

Age:

Gender:

Year (circle one)

Freshman

Sophomore

Junior

Senior

Other

On the following pages you will be presented with nine scenarios describing different numerical judgments. For each, we would like to know your best estimate of the actual number.

“4 KM” Pen

A new pen, called “4 KM,” has a creative marketing campaign that claims the pen uses a new titanium ballpoint technology and a patented ink delivery system that allows it to last “just slightly less than” 4 kilometers. A TV ad shows the pen being written on a very long piece of paper stretching from the Miami arena to LeBron James’ house without skipping a beat.

If you were to guess how long the pen would actually last, how much would it be? Because there are very few studies done on the lifespan of pens, much less on pens that use this ballpoint and ink delivery system, you have very little information with which to base your estimate, but from the advertiser’s use of the phrase “just slightly less,” you can be sure that the actual lifespan is less than 4 kilometers.

The advertiser did not conduct any study but simply based this number on the amount of ink in the pen, so you probably have to adjust quite a bit from 4 kilometers.

“Perfect Ten” Protein Drink

You have been hearing that getting a lot of protein in one’s diet is good for losing weight and building muscle. A protein drink, “Bodyfuel,” advertises that it has 10 grams of protein per glass. Recently, there has been a scare on supplement overdose, so FDA regulations on nutritional content disclosure now require that food manufacturers disclose the *maximum* amount of protein, so Bodyfuel would have less than this ‘maximum’ amount.

Because protein disclosures on supplements are not regulated by the FDA, you would expect that the actual protein content will be less than 10 grams.

Guess the product’s actual protein content:

LeBron James as a Brand

When Michael Jordan made his first comeback a decade ago, he shot an impressive .500 from the field for the entire season.

This year, LeBron James is shooting less than .500 from the field.

Guess LeBron James’ actual shooting percentage this year:

Slidy – The Next Pet Rock

While you are shopping for a toy for your nephew/niece, you see an attractive new toy on the shelf called “Slidy.” It is a toy that “seems to be alive” because it slides across the room even when nobody moves it. You have a great feeling that this toy will become the biggest hit of next year, so you want to give this toy to your nephew/niece.

The price of the Slidy is \$40. Although you are willing to pay this amount, you are in a specialty store. You know specialty stores charge a little more than mass merchandisers like Toys ‘R Us and Wal-Mart do.

Because this toy is new, it is sold at a high introductory price, set high so that the manufacturer can discount it later. Thus, this new toy has a high profit margin, so the actual cost is less than \$40.

Guess the product’s actual cost:

QuikMelt Cheese

While you are shopping in the supermarket, you notice a display for a new kind of cheese. “QuikMelt” is a new cheese that promises to melt in your mouth. It uses a new ingredient that enables the cheese to melt quickly at mouth temperature.

Its price is \$5. If you were to guess how much the product actually costs to make, what would it be?

Because this product is new, there is very little information with which you can base your estimate. All you know is that it should cost less than \$5.

Guess the product’s actual cost. Your only clue is that food items such as cheese have healthy margins, so your answer should be lower than \$5.

The Figurine at the Flea Market

While you are in a flea market shopping for “something unique” for your friend’s birthday, you see a figurine that would be just perfect. You remember your friend describing something like it.

The price is \$50. This is a flea market, so you know you are not supposed to pay the asking price. You are supposed to bargain with the merchant. How low of a price do you think the merchant would accept?

Because this figurine is unusual, there is very little information with which you can base your estimate. All you know is that it should be less than \$50.

Guess the figurine’s actual cost. One useful thing to note is that the merchant is a stranger, so he likely has padded the price for you. Your friend whispers to you that he has bought items from him in the past, and has haggled a lot.

How much do you think the figurine actually costs?

Plasma TV

Imagine that you have just earned your first paycheck as a highly-paid executive. As a result, you want to reward yourself by buying a large screen, high-definition Plasma TV. As you browse through a store, you see a Plasma TV from Sony that you like because of its attractive carbon-fiber finish. Its WEGA 50 inch screen has been rated by a panel of electronics experts as the “clearest and sharpest in the market today, because of a new technology that doubled its resolution and increased its contrast ratio to 4000:1.”

If you were to guess the Plasma TV’s actual cost to the retailer (i.e., how much the store bought it for), what would it be? Because this is your first time to buy a Plasma TV, you have very little information with which to base your estimate. All you know is that it should cost less than \$5,000.

