

Sorting Into Incentives for Prosocial Behavior

Online Appendix

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This documents provides supplementary information to the paper “Sorting Into Incentives for Prosocial Behavior”. The appendix is organized as follows:

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A. Experimental Instructions and Screenshots

This section presents English translations of all instructions of the experimental software for the laboratory experiment. Each subsection represents one screen of the computerized experiment. We provide screenshots for critical parts of the experiment. The German original instructions are available upon request from the authors.

A.1. Welcome!

Thank you for agreeing to participate in this experiment to study charitable giving.

This study is conducted by researchers at the Institute of Applied Microeconomics at the University of Bonn.

The study will start with the next screen. You will navigate the experimental software by pressing the button at the bottom of each page.

Please read all descriptions and instructions carefully. If you have any questions at any point during the study, please raise your hand.

A.2. Waiting Page

[Waiting page: Players are randomly paired for dictator game.]

A.3. Background and Structure of the Experiment

This experiment is about charitable giving. You will be able to choose your favorite charity among a list of four charities and then engage in two tasks. In the second task, you can generate a donation to your chosen charity. We will give this donation in euro to the charity. We will give you a receipt and a proof of this donation.

You first engage in Task A. You will be given some money. You will have to decide how much to keep for yourself and how much to give to another participant who you are randomly and anonymously paired with. At the end of the experiment, the software will randomly choose whether you or your partner determine the payoffs for this task.

*You will then engage in Task B. You will work independently on a simple assignment to generate money for your chosen charity. This money will be donated to your chosen charity. **At the end of Task B we will invite you all to stand up next to your booth. We will ask you to publicly announce to everyone in this room what you did in Task B. Your choice in Task A will remain completely confidential.***¹

¹In PUBLIC treatment.

Instead of money, we will use tokens in this experiment. These will be converted to euros and paid to you in cash at the end of this session. Each token is worth 0.04 euro.

There will be no surprises or tricks. We will do everything we say in these instructions. This is an academic effort to understand individual choices, so please choose freely and remember that there are no right or wrong answers. If there is anything that you find confusing, please raise your hand and we will answer your question in private.

A.4. Choose Your Favorite Charity

We have chosen four popular charities. We will let you choose one of them to donate money to. We are going to give money to this organization on your behalf. We will give you a receipt and a proof of this donation.

The International Committee of the Red Cross (ICRC) is an independent, neutral organization that works worldwide to ensure humanitarian assistance for victims of war and armed violence. The ICRC is part of the International Red Cross and Red Crescent Movement with millions of volunteers around the world. It has won three Nobel Peace Prizes.

The Against Malaria Foundation (AMF) provides funding for long-lasting insecticide-treated net distributions (for protection against malaria) in developing countries. An independent organization specialized in evaluations of charities ranks donations to AMF as being among the most effective in terms of impact on societies.

Doctors Without Borders, also known as Médecins Sans Frontières (MSF) is an international NGO that provides emergency aid to people affected by armed conflict, epidemics, natural disasters and exclusion from healthcare. MSF provides medical care to people caught in crisis. It has won a Nobel Peace Prize for its work.

The World Wildlife Fund for Nature (WWF) is the largest international NGO providing preservation of natural wilderness supporting more than a thousand conservation and environmental projects in over a hundred countries all over the globe.

To which charity would you like to donate? [Dropdown menu with four options: ICRC/AMF/MSF/WWF]

Note: This choice determines the charity to which you will donate actual money throughout this experiment. This cannot be undone.

A.5. Choose Your Favorite Charity

Please tell us how much you like the idea of donating money to each of the four charitable organizations we just listed. The answers to these questions have no impact on the value of your donation.

I like the idea of donating money to the ICRC [5 options likert scale: Strongly disagree/Disagree/Neither agree nor disagree/Agree/Strongly agree]

I like the idea of donating money to the AMF [5 options likert scale: Strongly disagree/Disagree/Neither agree nor disagree/Agree/Strongly agree]

I like the idea of donating money to the MSF [5 options likert scale: Strongly disagree/Disagree/Neither agree nor disagree/Agree/Strongly agree]

I like the idea of donating money to the WWF [5 options likert scale: Strongly disagree/Disagree/Neither agree nor disagree/Agree/Strongly agree]

A.6. Task A: Instructions

We will now begin with the first task.

For this task, you are randomly and anonymously paired with another player in this session.

You are given a budget of 20 tokens. You can decide how many tokens to keep for yourself. The player you are paired with will receive the rest. For example, if you keep 16 out of 20 tokens, your partner will get the remaining 4 tokens. Conversely, if you want that your partner gets 12 tokens, you should keep 8 for yourself.

At the end of the experiment, the software will randomly choose whether you or the player you are paired with determines the payoffs for this task.

On the next page, you will have to answer a question to make sure you understand the instructions correctly.

A.7. Task A: Example

Let's look at an example to make sure you understand these instructions.

Suppose that you decided to keep 14 out of 20 tokens, while the player you are paired with decided to keep 18 out of 20 tokens.

Suppose you are randomly chosen to determine payoffs for this task. Remember that in that case, your decision determines how many tokens you get and how many tokens your partner gets.

In this example, how many tokens do you get and how many tokens does the player you are paired with get?

Number of tokens for you would be [text field]

Number of tokens given to the paired player would be [text field]

A.8. Task A: Example

The question was: Suppose that you decided to keep 14 tokens, while your partner decided to keep 18 tokens. Suppose you are randomly chosen to determine payoffs for this task. How many tokens do you get and how many tokens does your partner get?

