Aggregation Experiment 4 - Materials

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Experiment 4 tests what we previously called the “awareness effect” (better name pending). Participants will see 20 non-identical gambles (different from the previous experiments). The projects will be about the same 10 industries, with two variations for each industry. Description sentence order is randomised. See below screenshots of the instructions, project descriptions (for brevity only one example of a “naive” condition project is shown), and follow-up questions.

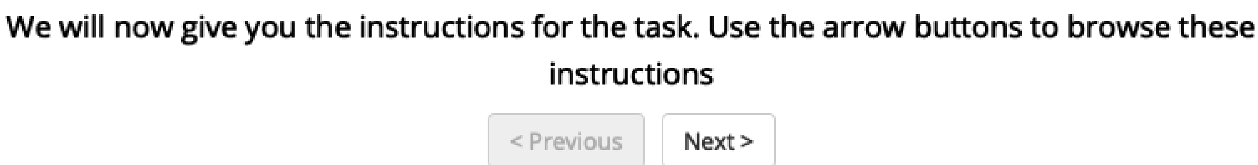

Figure 1

Instructions1

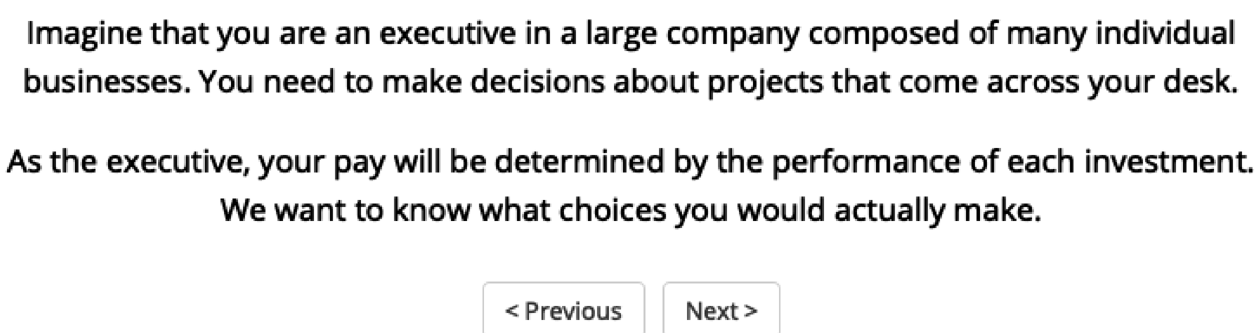

Figure 2

Instructions2 naive

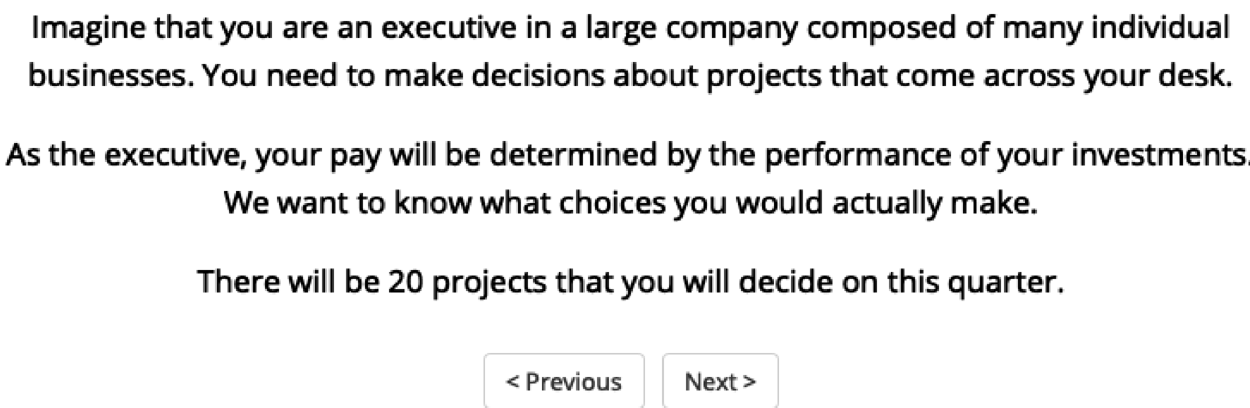

Figure 3

Instructions2 aware

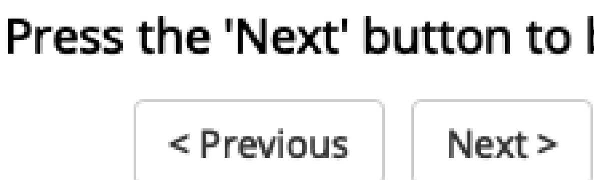

Figure 4

Instructions3

Below is a description of the current project.