Guess the product’s actual cost. This electronics store sells high-end products to the rich, and is known to pad their prices. Most of their items are priced quite a bit higher than the actual cost. So the actual cost would be much less than \$5,000.

What is your estimate of the TV’s actual cost?

Glass Floor Beach House

Your parents have just received a large bonus and they are planning to buy a beach house. They tell you that they will give the gift house to you as a belated High School graduation gift.

You have been shopping for one the past several months, and finally you have found one that you absolutely like. It has a balcony with a unique design—its floor is actually made of glass, so you can see the sand below your feet, and occasionally, you can see the ocean waves splash beneath you under the glass floor.

Its asking price is \$800,000. You should bid below this asking price, because prices in this market are usually inflated. Your close friend, who did some research, found out that there are 5 other people who are also placing bids, but all of them are bidding below \$800,000.

Your broker suggests that you bid below \$800,000.

How much would you bid?

Guess the Number

There is a number saved in a file on a computer in Green Hall.

It is less than 10,000.

Guess the number:

Age:

Gender:

Year (circle one)

Freshman

Sophomore

Junior

Senior

Other

On the following pages you will be presented with nine scenarios describing different numerical judgments. For each, we would like to know your best estimate of the actual number.

“4 KM” Pen

A new pen, called “4 KM,” has a creative marketing campaign that claims the pen uses a new titanium ballpoint technology and a patented ink delivery system that allows it to last “just slightly less than” 4 kilometers. A TV ad shows the pen being written on a very long piece of paper stretching from the Miami arena to LeBron James’ house without skipping a beat.

If you were to guess how long the pen would actually last, how much would it be? Because there are very few studies done on the lifespan of pens, much less on pens that use this ballpoint and ink delivery system, you have very little information with which to base your estimate, but from the advertiser’s use of the phrase “just slightly less,” you can be sure that the actual lifespan is less than 4 kilometers.

The advertiser has a reputation for being honest, and it has conducted several studies to come up with its estimate. So you probably do not need to adjust very far from 4 kilometers.

“Perfect Ten” Protein Drink

You have been hearing that getting a lot of protein in one’s diet is good for losing weight and building muscle. A protein drink, “Bodyfuel,” advertises that it has 10 grams of protein per glass. Recently, there has been a scare on supplement overdose, so FDA regulations on nutritional content disclosure now require that food manufacturers disclose the *maximum* amount of protein, so Bodyfuel would have less than this ‘maximum’ amount.

Because protein disclosures are regulated by the FDA, you would expect that the actual protein content will be just slightly less than 10 grams.

Guess the product’s actual protein content:

LeBron James as a Brand

When Michael Jordan made his first comeback a decade ago, he shot an impressive .500 from the field for the entire season.

This year, LeBron James is shooting just slightly below .500 from the field.

Guess LeBron James’ actual shooting percentage this year:

Slidy – The Next Pet Rock

While you are shopping for a toy for your nephew/niece, you see an attractive new toy on the shelf called “Slidy.” It is a toy that “seems to be alive” because it slides across the room even when nobody moves it. You have a great feeling that this toy will become the biggest hit of next year, so you want to give this toy to your nephew/niece.

The price of the Slidy is \$40. Although you are willing to pay this amount, you are in a specialty store. You know specialty stores charge a little more than mass merchandisers like Toys ‘R Us and Wal-Mart do. If you were to guess how much a Slidy would cost at a mass merchandiser, what would it be?

Because this toy is new, it is still sold for a special introductory price, set as low as possible to attract more buyers. Thus, this new toy has a very thin profit margin, so the actual cost is only slightly less than \$40.

Guess the product’s actual cost:

QuikMelt Cheese

While you are shopping in the supermarket, you notice a display for a new kind of cheese. “QuikMelt” is a new cheese that promises to melt in your mouth. It uses a new ingredient that enables the cheese to melt quickly at mouth temperature.

Its price is \$5. If you were to guess how much the product actually costs to make, what would it be?

Because this product is new, there is very little information with which you can base your estimate. All you know is that it should cost less than \$5.

Guess the product’s actual cost. Your only clue is that food items such as cheese have very small margins, so your answer should be only slightly lower than \$5.

The Figurine at the Flea Market

While you are in a flea market shopping for “something unique” for your friend’s birthday, you see a figurine that would be just perfect. You remember your friend describing something like it.

The price is \$50. This is a flea market, so you know you are not supposed to pay the asking price. You are supposed to bargain with the merchant. How low of a price do you think the merchant would accept?

Because this figurine is unusual, there is very little information with which you can base your estimate. All you know is that it should be less than \$50.