Solution: Payoffs for yourself would be 14 tokens. Payoffs for your partner would be $(20 - 14 =) 6$ tokens.

A.9. Task A: Your Decision

Now please decide how many tokens you will keep for yourself.

I will keep (from 0 to 20) [text field]

A.10. Task A: Complete

You kept XX tokens, which will count towards your total compensation if your actions are selected to determine payoffs for this task.

This completes Task A.

We are now moving on to Task B.

A.11. Waiting Page

[Waiting page: Players have to wait for all other participants to complete the first task.]

A.12. Task B: Confidentiality Reminder

You may have seen on the consent form that some sessions of this experiment require you to stand up and tell us what you did during the experiment.

This is the case in today's session.

After you are done with Task B, you will be asked to publicly announce to everyone in this lab what you did in Task B. Instructions on when and how to do this will be provided later.²

This is not the case in today's session.

²In PUBLIC treatment.

Everything you did in Task A and everything you will do in Task B will remain absolutely confidential.³

A.13. Task B: Explanation

Aufgabe B: Anleitung

In dieser zweiten Aufgabe können Sie Geldspenden für wohltätige Zwecke generieren, indem Sie **an einer einfachen Aufgabe arbeiten**. Bitte lesen Sie sich dazu die nachfolgenden Erklärungen genau durch. Auf der nächsten Seite können Sie die Aufgabe ausprobieren. Dieses Training dient lediglich dazu, dass Sie sich mit der Aufgabe vertraut machen können. Das Training wird weder Ihre potenzielle Spende noch Ihre Auszahlung am Ende des Experiments beeinträchtigen. Nach dem Training erklären wir Ihnen genau, wie viel Geld Sie generieren können.

Die Aufgabe besteht darin, nacheinander die Tasten **w e e enter** auf Ihrer Tastatur zu drücken. Sie müssen die einzelnen Tasten in genau dieser Reihenfolge drücken. Die relevanten Tasten sind auf der Tastatur unten in blau hervorgehoben. Während Sie an dieser Aufgabe arbeiten wird Ihnen die Software die Anzahl der erfolgreich abgeschlossenen Tastenkombinationen anzeigen.



Mit einer bestimmten Anzahl an abgeschlossenen Tastenkombinationen generieren Sie eine Geldspende an Ihre ausgewählte Organisation, World Wildlife Fund. Ein Balken wird Ihnen den Fortschritt zu diesem Ziel anzeigen.

Weiter

Translation from German:

From now on, you will be able to engage in charitable giving by working on a simple assignment. Please carefully read instructions below. On the next page, you will have the chance to familiarize with this assignment in a training session. This will not affect your donation or payoff. After the training, we will explain the payoffs for this task.

[Text inside vanilla box:]

The assignment involves consecutively pressing the keys "w" "e" "e" "return" on your keyboard. You need to press the keys in this order. The keys are highlighted on the keyboard below. The software will display the number of successfully completed sequences.

[keyboard picture here]

You generate a donation to World Wildlife Fund by completing a given number of sequences. A bar will indicate your progress towards this number.

³In PRIVATE treatment.

A.14. Task B: Training

Aufgabe B: Training

In diesem Beispiel müssen Sie **200 Tastenkombinationen korrekt abschließen**, um eine Spende zu generieren. Dieses Training dient lediglich dazu, dass Sie sich mit der Aufgabe vertraut machen können.

Sie haben 3 von 200 Kombinationen abgeschlossen.

Generieren Sie eine Spende für **World Wildlife Fund** indem Sie mehrfach die Tastenkombination **w e e enter** auf Ihrer Tastatur drücken.

Translation from German:

In this example, you are asked to complete 200 keystroke sequences to generate a donation. Remember that this is just an example so that you can familiarize yourself with this assignment.

[Text above progress bar:] You have completed 3/200 keystroke combinations.

[Text inside vanilla box:] Please complete the donation to World Wildlife Fund by pressing "w" "e" "e" "return" on your keyboard.

A.15. Task B: Training Completed

You successfully completed the 200 keystroke sequences required for generating a donation. Remember that this was just an example.

We now begin Task B. By engaging in Task B, you will be able to generate a donation to [chosen charity] by completing the required number of keystroke sequences.

A.16. Task B: Explanation

You can choose to generate a donation by completing 400 keystroke sequences.

Remember that at the end of Task B we will invite you all to stand up next to your booth. Each of you will be asked to reveal to all other participants what you decided to do in this Task.⁴

⁴In PUBLIC treatment.

By completing all 400 sequences, you generate a donation worth 100 tokens for the charity of your choice.

You can choose to skip this round. In this case, you will not generate any donations to charity. You will be paid a fixed amount of 75 tokens.

How would you like to proceed?

Donate (by completing this round: 100 tokens for charity, 0 tokens for you)

Skip this round (0 tokens for charity, 75 tokens for you) ⁵

In order to provide for your remuneration, half of the value of your donation will be deducted and given to you as payment. This means that by completing this round, you generate 50 tokens for yourself and 50 tokens for donation to charity.

You can choose to skip this round. In this case, you will not generate any donations to charity. You will be paid a fixed amount of 75.

How would you like to proceed?

Donate (by completing this round: 50 tokens for charity, 50 tokens for you)

Skip this round (0 tokens for charity, 75 tokens for you) ⁶

You are allowed to choose whether you want to be not paid or paid for participating. The decision to be paid results in a lower donation to the charity of your choice.

