

Appendix C: Instructions

Upon entering the lab subjects were read an initial set of instructions that described the structure of the experiment but did not give any details on the activities or inconveniences they would encounter; subjects were told that detailed instructions would be given before each round. These instructions appeared on separate pages for each separate task. However, to save space below, we omit the page breaks and put the detailed task instructions together in a single document.

General instructions

Welcome! This is an economics experiment. You will be a player in many periods of an interactive decision-making game. If you pay close attention to these instructions, you can earn a significant sum of money. It will be paid to you in cash at the end of the last period.

It is important that you remain silent and do not look at other people's work. If you have any questions, or need assistance of any kind, please raise your hand and we will come to you. We expect and appreciate your cooperation today.

The Experiment:

This experiment will have six different rounds. In each round you will begin with an enjoyable activity that we refer to as Activity A. At any time during the round you can switch to another activity, Activity B. The experimenter will announce the A and B activities for that round before it starts.

At the same time, the experimenter will also announce an "annoyance" that will accompany Activity A at some point during that round. If, after experiencing the annoyance, you think you would prefer Activity B, then simply click the button on your screen. It will immediately switch you to B, where you will remain for the rest of the round. You will never be interrupted by any annoyance in Activity B. Key points:

- You will start each round participating in an A activity.
- A activities will be interrupted by specific annoyances (announced before the round).

- At any point during the round you can switch from activity A to activity B (announced before the round)
- You can switch from A to B, but never from B to A.
- B activities do not have any interruptions.

Also note:

- Some rounds include a paid Activity and some do not.
- You automatically get to experience an A activity each round. To make sure that you are familiar with all with B activities, you will practice with all of them before the experiment starts.
- For some of the activities the audio output is needed. Please check if you have headphones attached to your computer. If you have your own, feel free to use them. You will be able to adjust the volume through the “speaker icon” on the upper right corner of your screen.
- Do not start Activity A until the experimenter announces that it is time to do so.

Specific activity instructions

Round Movie/Pi (8 minutes):

Activity A: Watching a video. You will choose it from a menu that will appear on screen.

Annoyance: While watching the video, at some point you will start to hear a computerized voice reading the first few thousand digits of the decimal expansion of $\pi = 3.14159\dots$ This will continue at the same volume until the end of the round, or until you switch to activity B.

Activity B: Watching a video of waves breaking at La Jolla beach. This is not a paid round.

Round Movie/pop (8 minutes):

Activity A: Watching a video. You will choose it from a menu that will appear on screen.

Annoyance: While watching the video, at some point a pop-up will appear on your screen and mute the audio. These pop-ups are 15 second long, and will appear at regular intervals on your screen. The time remaining is shown on the pop-up.

Activity B: Watching a video of waves breaking at La Jolla beach. This is not a paid round.

Round Slug (7 minutes):

Activity A: Playing a game called “Slug”, very similar to the popular game “Snake.” Use your arrow keys to control a hungry slug. The slug gets longer as it eats food, and you earn points:

- Regular food (Blue Pixel): will stay on screen until you eat it, each piece that you eat which gives you 20 points.
- Bonus food (Yellow Pixel): gives you 40 points, will appear randomly and only lasts for 10 seconds on screen, if you don’t eat it during this time it disappears.

Your slug will “die” whenever it collides either with an edge of its rectangle or with its own body. But the points you earned are stored and accumulated, and you can begin again with a new slug. Just hit the refresh page key (F5) and the game will restart with a new short slug.

Annoyance: At some point the slug starts to “jitter.” That is, with some probability, it will change direction randomly each time it reaches a new pixel. The jitter rate (probability) will remain the same for Activity A the rest of the round.

Activity B: Playing the same game, “Slug,” but with two differences:

- The slug will not jitter
- You will earn points at 1/4 the previous rate: 5 points per blue pixel, 10 per yellow.

Round Read (6 minutes):

Activity A: Reading newspaper articles. You will choose one from a menu, and the text will appear on your screen. The text will be broken up into different pages. After 10 seconds “next page” button will appear. Just click the button to move to the next page. On the last page, please press the button to indicate when you are done reading the article.

Annoyance: In this activity the annoyance will be that some letters of the text will be missing. With a certain probability letters will be dropped from the article. This will apply to all the text, except the very beginning. As usual, press the button if you would rather go to the B activity than continue trying to read the article with missing letters.

Activity B: Counting the number of 1’s in a string of 0’s and 1’s. If enter the correct number, then you will get 1 point and a new array of numbers will be randomly generated for you to count. If your answer is incorrect, then you will not get any points and will still have the same array of binary numbers for you to count. There is no limit to the number of attempts for each array. This is a activity — you get no money for the points!

Round SAT (8 minutes):

Activity A: Answering SAT questions. You will pick one of two sets of multiple choice questions. You will get paid 40 points per correct answer and will lose 10 points for incorrect answers. Your points are accumulated as you go and are shown on the screen. You will get to see 1 question at a time which you will be able to answer. Once you have answered a question you will NOT be able to change it, so your choice is always final.

Annoyance:: Except for the first question, some letters of the text will be missing. With a certain probability each letter will be dropped from each SAT question. As usual, you can press the button that takes you to activity B at any moment of the round.

Activity B: In this case the B activity will be the same SAT text, except it will have all the letters in the text, and it will pay you 10 points per correct answer and subtract 2 points if the answer is incorrect. If you switch to activity B you will start at the same point where you decided to change from A to B. So, for example, if you decided to switch at question 3, you will start activity B at question 3. Note that you can come out with negative earnings from this activity.

Movie/Pay (8 minutes):

Activity A: In this round you will be offered to pick from a series of clips to watch. On top of this you will be endowed with 500 points for you to keep.

Annoyance: Some seconds into the video you will be asked to pay a fee (in experimental points) if you want to continue watching the video.

Activity B: If you don't pay, the video will switch to waves breaking at La Jolla beach.