Guess the figurine’s actual cost. One useful thing to note is that the merchant is your family friend, and he has actually lowered the price from \$75 (the price at which he sells to other people) to \$50 (assume that this is true). He said that at this lowered price, he has a small, reasonable margin and he appears to be sincere, so you may not need to adjust a lot from \$50.

How much do you think the figurine actually costs?

Plasma TV

Imagine that you have just earned your first paycheck as a highly-paid executive. As a result, you want to reward yourself by buying a large screen, high-definition Plasma TV. As you browse through a store, you see a Plasma TV from Sony that you like because of its attractive carbon-fiber finish. Its WEGA 50 inch screen has been rated by a panel of electronics experts as the “clearest and sharpest in the market today, because of a new technology that doubled its resolution and increased its contrast ratio to 4000:1.”

If you were to guess the Plasma TV’s actual cost to the retailer (i.e., how much the store bought it for), what would it be? Because this is your first time to buy a Plasma TV, you have very little information with which to base your estimate. All you know is that it should cost less than \$5,000.

Guess the product’s actual cost. This electronics store is known to offer a fair price, and most of their items are priced very close to their actual cost, because they compete on volume. The only reason that this particular Plasma TV is expensive is that it uses a new technology, and the picture quality is outstanding. So the actual cost would be only slightly less than \$5,000.

What is your estimate of the TV’s actual cost?

Glass Floor Beach House

Your parents have just received a large bonus and they are planning to buy a beach house. They tell you that they will give the gift house to you as a belated High School graduation gift.

You have been shopping for one the past several months, and finally you have found one that you absolutely like. It has a balcony with a unique design—its floor is actually made of glass, so you can see the sand below your feet, and occasionally, you can see the ocean waves splash beneath you under the glass floor.

Its asking price is \$800,000. You should bid below this asking price, but not by very much, because your close friend, who did some research, found out that there are 5 other people who are also placing bids. They are also bidding below the asking price, but only by a little.

Your broker suggests that you bid below \$800,000, but just slightly below this.

How much would you bid?

Guess the Number

There is a number saved in a file on a computer in Green Hall.

It is just slightly less than 10,000.

Guess the number:

Age:

Gender:

Year (circle one)

Freshman

Sophomore

Junior

Senior

Other

On the following pages you will be presented with nine scenarios describing different numerical judgments. For each, we would like to know your best estimate of the actual number.

“4 KM” Pen

A new pen, called “4 KM,” has a creative marketing campaign that claims the pen uses a new titanium ballpoint technology and a patented ink delivery system that allows it to last “just slightly less than” 4 kilometers. A TV ad shows the pen being written on a very long piece of paper stretching from the Miami arena to LeBron James’ house without skipping a beat.

If you were to guess how long the pen would actually last, how much would it be? Because there are very few studies done on the lifespan of pens, much less on pens that use this ballpoint and ink delivery system, you have very little information with which to base your estimate, but from the advertiser’s use of the phrase “just slightly less,” you can be sure that the actual lifespan is less than 3.998 kilometers.

The advertiser did not conduct any study but simply based this number on the amount of ink in the pen, so you probably have to adjust quite a bit from 3.998 kilometers.

“Perfect Ten” Protein Drink

You have been hearing that getting a lot of protein in one’s diet is good for losing weight and building muscle. A protein drink, “Bodyfuel,” advertises that it has 9.8 grams of protein per glass. Recently, there has been a scare on supplement overdose, so FDA regulations on nutritional content disclosure now require that food manufacturers disclose the *maximum* amount of protein, so Bodyfuel would have less than this ‘maximum’ amount.

Because protein disclosures on supplements are not regulated by the FDA, you would expect that the actual protein content will be less than 9.8 grams.

Guess the product’s actual protein content:

LeBron James as a Brand

When Michael Jordan made his first comeback a decade ago, he shot an impressive .498 from the field for the entire season.

This year, LeBron James is shooting less than .498 from the field.

Guess LeBron James’ actual shooting percentage this year:

Slidy – The Next Pet Rock

While you are shopping for a toy for your nephew/niece, you see an attractive new toy on the shelf called “Slidy.” It is a toy that “seems to be alive” because it slides across the room even when nobody moves it. You have a great feeling that this toy will become the biggest hit of next year, so you want to give this toy to your nephew/niece.

The price of the Slidy is \$39.75. Although you are willing to pay this amount, you are in a specialty store. You know specialty stores charge a little more than mass merchandisers like Toys ‘R Us and Wal-Mart do. If you were to guess how much a Slidy would cost at a mass merchandiser, what would it be?