If you choose to be not paid, the full value you generate will be given to charity. This means that by completing this round, you generate 100 tokens for donation to charity. If you choose to be paid, half of the value of your donation will be deducted and given to you as payment. This means that by completing this round, you generate 50 tokens for yourself and 50 tokens for donation to charity.

You can choose to skip this round. In this case, you will not generate any donations to charity. You will be paid a fixed amount of 75 tokens.

How would you like to proceed?

Not paid (by completing this round: 100 tokens for charity, 0 tokens for you)

Paid (by completing this round: 50 tokens for charity, 50 tokens for you)

Skip this round (0 tokens for charity, 75 tokens for you) ⁷

⁵If NOT PAID treatment

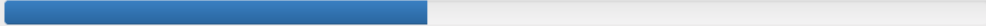
⁶If PAID treatment

⁷If CHOOSE treatment

A.17. Task B (Round 1/3)

Aufgabe B

Sie haben 172 von 400 Kombinationen abgeschlossen.



Generieren Sie eine Spende für **World Wildlife Fund** indem Sie mehrfach die Tastenkombination **w e e enter** auf Ihrer Tastatur drücken.

Translation from German:

[Text above progress bar:] You have completed 172/400 keystroke combinations.

[Text inside vanilla box:] Please complete the donation to World Wildlife Fund by pressing "w" "e" "e" "return" on your keyboard.

A.18. Task B (Round 1/3): Completed

You skipped round 1 of Task B and received 75 for yourself.⁸

You successfully completed round 1/3 of Task B. You generated 100 tokens for the charity.⁹

You successfully completed round 1/3 of Task B. You generated 50 tokens for yourself and 50 tokens for the charity.¹⁰

You will engage in this task for 2 more rounds.

We now move to round 2/3 of Task B. You can again generate a donation by completing keystroke sequences.

⁸If did not engage in the task. Any treatment.

⁹If engaged in the task, being not paid. Either *NOT PAID* or *CHOOSE* treatment.

¹⁰If engaged in the task, being paid. Either *PAID* or *CHOOSE* treatment.

A.19. Task B (Round 2/3): Explanation

You can again choose to generate a donation by completing 400 keystroke sequences.

Remember that at the end of Task B we will invite you all to stand up next to your booth. Each of you will be asked to reveal to all other participants what you decided to do in this Task.¹¹

By completing all 400 sequences, you generate a donation worth 100 tokens for the charity of your choice.

You can choose to skip this round. In this case, you will not generate any donations to charity. You will be paid a fixed amount of 75 tokens.

How would you like to proceed?

Donate (by completing this round: 100 tokens for charity, 0 tokens for you)

Skip this round (0 tokens for charity, 75 tokens for you)¹²

In order to provide for your remuneration, half of the value of your donation will be deducted and given to you as payment. This means that by completing this round, you generate 50 tokens for yourself and 50 tokens for donation to charity.

You can choose to skip this round. In this case, you will not generate any donations to charity. You will be paid a fixed amount of 75.

How would you like to proceed?

Donate (by completing this round: 50 tokens for charity, 50 tokens for you)

Skip this round (0 tokens for charity, 75 tokens for you)¹³

You are allowed to choose whether you want to be not paid or paid for participating. The decision to be paid results in a lower donation to the charity of your choice.

If you choose to be not paid, the full value you generate will be given to charity. This means that by completing this round, you generate 100 tokens for donation to charity. If you choose to be paid, half of the value of your donation will be deducted and given to you as payment. This means that by completing this round, you generate 50 tokens for yourself and 50 tokens for donation to charity.

You can choose to skip this round. In this case, you will not generate any donations to charity. You will be paid a fixed amount of 75 tokens.

How would you like to proceed?

Not paid (by completing this round: 100 tokens for charity, 0 tokens for you)

Paid (by completing this round: 50 tokens for charity, 50 tokens for you)

Skip this round (0 tokens for charity, 75 tokens for you)¹⁴

¹¹In PUBLIC treatment.

¹²If NOT PAID treatment

¹³If PAID treatment

¹⁴If CHOOSE treatment

A.20. Task B (Round 2/3)

[Similar to "Task B (Round 1/3)"]

A.21. Task B (Round 2/3): Completed

*You skipped round 2 of Task B and received 75 for yourself.*¹⁵

*You successfully completed round 2/3 of Task B. You generated 100 tokens for the charity.*¹⁶

*You successfully completed round 2/3 of Task B. You generated 50 tokens for yourself and 50 tokens for the charity.*¹⁷

We now move to round 3/3 of Task B. You can again generate a donation by completing keystroke sequences.

A.22. Task B (Round 3/3): Explanation

[Similar to "Task B (Round 2/3): Explanation"]

A.23. Task B (Round 3/3)

[Similar to "Task B (Round 1/3)"]

A.24. Task B (Round 3/3): Completed

*You skipped round 3 of Task B and received 75 for yourself.*¹⁸

*You successfully completed round 3/3 of Task B. You generated 100 tokens for the charity.*¹⁹

*You successfully completed round 3/3 of Task B. You generated 50 tokens for yourself and 50 tokens for the charity.*²⁰

This completes Task B. Before we wrap up, we would like to collect some basic demographic information.

Please note that the answers to the survey are independent from your payoffs and the donation to (chosen charity).

