

RCT Report: Examining Ethnic and Gender Biases in the Shared-Flat (WG) Market in German Cities using the online platform WG-Gesucht

Introduction: To what extent are the chances of finding a room on an online shared-flat platform (such as WG-Gesucht) affected by implied ethnicity and gender? We conducted a randomized control trial whereby we sent 1075 messages to shared flats in 11 German cities, expressing interest in renting a room. The messages were identical except for the name of the sender, which constituted the treatment. We then measured the difference in the response rates.

Experimental design

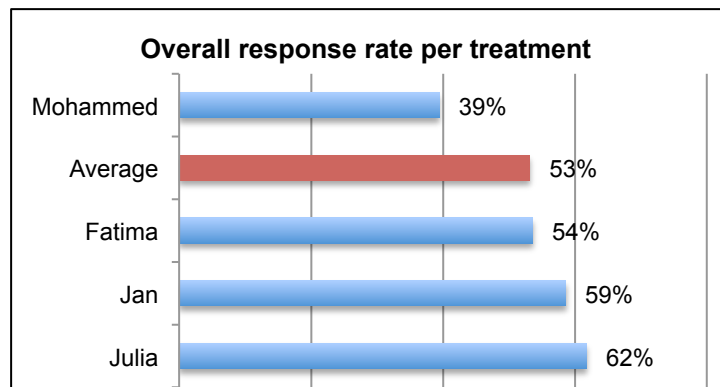
Treatment: We randomly assigned one of four treatments to each WG using a 2x2 design: German male name (Jan Müller), German female name (Julia Müller), Arabic male name (Mohammed Sharif) and Arabic female name (Fatima Sharif). In the message they indicated being 23-old students from Frankfurt a.M¹ enrolled in a Master's program.

Experimental sample: We contacted ads posted within the last 24 hours advertising a single room for rent with move-in date at least 14 days ahead.

Randomization: The randomization was carried out at the city-level for the following 11 cities: Aachen, Berlin, Cologne, Dresden, Frankfurt a.M, Hamburg, Karlsruhe, Leipzig, Munich, Munster and Stuttgart. We sent around 100 messages in each city. The treatment groups are balanced in terms of key room characteristics (rent, room size, number of occupants) as well as the time elapsed between the posting of the ad and the sending of the message.

Hypotheses: We expected (1) a higher response rate for German names than for Arab names and (2) higher response rate for females than for males.

Results: We received 572 positive responses (defined as requests for further information or invitations to interview) to 1075 messages sent. The results are in line with our hypotheses: Mohammed and Fatima had lower response rates than Julia and Jan.



Analysis

- **Statistical significance of the differences:** We reject the Null hypothesis that the true response rates are equal for (1) Arab and German names and (2) for males and females. Moreover, the response rate to Mohammed (Arab male) is significantly from those for the other names.
- **Logistic regression results (t-test):** Messages signed by an Arabic name are 42.5 % less likely to receive a positive response compared to German name, while requests sent by males are 32% less likely to receive a positive response. We controlled for city-specific effects, time elapsed since posting of ad, willingness to speak English in the WG and rent.

Limitations: The external validity of the experiment is limited to the 11 cities chosen at the aggregate level. All these cities have populations above 200,000. Another issue is that the responses to the name Mohammed may be different from those to other male Arabic names. Another caveat is that our results only significant at the aggregate level but not at the city level due to the small number of messages for each treatment within each city.

¹ Except for the messages sent to WGs in Frankfurt, in which the fictitious characters indicated being from Stuttgart