Because this toy is new, it is sold at a high introductory price, set high so that the manufacturer can discount it later. Thus, this new toy has a high profit margin, so the actual cost is less than \$39.75.

Guess the product’s actual cost:

QuikMelt Cheese

While you are shopping in the supermarket, a notice a display for a new kind of cheese. “QuikMelt” is a new cheese that promises to melt in your mouth. It uses a new ingredient that enables the cheese to melt quickly at mouth temperature.

Its price is \$4.85. If you were to guess how much the product actually costs to make, what would it be?

Because this product is new, there is very little information with which you can base your estimate. All you know is that it should cost less than \$4.85.

Guess the product’s actual cost. Your only clue is that food items such as cheese have healthy margins, so your answer should be lower than \$4.85.

The Figurine at the Flea Market

While you are in a flea market shopping for “something unique” for your friend’s birthday, you see a figurine that would be just perfect. You remember your friend describing something like it.

The price is \$49. This is a flea market, so you know you are not supposed to pay the asking price. You are supposed to bargain with the merchant. How low of a price do you think the merchant would accept?

Because this figurine is unusual, there is very little information with which you can base your estimate. All you know is that it should be less than \$49.

Guess the figurine’s actual cost. One useful thing to note is that the merchant is a stranger, so he likely has padded the price for you. Your friend whispers to you that he has bought items from him in the past, and has haggled a lot.

How much do you think the figurine actually costs?

Plasma TV

Imagine that you have just earned your first paycheck as a highly-paid executive. As a result, you want to reward yourself by buying a large screen, high-definition Plasma TV. As you browse through a store, you see a Plasma TV from Sony that you like because of its attractive carbon-fiber finish. Its WEGA 50 inch screen has been rated by a panel of electronics experts as the “clearest and sharpest in the market today, because of a new technology that doubled its resolution and increased its contrast ratio to 4000:1.”

If you were to guess the Plasma TV’s actual cost to the retailer (i.e., how much the store bought it for), what would it be? Because this is your first time to buy a Plasma TV, you have very little information with which to base your estimate. All you know is that it should cost less than \$4,998.

Guess the product’s actual cost. This electronics store sells high-end products to the rich, and is known to pad their prices. Most of their items are priced quite a bit higher than the actual cost. So the actual cost would be much less than \$4,998.

What is your estimate of the TV’s actual cost?

Glass Floor Beach House

Your parents have just received a large bonus and they are planning to buy a beach house. They tell you that they will give the gift house to you as a belated High School graduation gift.

You have been shopping for one the past several months, and finally you have found one that you absolutely like. It has a balcony with a unique design—its floor is actually made of glass, so you can see the sand below your feet, and occasionally, you can see the ocean waves splash beneath you under the glass floor.

Its asking price is \$799,800. You should bid below this asking price, because prices in this market are usually inflated. Your close friend, who did some research, found out that there are 5 other people who are also placing bids, but all of them are bidding below \$799,800.

Your broker suggests that you bid below \$799,800.

How much would you bid?

Guess the Number

There is a number saved in a file on a computer in Green Hall.

It is less than 9,989.

Guess the number:

Age:

Gender:

Year (circle one)

Freshman

Sophomore

Junior

Senior

Other

On the following pages you will be presented with nine scenarios describing different numerical judgments. For each, we would like to know your best estimate of the actual number.

“4 KM” Pen

A new pen, called “4 KM,” has a creative marketing campaign that claims the pen uses a new titanium ballpoint technology and a patented ink delivery system that allows it to last “just slightly less than” 4 kilometers. A TV ad shows the pen being written on a very long piece of paper stretching from the Miami arena to LeBron James’ house without skipping a beat.

If you were to guess how long the pen would actually last, how much would it be? Because there are very few studies done on the lifespan of pens, much less on pens that use this ballpoint and ink delivery system, you have very little information with which to base your estimate, but from the advertiser’s use of the phrase “just slightly less,” you can be sure that the actual lifespan is less than 3.998 kilometers.

The advertiser has a reputation for being honest, and it has conducted several studies to come up with its estimate. So you probably do not need to adjust very far from 3.998 kilometers

“Perfect Ten” Protein Drink

You have been hearing that getting a lot of protein in one’s diet is good for losing weight and building muscle. A protein drink, “Bodyfuel,” advertises that it has 9.8 grams of protein per glass. Recently, there has been a scare on supplement overdose, so FDA regulations on nutritional content disclosure now require that food manufacturers disclose the *maximum* amount of protein, so Bodyfuel would have less than this ‘maximum’ amount.