¹⁵If did not engage in the task. Any treatment.

¹⁶If engaged in the task, being not paid. Either *NOT PAID* or *CHOOSE* treatment.

¹⁷If engaged in the task, being paid. Either *PAID* or *CHOOSE* treatment.

¹⁸If did not engage in the task. Any treatment.

¹⁹If engaged in the task, being not paid. Either *NOT PAID* or *CHOOSE* treatment.

²⁰If engaged in the task, being paid. Either *PAID* or *CHOOSE* treatment.

A.25. Waiting Page

[Waiting page: Waiting for all other participants to complete task B]

A.26. Survey on Your Donations

We are interested in your views on this experiment.

In this experiment, you chose to engage N out of 3 times in Task B. You chose to be paid for your donations M out of 3 times. To what extent do you disagree or agree that each of the following motivations played a role in your decisions to engage in the task and to be paid or not to be paid.²¹

In this experiment, you chose to engage N out of 3 times in Task B. To what extent do you disagree or agree that each of the following motivations played a role in your decisions to engage in the task.²²

I deserved to be compensated for my time and effort.

options likert scale: Not important/Slightly important/Fairly important/Important/Very important

I do not like the idea of donating to charity in general.

options likert scale: Not important/Slightly important/Fairly important/Important/Very important

I do like the idea of donating to charity, but did not want to donate to any of the organizations listed.

options likert scale: Not important/Slightly important/Fairly important/Important/Very important

I wanted to use the money I earned to do good in a different way.

options likert scale: Not important/Slightly important/Fairly important/Important/Very important

I did not care.

options likert scale: Not important/Slightly important/Fairly important/Important/Very important

²¹If choose treatment.

²²If either not paid or paid treatment.

A.27. Survey on Demographic Information

Before finishing, we would like to learn more about your background. Please answer the questions below.

What is your age? [dropdown list]

What is your gender? [dropdown list]

What is your marital status? [dropdown list]

What is your year (at university)? [dropdown list]

What is your major? [dropdown list]

A.28. Waiting Page

[Waiting page: Waiting for other participants to complete the survey]

A.29. Prepare to Stand Up!

[Only displayed in PUBLIC treatment]

In a moment, we will ask you to stand up next to your booth. You will be asked to tell us about the decisions you took in Task B.

Remember there were three rounds of Task B. When we call you, please tell us how many times you participated in Task B.

A.30. Experiment Completed

Experiment abgeschlossen!

Sie haben die beiden Aufgaben erfolgreich abgeschlossen. Für Aufgabe A hat unsere Software im Zufallsverfahren ermittelt, dass Ihre Entscheidung für die Aufteilung des Geldbetrags zwischen Ihnen und Ihrem Partner entscheidend ist. In der folgenden Aufstellung sehen Sie alle Auszahlungen an Sie und die Geldspende, die wir in Ihrem Namen an World Wildlife Fund überweisen.

Ihre Auszahlungen

Aufgabe A: Sie haben **3 Spielmarken** für sich behalten.
Aufgabe B, Runde 1: Sie haben **50 Spielmarken** für sich selbst generiert.
Aufgabe B, Runde 2: Sie haben **75 Spielmarken** für sich selbst generiert.
Aufgabe B, Runde 3: Sie haben **75 Spielmarken** für sich selbst generiert.

Für diese 203 Spielmarken werden wir Ihnen einen zusätzlichen Bonus in Höhe von **8,12 €** auszahlen. Dieser Betrag ist zusätzlich zu Ihrer Grundbezahlung von **4,00 €**.

Spende an Ihre ausgewählte wohltätige Organisation

Sie haben **50 Spielmarken** für World Wildlife Fund generiert. Wir werden dafür nach dem Experiment eine Geldspende in Höhe von **2,00 €** an diese Organisation überweisen.

Wir werden in wenigen Wochen einen Beleg über diese Spende online zur Verfügung stellen. Sie können Ihre Spende dann auf Basis von Datum und Uhrzeit des Experiments zuordnen.

Das Experiment ist damit beendet. Drücken Sie "Weiter" um das Experiment zu verlassen.

[Weiter](#)

You successfully completed both task. For Task A our software randomly determined that your decision on how to allocate money between you and your partner determines the payoffs for both of you.²³ For Task A our software randomly determined that your partner's decision on how to allocate money between you and your partner determines the payoffs for both of you.²⁴ In the following table you see the payoffs to you and the donations that we will make to [chosen charity] on your behalf.

Your Payoffs

Task A: You kept 3 tokens for yourself.

Task B, Round 1: You generated 50 tokens for yourself.

Task B, Round 2: You generated 75 tokens for yourself.

Task B, Round 3: You generated 75 tokens for yourself.

For these 203 tokens, you will receive an additional bonus of 8.12 EUR. This payment is in addition to your base pay of 4.00 EUR.

Donations to Charity

You generated 50 tokens for (chosen charity). We will make a cash donation of 2.00 EUR to this organization after the end of the experiment.

In a few weeks we will provide a proof of donation online. You will be able to identify your donation using the date and time of the experiment.

The experiment is completed. Please click "next" to leave the experiment.

²³If randomly chosen to be player 1 (sender) in the dictator game.

²⁴If randomly chosen to be player 2 (receiver) in the dictator game.

A.31. Thank you for participating!

This concludes the experiment. Please wait for further instructions.

B. Verbal Instructions

This section presents English translations of all verbal instructions read out in German by a research assistant at various points throughout the laboratory experiment.

Welcome to our lab! Thanks for coming!

If you need to use the restroom before we start: When you exit this office to the right, the restrooms are located down the hall on the left. Otherwise, let me please check your ID card.

[Research assistant to check ID]

Please take a consent form. Take a seat anywhere here or in Room A, read it carefully. Please let me know if you have any questions. Sign and give back to me, pens are provided in the room. I will then provide further instructions

Thank you for signing the form.

[Research assistant to take back consent form.]

Please quietly take any open seat in the large room. Don't be confused by the water sound, this is just for your privacy. Please do not touch the computers yet. Wait for further instructions

[Once all subjects are seated]

Welcome again, and thank you for participating in this experiment. We appreciate that you're taking the time.

The purpose of this experiment is to study how people make decisions in two tasks. We're going to say a few words about the purpose of this study after the experiment and we're happy to answer any questions you might have at the very end.

All throughout the experiment, if you have any questions please raise your arm. We will answer any questions privately by coming to your workstation.

This moment is a good opportunity to make sure that your cellphones are turned off or on airplane mode to not disturb the experiment.

You will have noticed that there is a background noise coming from all computers. This is just to make sure that you don't hear what other participants are doing, so that you are not distracted or confused by others during the experiment. This is just for your privacy and has nothing to do with the experiment.

You'll find all necessary instructions and explanations on your screen. Once we tell you to get started, you can navigate through the software using your mouse and keyboard. Again, if you have any questions throughout, please raise your arm and we're here to help you.

Once you are done, we will ask you to sit quietly at your workstation and wait for everyone to finish.

Please raise your arm if you have any questions at this point.

[Take questions]

You may now start with the experiment.

[When all subjects get to page "Task B: Confidentiality Reminder"]

You may have seen on the consent form that some sessions of this experiment require you to stand up and tell us what you did during the experiment.

*This is *not the case* in today's session*

*We want to reassure you that everything you do throughout the experiment will remain absolutely confidential.*²⁵

You may have seen on the consent form that some sessions of this experiment require you to stand up and tell us what you did during the experiment.

This is the case in today's session

*After you are done with Task B, you will be asked to stand and publicly announce to everyone in this lab what you did in Task B. Instructions on when and how to do this will be provided later.*²⁶

[When all subjects are done with Task B]

As you just read on your screen, we will now ask you to tell us what you did in the second task of the experiment.

Please all stand up next to your workstation now.

We will call on each one of you now. Remember there were three rounds of the second task. When we call you, please tell us how many times you participated in this task. Everyone else please remain silent until we call you.

Thank you very much.

Please sit down again now. You may click the button to advance to the last page of the experiment. On the last page, you have 60 seconds to review how much money you made for yourself and for the charity.

[After subjects review payoffs]

This concludes the experiment, thank you very much for participating.

The purpose of this experiment was to assess your willingness and motivations to engage in charitable activities. By asking you to complete the keystroke combinations, we simulate the effort that it would take you, for example, to go donate blood. By asking you whether you want to participate in this activity or just take money and skip the task, we can estimate how willing you are to engage in charitable activities. If you want to learn more, we're happy to answer any

²⁵In PRIVATE treatment.

²⁶In PUBLIC treatment.

questions you might have after everyone was paid. We'll do a short QA in Room A on your left.

We will now proceed to payments. To do this quickly and in an orderly manner, we will come to each one of you to provide you with a receipt. Please sign this receipt and come to the front of the lab. You can exchange your receipt for a closed envelope with your payoffs. In this envelope you will also find further instructions on how to obtain a proof of our donation on your behalf.

[Start handing out envelopes]

[For payment processing at each desk: Sign both receipts. When you're done, leave one receipt at check-in desk when you leave. Explain website for donation confirmation.]

[If any questions about payments come up, send people to front desk]

C. Background on Germany's Market for Whole Blood Donations

Our model and experiment is motivated by possible sorting of blood donors in Germany. In this section we provide further details on the German market for whole blood donations. We first provide general institutional background, then summarize a mapping exercise to better understand the possible role of transportation costs in this market, and finally provide survey evidence to shed light on potential informational frictions.

C.1. Institutional Background

With a total of 7.2 million donations or 89 donations per 1,000 people, Germany is the fifth-largest blood supplier in the world (Paul Ehrlich Institut, 2015). Of the 4.4 million whole blood donations collected in 2014, about 71 percent of whole blood donations were collected by the German Red Cross, which generally never pays its donors. The remaining 29 percent represent the military, private donors, and larger hospitals.

The latter two groups commonly pay their donors, sometimes up to \$30 per donation.²⁷ The German legal framework (*Transfusionsgesetz* §10) recommends unpaid donations but provides for an unspecified monetary “compensation” (*Aufwandsentschädigung*).²⁸

C.2. Transportation Costs

To better understand if prospective donors can indeed choose between different options or if the market is simply geographically segmented into different incentive schemes, we map donation points and calculate average travel time to paid and to unpaid donation points for a significant share of the German population. This gives us an idea of how easy or difficult it is to donate at paid and unpaid donation points.

We collect address data for all 35 locations of Germany's largest commercial blood bank (Haema AG), all 36 locations of German university hospitals that have their own blood collection services, and all 30 fixed donation points of the German Red Cross.

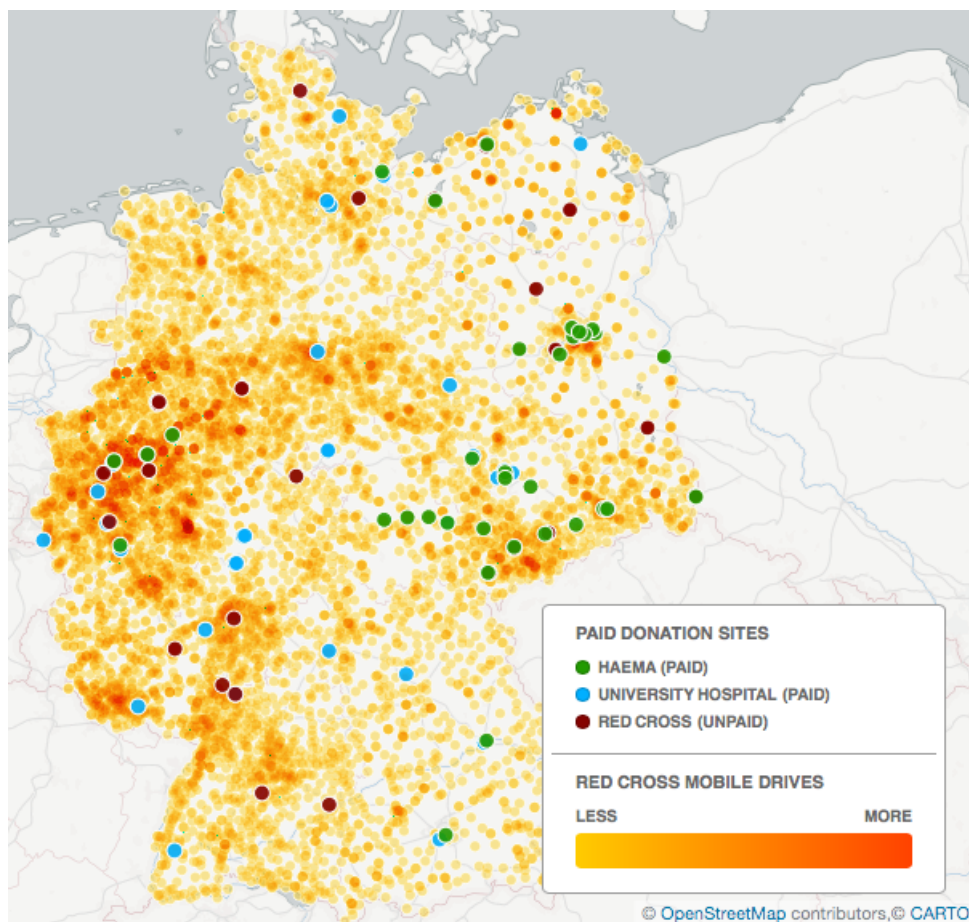
²⁷It is difficult to estimate exact numbers because the German government does not publish data on blood donations by type of remuneration, while the relevant WHO database on blood donations is not nationally representative.

²⁸It is interesting to note that the German Red Cross, as quasi-monopolist, has unsuccessfully taken legal action to stop remunerated donations. Most recently in 2012, the Higher Administrative Court of Rhineland-Palatinate (*Oberverwaltungsgericht Rheinland-Pfalz*) dismissed legal action of the German Red Cross against the university hospital in Mainz, who regularly pays its donors. The court found the payment to be lawful. See also [Oberverwaltungsgericht Rheinland-Pfalz \(2013\)](#).

We also scrape the website of the German Red Cross to obtain locations of all mobile donation drives from November 2016 to early January 2017.

We geocode all 9,306 locations using the Google Maps API (Figure C1). For the 50 largest communities in terms of population in Germany (*politisch selbstständige Gemeinden*), representing about 27 percent of the population, we again use Google Maps API to find all donation sites that are either 30 minutes away from the community midpoint on public transport or 30 minutes away from the midpoint when driving under traffic conditions on October 17, 2016 at 9am.²⁹

Figure C1: Map of Germany with Fixed Blood Donation Locations and Density of Red Cross Mobile Donation Drives



Source: Own compilation, Google Maps API, CARTO. Map tiles by Stamen Design, used under CC BY 3.0 license. Map data Openstreetmap, used under ODbL license.

Notes: German Red Cross locations of mobile donation drives from November 2016 to early January 2017 are presented.

²⁹We limit ourselves to the 50 largest communities in order to make the distance calculations and geocoding of addresses more feasible. Similarly, we set an arbitrary 30 minute limit on travel time away from the community midpoint to make computations more feasible.

We find that it is not significantly more difficult to reach a paid donation site than it is to reach an unpaid donation site. In the 50 largest communities, it takes about 2.5 minutes longer to reach a paid donation point than it takes to reach an unpaid donation point on public transport or driving. Restricting the analysis to public transport, it takes about 5 minutes longer to reach a paid donation point (Table C1). Put differently, everyone who lives in one of the 50 largest communities in Germany can reach an unpaid (Red Cross) donation point within 30 minutes time driving or on public transport. This compares to about 62 percent of the population who can reach a paid (hospital or Haema AG) donation point within 30 minutes time using the same means of transport (Table C2).

These calculations make numerous simplifying assumptions and should thus be seen as merely indicative. Most importantly, we do not discount the fact that most Red Cross locations in our analysis are temporary (mobile) donation drives that often only collect donations on a specific day. This stands in contrast to the paid donation points that are all fixed and have regular opening hours. The travel times above can thus be seen as a lower bound on how long it takes to reach an unpaid donation site.

Table C1: Travel Time to Nearest Blood Donation Point in 50 Largest German Communities, by Incentive Offered and Mode of Transport (Minutes)

Distance from community geographic midpoint	Driving		Public transport	
	Not paid	Paid	Not paid	Paid
<30 min driving	7.2	11.7	-	-
<30 min public transport or driving	7.8	10.3	8.5	13.4

Sources: Own compilation, Google Maps API, Statistisches Bundesamt (2016).

Notes: Sample consists of the 50 largest communities (*politisch selbständige Gemeinden*) in Germany, dated March 31, 2016. No monetary incentives refers to 9,236 donation centers and mobile donation drives of the German Red Cross. Monetary incentives refers to 35 commercial donation centers of Haema and 36 university hospitals with blood donation units. Travel distances calculated using Google Maps API for traffic conditions on October 17, 2016 at 9am. See text for detailed description of methodology.

Table C2: Share of Population with Access to Blood Donation Points in 50 Largest German Communities, by Incentive Offered

Distance to community geographic midpoint	Access to unpaid donation	Access to paid donation
<i>Less than 30 min driving</i>	1.00	0.69
<i>Less than 30 minutes by public transport or driving</i>	1.00	0.62

Sources: Own compilation, Google Maps API, Statistisches Bundesamt (2016).

Notes: Sample consists of the 50 largest communities (*politisch selbständige Gemeinden*) in Germany, dated March 31, 2016. No monetary incentives refers to 9,236 donation centers and mobile donation drives of the German Red Cross. Monetary incentives refers to 35 commercial donation centers of Haema and 36 university hospitals with blood donation units. Travel distances calculated using Google Maps API for traffic conditions on October 17, 2016 at 9am.

C.3. Survey Evidence on Awareness of Different Institutions

Meyer and Tripodi (2017) conduct a field experiment in Bonn (Germany) to study how social pressure affects pledges to give blood. As part of this experiment, we also assessed individuals' awareness of different institutions to donate blood.

We recruit subjects using an intercept survey among customers of the service center of the Bonn municipal government. The service center, centrally located in the city hall, provides a wide range of in-person administrative services such as applications for official documents, driver's licenses, registration of motor vehicles, and payments for city services. Customers arrive at the service center for appointments that they have previously scheduled online or via telephone. We administer our survey while customers wait for their appointment in a designated waiting area.³⁰

For each blood collecting institution, Table C3 presents the share of interviewed subjects declaring to be aware of the blood collection activity in the city of Bonn. Over the whole sample, 86.5 percent is aware of the German Red Cross (DRK), while 72.9 percent are aware of at least one of the paying institutions (among Haema and the Bonn University Hospital).³¹ We also break down the share of aware subjects by gender and age group: women seem to be generally more aware than men, and older people slightly more aware than the younger. Over all categories, people seem to be more aware of the unpaid option but not dramatically so. We take this data as suggestive evidence of a dual market for blood in the city of Bonn.

³⁰Participation in the survey is particularly high considering the lack of incentives. About 75 percent of the 1,675 subjects approached agreed to participate and 57 percent completed the survey before being called up for an appointment.

³¹We are aware of other smaller institutions collecting blood in the country. These do not constitute a relevant market share in the city of Bonn and we did not include them in our survey.

Table C3: Market Awareness in Bonn (Shares and Standard Errors in Parentheses)

	Incentive scheme		Paid		N
	Not paid (DRK)	Paid (Haema/Uni)	Haema	Uni	
Whole sample	0.865 (0.011)	0.729 (0.014)	0.147 (0.012)	0.706 (0.015)	941
	<i>by gender</i>				
Female	0.900 (0.014)	0.784 (0.019)	0.184 (0.018)	0.753 (0.020)	490
Male	0.827 (0.018)	0.670 (0.022)	0.106 (0.015)	0.654 (0.022)	451
	<i>by age group</i>				
18 to 24	0.869 (0.022)	0.777 (0.028)	0.153 (0.024)	0.742 (0.029)	229
25 to 34	0.847 (0.020)	0.731 (0.025)	0.197 (0.022)	0.703 (0.026)	320
35 to 44	0.850 (0.027)	0.647 (0.036)	0.087 (0.021)	0.642 (0.037)	173
45 to 54	0.895 (0.024)	0.737 (0.034)	0.117 (0.025)	0.725 (0.034)	171
55 to 64	0.917 (0.040)	0.750 (0.063)	0.104 (0.045)	0.708 (0.066)	48

Source: Meyer and Tripodi (2017)

Notes: Data based on a random sample of 941 subjects interviewed in the waiting area of the Bonn city hall.

References

- Meyer, C. J., & Tripodi, E. (2017). *Social Pressure in Charitable Pledges and Giving: Evidence from a Field Experiment* [mimeo].
- Oberverwaltungsgericht Rheinland-Pfalz. (2013, December). *Urteil DRK-Blutspendedienst West gGmbH v. Land Rheinland-Pfalz*. Koblenz: Oberverwaltungsgericht Rheinland-Pfalz. Retrieved from <http://www3.mjv.rlp.de/rechtspr/DisplayUrteil.asp?rowguid=%7B5F1EE8CA-8A24-476B-A999-864539234DEB%7D>

D. Online Pilot Study: Description and Results

We conducted a pilot study of our experimental design online on Amazon Mechanical Turk. In the online experiment, we take advantage of the high degree of anonymity to implement only the *PRIVATE* treatment. Instead of the 3×2 between-subject design of our main laboratory experiment, we considered an alternative within-subject design that introduces the dual market treatment after the first donation round. This design lets us study the transition from a single market treatment to a dual market, accounting for potential carryover effects.