Indicate below whether you would invest in the project:

The company would make $240 million if the forecasted concentration and quality of recoverable hydrocarbons at the site eventuates. The estimate for the anticipated chance of gain is based on a geological and seismic study of the site, and an analysis of previous similar sites. Refinera's research team has been investigating a possible site in an as yet unexplored area. Due to the location and size of the site, and consultant fees (e.g., geologists), they forecast the entire project to cost $115 million (the loss amount). To summarise this investment, there is a 55% chance of gaining $125 million (the forecasted revenue minus the cost amount) and a 45% chance of losing $115 million. Refinera is a business in your company that proposes to construct an oil well project. Specifically, they want to establish an exploration site at an offshore location in Calgary, Canada in order to see if the hydrocarbon supply is sufficient to establish a more permanent well.*

Yes ○

No ○

Continue

Figure 5

Project choice naive oil-well 1

Below is a description of project 1 of 20.

Indicate below whether you would invest in the project:

Refinera is a business in your company that proposes to construct an oil well project. Specifically, they want to establish an exploration site at an offshore location in Calgary, Canada in order to see if the hydrocarbon supply is sufficient to establish a more permanent well. Refinera's research team has been investigating a possible site in an as yet unexplored area. Due to the location and size of the site, and consultant fees (e.g., geologists), they forecast the entire project to cost $115 million (the loss amount). To summarise this investment, there is a 55% chance of gaining $125 million (the forecasted revenue minus the cost amount) and a 45% chance of losing $115 million. The company would make $240 million if the forecasted concentration and quality of recoverable hydrocarbons at the site eventuates. The estimate for the anticipated chance of gain is based on a geological and seismic study of the site, and an analysis of previous similar sites.*

Yes ○

No ○

Continue

Figure 6

Project choice aware oil-well 1

Below is a description of project 2 of 20.

Indicate below whether you would invest in the project:

The company would make $240 million if the forecasted yield (percentage of working ICs produced) eventuates. The estimate for the anticipated chance of gain is based on an electrical engineering and design study of the site, and an analysis of the yield rates of previous similar ICs. To summarise this investment, there is a 60% chance of gaining $125 million (the forecasted revenue minus the cost amount) and a 40% chance of losing $115 million. Microxy's research team has been investigating the necessary components and infrastructure. Due to the complexity and novelty of the IC, and IC design engineer salaries, they forecast the entire project to cost $115 million (the loss amount). Microxy is a business in your company that proposes to construct a microchip project. Specifically, they want to develop a new type of Integrated Circuit (IC) with a higher complexity than those in the current aerospace market.*

Yes ○

No ○

Continue

Figure 7

Project choice aware microchip 1

Below is a description of project 3 of 20.

Indicate below whether you would invest in the project:

Vital Records is a business in your company that proposes to construct a record deal project. Specifically, they want to sign a new recording artist for their folk music market. The company would make $240 million if the forecasted record sales eventuate. The estimate for the anticipated chance of gain is based on a study of the distribution market, and an analysis of the record sales of previous similar recording artists. Vital Records's research team has been investigating the necessary production and promotion. Due to the recording time, marketing requirements, and producer fees, they forecast the entire project to cost $50 million (the loss amount). To summarise this investment, there is a 35% chance of gaining $190 million (the forecasted revenue minus the cost amount) and a 65% chance of losing $50 million.*

Yes ○

No ○

Continue

Figure 8

Project choice aware record-deal 1

Below is a description of project 4 of 20.