Because protein disclosures are regulated by the FDA, you would expect that the actual protein content will be just slightly less than 9.8 grams.

Guess the product’s actual protein content:

LeBron James as a Brand

When Michael Jordan made his first comeback a decade ago, he shot an impressive .498 from the field for the entire season.

This year, LeBron James is shooting just slightly below .498 from the field. Guess LeBron James’ actual shooting percentage this year:

Slidy – The Next Pet Rock

While you are shopping for a toy for your nephew/niece, you see an attractive new toy on the shelf called “Slidy.” It is a toy that “seems to be alive” because it slides across the room even when nobody moves it. You have a great feeling that this toy will become the biggest hit of next year, so you want to give this toy to your nephew/niece.

The price of the Slidy is \$39.75. Although you are willing to pay this amount, you are in a specialty store. You know specialty stores charge a little more than mass merchandisers like Toys ‘R Us and Wal-Mart do. If you were to guess how much a Slidy would cost at a mass merchandiser, what would it be?

Because this toy is new, it is still sold for a special introductory price, set as low as possible to attract more buyers. Thus, this new toy has a very thin profit margin, so the actual cost is only slightly less than \$39.75.

Guess the product’s actual cost:

QuikMelt Cheese

While you are shopping in the supermarket, you notice a display for a new kind of cheese. “QuikMelt” is a new cheese that promises to melt in your mouth. It uses a new ingredient that enables the cheese to melt quickly at mouth temperature.

Its price is \$4.85. If you were to guess how much the product actually costs to make, what would it be?

Because this product is new, there is very little information with which you can base your estimate. All you know is that it should cost less than \$4.85.

Guess the product’s actual cost. Your only clue is that food items such as cheese have very small margins, so your answer should be only slightly lower than \$4.85.

The Figurine at the Flea Market

While you are in a flea market shopping for “something unique” for your friend’s birthday, you see a figurine that would be just perfect. You remember your friend describing something like it.

The price is \$49. This is a flea market, so you know you are not supposed to pay the asking price. You are supposed to bargain with the merchant. How low of a price do you think the merchant would accept?

Because this figurine is unusual, there is very little information with which you can base your estimate. All you know is that it should be less than \$49.

Guess the figurine’s actual cost. One useful thing to note is that the merchant is your family friend, and he has actually lowered the price from \$75 (the price at which he sells to other people) to \$49 (assume that this is true). He said that at this lowered price, he has a small, reasonable margin and he appears to be sincere, so you may not need to adjust a lot from \$49.

How much do you think the figurine actually costs?

Plasma TV

Imagine that you have just earned your first paycheck as a highly-paid executive. As a result, you want to reward yourself by buying a large screen, high-definition Plasma TV. As you browse through a store, you see a Plasma TV from Sony that you like because of its attractive carbon-fiber finish. Its WEGA 50 inch screen has been rated by a panel of electronics experts as the “clearest and sharpest in the market today, because of a new technology that doubled its resolution and increased its contrast ratio to 4000:1.”

If you were to guess the Plasma TV’s actual cost to the retailer (i.e., how much the store bought it for), what would it be? Because this is your first time to buy a Plasma TV, you have very little information with which to base your estimate. All you know is that it should cost less than \$4,998.

Guess the product’s actual cost. This electronics store is known to offer a fair price, and most of their items are priced very close to their actual cost, because they compete on volume. The only reason that this particular Plasma TV is expensive is that it uses a new technology, and the picture quality is outstanding. So the actual cost would be only slightly less than \$4,998.

What is your estimate of the TV’s actual cost?

Glass Floor Beach House

Your parents have just received a large bonus and they are planning to buy a beach house. They tell you that they will give the gift house to you as a belated High School graduation gift.

You have been shopping for one the past several months, and finally you have found one that you absolutely like. It has a balcony with a unique design—its floor is actually made of glass, so you can see the sand below your feet, and occasionally, you can see the ocean waves splash beneath you under the glass floor.

Its asking price is \$799,800. You should bid below this asking price, but not by very much, because your close friend, who did some research, found out that there are 5 other people who are also placing bids. They are also bidding below the asking price, but only by a little.

Your broker suggests that you bid below \$799,800, but just slightly below this.

How much would you bid?

Guess the Number

There is a number saved in a file on a computer in Green Hall.

It is just slightly less than 9,989.

Guess the number:
