the prize only if the number you have chosen for a blue ▲ is **higher** than at least one of the numbers that the computer chose.

If the **colour of the triangle** is red ▲, you will receive the prize only if the number you have chosen for a red ▲ triangle is **higher** than at least one of the numbers that the computer chose.

You should consider the situation carefully and enter the chances **as you best estimate them**. This way, you have the **best chances of winning the prize**.

Summary of the task (Only Part III)

To sum, the procedure in **Part III** is similar to the procedure in **Part II**. In each round, you will see the two urns of a certain advisor. The difference is that, whereas in **Part II** you were asked to estimate the chances for each **colour of the triangle** based on the advice, in **Part III**, you will be asked to estimate the chances for each **advice**.

Information at the end of each Round

In this part, you will not receive any feedback at the end of the round.

Final Earnings

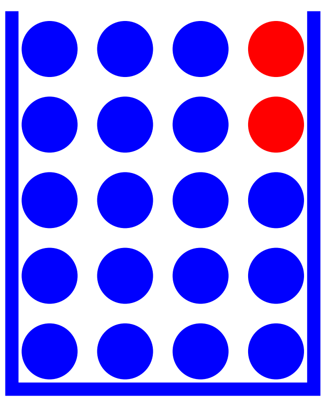
At the end of the experiment, the computer will randomly select two rounds of the eight rounds in this part. You will receive the payoffs that you had earned in each of these rounds. Each of the eight rounds has the same chance of being selected. You will only learn about the payoff for the selected rounds at the end of the experiment.

Control Questions

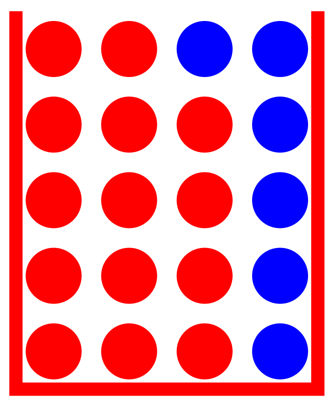
Before starting this part, you will have to answer some control questions in the computer terminal. Once you and all the other participants have answered all the control questions, Round 1 will begin.

Control Questions Part II

1. How many rounds will determine your earnings in this part? [Enter number]
2. Will you know the color of the triangle before making your decision?
   Yes
   ✓ No
3. What is the probability that the triangle is of a certain colour?
   ✓ The probability will change for different pairs of colors.
   50%
   60%
4. If the advice from your advisor is [red/blue], the likelihood that the triangle is [red/blue] is always...
   ✓ Higher than if the advice was [blue/red].
   Lower than if the advice was [blue/red].
   The same as if the advice was [blue/red].
   Higher than the likelihood that the triangle is [blue/red].
5. Suppose that the two colours are blue and red, and that the advisor you chose has the following urns: [blue and red are randomly switched for half the participants]



Blue urn



Red urn

   If the selected triangle is Blue, then the advice will be a random ball from an urn with...
   ✓ 18 blue balls and 2 red balls
   6 blue balls and 14 red balls
   10 blue balls and 10 red balls
   None of the above.
6. Suppose that the two colours are blue and red. And suppose that your decision is that if you get a...

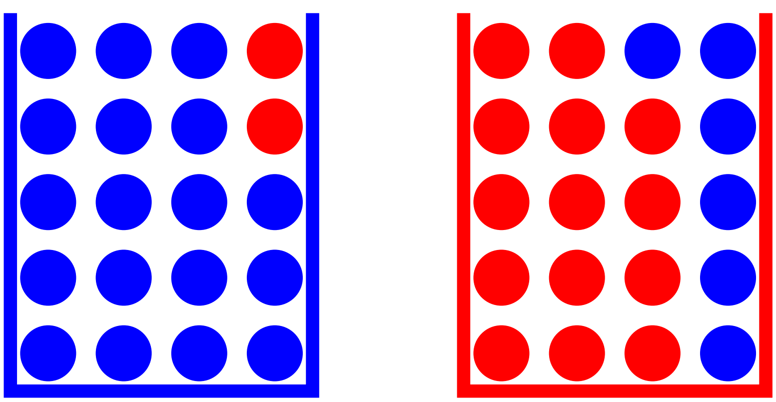
- blue ball, the chance that the triangle is blue is X
- blue ball, the chance that the triangle is blue is 100 – X
- red ball, the chance that the triangle is blue is Y
- red ball, the chance that the triangle is blue is 100 – Y

Select this decision using the sliders below.

[X and Y are random integer between 0 and 100. Participants respond on sliders as in the experiment.]

Control Questions Part III

1. How many rounds will determine your earnings in this part? [Enter number]
2. Will you know the color of the triangle before making your decision?
   Yes
   ✓ No
3. Will the triangle always have the same colour?
   Yes
   ✓ No
4. What is the probability that the triangle is of a certain colour?
   ✓ The probability will change for different pairs of colors.
   50%
   60%
5. Suppose that the two colours are blue and red, and that the advisor you chose has the following urns: [blue and red are randomly switched for half the participants]



Blue urn   Red urn

If the selected triangle is Blue, then the advice will be a random ball from an urn with…

✓ 18 blue balls and 2 red balls

6 blue balls and 14 red balls
10 blue balls and 10 red balls
None of the above.

6. Suppose that the two colors are blue and red. And suppose that your decision is that...
   - The chance of a blue advice is X
   - the chance of a blue advice is 100 - X

   Select this decision using the sliders below.
   [X is a random integer between 0 and 100. Participants respond on sliders as in the experiment.]