Indicate below whether you would invest in the project:

Logivia's research team has been investigating the relevant storage and insurance requirements. Due to the median size and volume of the cargo, and couriers rates, they forecast the entire project to cost $55 million (the loss amount). The company would make $240 million if the forecasted exporter demand eventuates. The estimate for the anticipated chance of gain is based on a study of freight risks, and an analysis of the demand of previous similar export markets. Logivia is a business in your company that proposes to construct a shipping logistics project. Specifically, they want to develop a new shipping route for a steel export market. To summarise this investment, there is a 40% chance of gaining $185 million (the forecasted revenue minus the cost amount) and a 60% chance of losing $55 million.*

Yes ○

No ○

Continue

Figure 9

Project choice aware shipping-logistics 1

Below is a description of project 5 of 20.

Indicate below whether you would invest in the project:

To summarise this investment, there is a 45% chance of gaining $155 million (the forecasted revenue minus the cost amount) and a 55% chance of losing $85 million. The company would make $240 million if the forecasted customer attendance eventuates. The estimate for the anticipated chance of gain is based on a study of culinary preference trends, and an analysis of the demand of previous similar restaurants. Savoro is a business in your company that proposes to construct a restaurant chain project. Specifically, they want to develop a new franchise of greek restaurants. Savoro's research team has been investigating the relevant food and marketing requirements. Due to the menu items, furnishings, and back- and front-of-house salaries, they forecast the entire project to cost $85 million (the loss amount).*

Yes ○

No ○

Continue

Figure 10

Project choice aware restaurant-chain 1

Below is a description of project 6 of 20.

Indicate below whether you would invest in the project:

Grown Media's research team has been investigating the relevant print and distribution requirements. Due to the printing fees, marketing, and writer and editorial salaries, they forecast the entire project to cost $65 million (the loss amount). To summarise this investment, there is a 30% chance of gaining $175 million (the forecasted revenue minus the cost amount) and a 70% chance of losing $65 million. The company would make $240 million if the forecasted sales eventuate. The estimate for the anticipated chance of gain is based on a study of the target readership, impact of online publications, and an analysis of the sales of previous similar newspapers. Grown Media is a business in your company that proposes to construct a national newspaper project. Specifically, they want to develop a new nationally-distributed newspaper about celebrity gossip.*

Yes

No

Continue

Figure 11

Project choice aware national-newspaper 1

Below is a description of project 7 of 20.

Indicate below whether you would invest in the project:

Biotechly is a business in your company that proposes to construct a pharmaceutical project. Specifically, they want to develop a new pharmaceutical drug to help treat angina. The company would make $240 million if the forecasted sales eventuate. The estimate for the anticipated chance of gain is based on a biomedical study of the proposed compound, its possible side effects, and an analysis of the efficacy of previous similar compounds. To summarise this investment, there is a 60% chance of gaining $135 million (the forecasted revenue minus the cost amount) and a 40% chance of losing $105 million. Biotechly's research team has been investigating the necessary testing and laboratory requirements. Due to the chemical and equipment costs, and the pharmaceutical scientist salaries, they forecast the entire project to cost $105 million (the loss amount).*

Yes ○

No ○

Continue

Figure 12

Project choice aware pharmaceutical 1

Below is a description of project 8 of 20.

Indicate below whether you would invest in the project:

FreightCog's research team has been investigating the required track construction and electrification system relevant to the region. Due to the material and insurance costs, and construction worker salaries, they forecast the entire project to cost $120 million (the loss amount). To summarise this investment, there is a 60% chance of gaining $120 million (the forecasted revenue minus the cost amount) and a 40% chance of losing $120 million. FreightCog is a business in your company that proposes to construct a railway project. Specifically, they want to develop a new railway line in Dhaka Division, Bangladesh. The company would make $240 million if the forecasted ticket sales and freight revenues eventuate. The estimate for the anticipated chance of gain is based on a study of the regional market, current commuter trends, and an analysis of the performance of previous similar lines.*

Yes ○

No ○

Continue

Figure 13

Project choice aware railway 1

Below is a description of project 9 of 20.

Indicate below whether you would invest in the project:

The company would make $240 million if the forecasted consumer demand and regulatory approval eventuate. The estimate for the anticipated chance of gain is based on a study of the potential health and ecological risks, current genetic engineering innovations, and an analysis of the demand for previous similar GMOs. Evogenic is a business in your company that proposes to construct a GMO project. Specifically, they want to develop a new genetically modified virus resistant orange. To summarise this investment, there is a 45% chance of gaining $175 million (the forecasted revenue minus the cost amount) and a 55% chance of losing $65 million. Evogenic's research team has been investigating the relevant gene to be modified and potential environmental impact. Due to the cultivation and labratory costs, and genetic engineer salaries, they forecast the entire project to cost $65 million (the loss amount).*

Yes ○

No ○

Continue

Figure 14

Project choice aware gmo 1

Below is a description of project 10 of 20.

Indicate below whether you would invest in the project:

The company would make $240 million if the forecasted residential and commercial property sales eventuate. The estimate for the anticipated chance of gain is based on a study of the geotechnical risk and local regulations, and an analysis of the property market for previous similar properties. To summarise this investment, there is a 75% chance of gaining $100 million (the forecasted revenue minus the cost amount) and a 25% chance of losing $140 million. Erectic's research team has been investigating the relevant geotechnical and construction requirements. Due to the material and land costs, and engineering firm contracts, they forecast the entire project to cost $140 million (the loss amount). Erectic is a business in your company that proposes to construct a high-rise construction project. Specifically, they want to develop a new 45-storey high-rise with a core and outrigger structural system.*

Yes ○

No ○

Continue

Figure 15

Project choice aware high-rise-construction 1

Below is a description of project 11 of 20.

Indicate below whether you would invest in the project:

The company would make $240 million if the forecasted concentration and quality of recoverable hydrocarbons at the site eventuates. The estimate for the anticipated chance of gain is based on a geological and seismic study of the site, and an analysis of previous similar sites. Refinera's research team has been investigating a possible site in an as yet unexplored area. Due to the location and size of the site, and consultant fees (e.g., geologists), they forecast the entire project to cost $105 million (the loss amount). Refinera is a business in your company that proposes to construct an oil well project. Specifically, they want to establish an exploration site at an offshore location in Aberdeen, UK in order to see if the hydrocarbon supply is sufficient to establish a more permanent well. To summarise this investment, there is a 55% chance of gaining $135 million (the forecasted revenue minus the cost amount) and a 45% chance of losing $105 million.*

Yes ○

No ○

Continue

Figure 16

Project choice aware oil-well 2

Below is a description of project 12 of 20.

Indicate below whether you would invest in the project:

Microxy's research team has been investigating the necessary components and infrastructure. Due to the complexity and novelty of the IC, and IC design engineer salaries, they forecast the entire project to cost $90 million (the loss amount). The company would make $240 million if the forecasted yield (percentage of working ICs produced) eventuates. The estimate for the anticipated chance of gain is based on an electrical engineering and design study of the site, and an analysis of the yield rates of previous similar ICs. To summarise this investment, there is a 45% chance of gaining $150 million (the forecasted revenue minus the cost amount) and a 55% chance of losing $90 million. Microxy is a business in your company that proposes to construct a microchip project. Specifically, they want to develop a new type of Integrated Circuit (IC) with a higher complexity than those in the current GPS tracking device market.*

Yes ○

No ○

Continue

Figure 17

Project choice aware microchip 2

Below is a description of project 13 of 20.

Indicate below whether you would invest in the project:

To summarise this investment, there is a 55% chance of gaining $115 million (the forecasted revenue minus the cost amount) and a 45% chance of losing $125 million. Vital Records's research team has been investigating the necessary production and promotion. Due to the recording time, marketing requirements, and producer fees, they forecast the entire project to cost $125 million (the loss amount). The company would make $240 million if the forecasted record sales eventuate. The estimate for the anticipated chance of gain is based on a study of the distribution market, and an analysis of the record sales of previous similar recording artists. Vital Records is a business in your company that proposes to construct a record deal project. Specifically, they want to sign a new recording artist for their latin music market.*

Yes ○

No ○

Continue

Figure 18

Project choice aware record-deal 2

Below is a description of project 14 of 20.

Indicate below whether you would invest in the project:

To summarise this investment, there is a 35% chance of gaining $180 million (the forecasted revenue minus the cost amount) and a 65% chance of losing $60 million. The company would make $240 million if the forecasted exporter demand eventuates. The estimate for the anticipated chance of gain is based on a study of freight risks, and an analysis of the demand of previous similar export markets. Logivia is a business in your company that proposes to construct a shipping logistics project. Specifically, they want to develop a new shipping route for a wool export market. Logivia's research team has been investigating the relevant storage and insurance requirements. Due to the median size and volume of the cargo, and couriers rates, they forecast the entire project to cost $60 million (the loss amount).*

Yes

No

Continue

Figure 19

Project choice aware shipping-logistics 2

Below is a description of project 15 of 20.