D.1. Experimental Design and Procedures

Paralleling the laboratory experiment, three treatments determine the incentive scheme under which subjects can perform the real effort task. In addition, subjects can always skip participation and take an outside option of 75 tokens. We provide either monetary incentives to donate (*PAID*; 50 tokens to subject, 50 tokens to charity), or no monetary incentives (*NOT PAID*; 100 tokens to charity), or we let subjects choose among one of the two incentive schemes (*CHOOSE*).

Subjects engage in the real effort task for three rounds. In the first round, we administer the three treatments in a between-subject design. After the first round we introduce the *CHOOSE* treatment for subjects that were *PAID* in the first round and for a random sub-sample of subjects that were in the *NOT PAID* treatment in the first round. This results in four distinct treatments.

A total of 408 subjects were recruited for seven sessions between May and October 2016. Most subjects are from the United States (81.1 percent), have completed college degrees (70.3 percent), and are mostly male (57.1 percent). The average subject is 33 years old. Double participation is ruled out. We pay a show-up fee for completing the experiment of \$0.40. 1 token is worth \$0.04. On average, subjects earned \$1.04 for themselves and generated \$0.37 for charity. Sessions lasted circa 20 minutes.

D.2. Results

Table D1 summarizes treatment assignment and results for each treatment and round, Figure D1 illustrates the share of subjects participating in the donation task and the share of subjects choosing to not be paid.

Consistent with findings from the lab, we do not find that introducing monetary incentives crowds out participation in the donation task. In the dual market *CHOOSE* treatment, subjects are significantly more likely to participate in the donation task than in the single market *NOT PAID* treatment. Among subjects in the *NOT PAID* treatment in the first round, those that are randomized into *CHOOSE* in the second round are

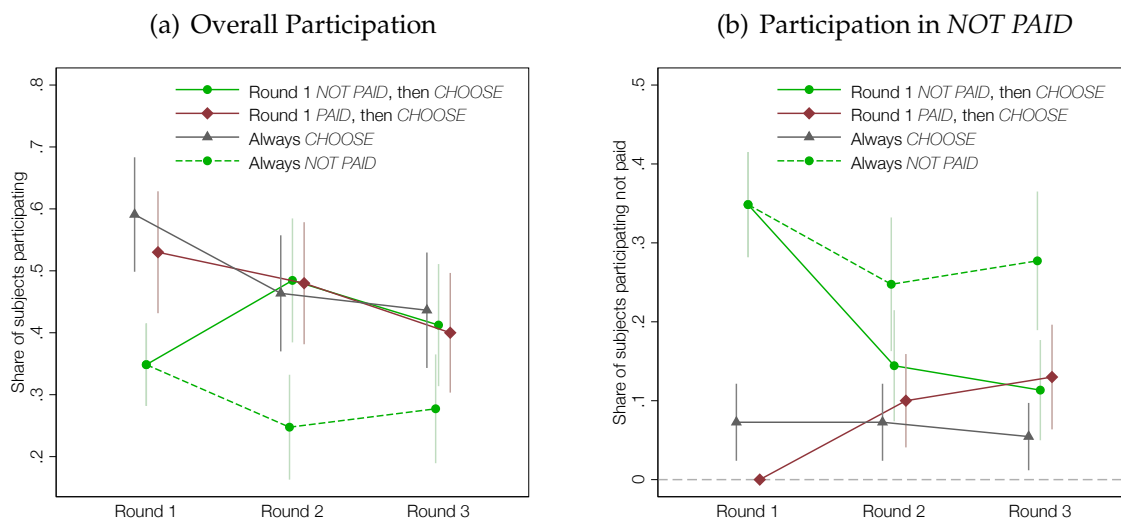
significantly more likely to participate in the donation. We take this as suggestive evidence that transitioning from a single market design where no one is paid to a dual market design in which donors can choose to be paid to give can increase donations.

Table D1: Distribution of Treatments, Subject Participation, and Subject Incentive Choice in Online Experiment
(Number of Subjects)

Treatment	Total	Participation choice		Incentive choice	
		Skip	Participate	Not paid	Paid
Round 1					
Round 1 NOT PAID, then CHOOSE	97	65	32	32	-
Round 1 PAID, then CHOOSE	100	47	53	-	53
Always CHOOSE	110	45	65	8	57
Always NOT PAID	101	64	37	37	-
Round 2					
Round 1 NOT PAID, then CHOOSE	97	50	47	14	33
Round 1 PAID, then CHOOSE	100	52	48	10	38
Always CHOOSE	110	59	51	8	43
Always NOT PAID	101	76	25	25	-
Round 3					
Round 1 NOT PAID, then CHOOSE	97	57	40	11	29
Round 1 PAID, then CHOOSE	100	60	40	13	27
Always CHOOSE	110	62	48	6	42
Always NOT PAID	101	73	28	28	-

Notes: 408 subjects. Last two columns refer to subjects not skipping the donation task.

Figure D1: Subject Participation in Donation Task



Notes: Bars indicate 95 percent confidence intervals. In panel (b), the share of subjects participating not paid is conditional on not skipping the donation task.