Indicate below whether you would invest in the project:

Savoro is a business in your company that proposes to construct a restaurant chain project. Specifically, they want to develop a new franchise of buffet restaurants. The company would make $240 million if the forecasted customer attendance eventuates. The estimate for the anticipated chance of gain is based on a study of culinary preference trends, and an analysis of the demand of previous similar restaurants. Savoro's research team has been investigating the relevant food and marketing requirements. Due to the menu items, furnishings, and back- and front-of-house salaries, they forecast the entire project to cost $95 million (the loss amount). To summarise this investment, there is a 55% chance of gaining $145 million (the forecasted revenue minus the cost amount) and a 45% chance of losing $95 million.*

Yes ○

No ○

Continue

Figure 20

Project choice aware restaurant-chain 2

Below is a description of project 16 of 20.

Indicate below whether you would invest in the project:

Grown Media's research team has been investigating the relevant print and distribution requirements. Due to the printing fees, marketing, and writer and editorial salaries, they forecast the entire project to cost $45 million (the loss amount). To summarise this investment, there is a 30% chance of gaining $195 million (the forecasted revenue minus the cost amount) and a 70% chance of losing $45 million. Grown Media is a business in your company that proposes to construct a national newspaper project. Specifically, they want to develop a new nationally-distributed newspaper about foreign affairs. The company would make $240 million if the forecasted sales eventuate. The estimate for the anticipated chance of gain is based on a study of the target readership, impact of online publications, and an analysis of the sales of previous similar newspapers.*

Yes ○

No ○

Continue

Figure 21

Project choice aware national-newspaper 2

Below is a description of project 17 of 20.

Indicate below whether you would invest in the project:

The company would make $240 million if the forecasted sales eventuate. The estimate for the anticipated chance of gain is based on a biomedical study of the proposed compound, its possible side effects, and an analysis of the efficacy of previous similar compounds. Biotechly's research team has been investigating the necessary testing and laboratory requirements. Due to the chemical and equipment costs, and the pharmaceutical scientist salaries, they forecast the entire project to cost $125 million (the loss amount). To summarise this investment, there is a 70% chance of gaining $115 million (the forecasted revenue minus the cost amount) and a 30% chance of losing $125 million. Biotechly is a business in your company that proposes to construct a pharmaceutical project. Specifically, they want to develop a new pharmaceutical drug to help treat Chronic kidney disease.*

Yes ○

No ○

Continue

Figure 22

Project choice aware pharmaceutical 2

Below is a description of project 18 of 20.

Indicate below whether you would invest in the project:

FreightCog is a business in your company that proposes to construct a railway project. Specifically, they want to develop a new railway line in Oaxaca, Mexico. To summarise this investment, there is a 65% chance of gaining $105 million (the forecasted revenue minus the cost amount) and a 35% chance of losing $135 million. FreightCog's research team has been investigating the required track construction and electrification system relevant to the region. Due to the material and insurance costs, and construction worker salaries, they forecast the entire project to cost $135 million (the loss amount). The company would make $240 million if the forecasted ticket sales and freight revenues eventuate. The estimate for the anticipated chance of gain is based on a study of the regional market, current commuter trends, and an analysis of the performance of previous similar lines.*

Yes ○

No ○

Continue

Figure 23

Project choice aware railway 2

Below is a description of project 19 of 20.

Indicate below whether you would invest in the project:

The company would make $240 million if the forecasted consumer demand and regulatory approval eventuate. The estimate for the anticipated chance of gain is based on a study of the potential health and ecological risks, current genetic engineering innovations, and an analysis of the demand for previous similar GMOs. To summarise this investment, there is a 45% chance of gaining $165 million (the forecasted revenue minus the cost amount) and a 55% chance of losing $75 million. Evogenic is a business in your company that proposes to construct a GMO project. Specifically, they want to develop a new genetically modified bacteria for clean fuel development. Evogenic's research team has been investigating the relevant gene to be modified and potential environmental impact. Due to the cultivation and labratory costs, and genetic engineer salaries, they forecast the entire project to cost $75 million (the loss amount).*

Yes ○

No ○

Continue

Figure 24

Project choice aware gmo 2

Below is a description of project 20 of 20.

Indicate below whether you would invest in the project:

To summarise this investment, there is a 70% chance of gaining $105 million (the forecasted revenue minus the cost amount) and a 30% chance of losing $135 million. Erectic is a business in your company that proposes to construct a high-rise construction project. Specifically, they want to develop a new 55-storey high-rise with a tube structural system. The company would make $240 million if the forecasted residential and commercial property sales eventuate. The estimate for the anticipated chance of gain is based on a study of the geotechnical risk and local regulations, and an analysis of the property market for previous similar properties. Erectic's research team has been investigating the relevant geotechnical and construction requirements. Due to the material and land costs, and engineering firm contracts, they forecast the entire project to cost $135 million (the loss amount).*

Yes

No

Continue

Figure 25

Project choice aware high-rise-construction 2

At the begining of the experiment, before you saw any projects, how many projects did you expect to see?

project(s)

Continue

Figure 26

Project expectation

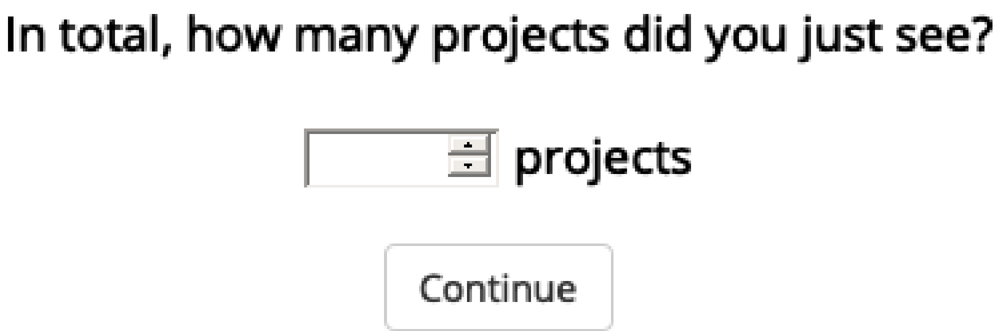

Figure 27

Project number

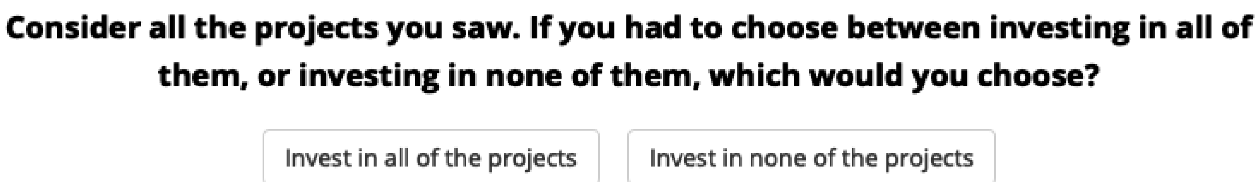

Figure 28

Porfolio binary

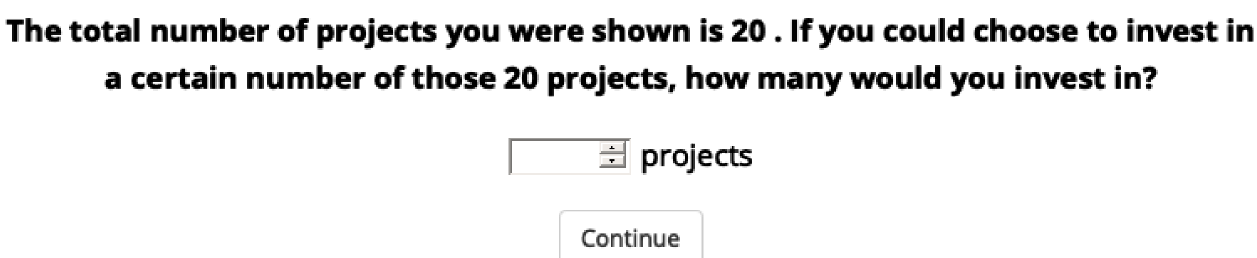

Figure 29

Porfolio number