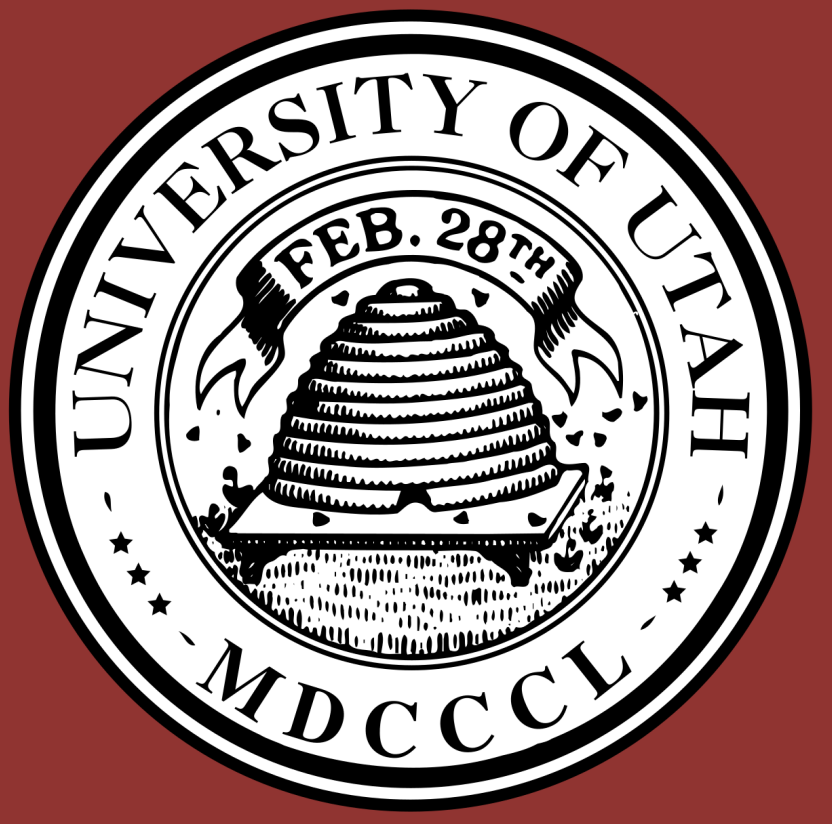


Choosing Commitment Contracts with Teeth:

Decision Makers Select Effective Self-Control Strategies for Others but not for Themselves

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Motivating Example

Imagine you set a goal to submit a manuscript by the end of the year. To help meet your goal, you are considering a commitment contract—which requires you to donate either to a “pro-charity” (a charity you support) or to an “anti-charity” (a charity you hate) if you do not submit a manuscript by December 31st. Even though you know you'll be incredibly motivated to write every day if failing to write means having to donate to a charity you hate (e.g., if the authors of this project had to donate to the NRA), you find the mere possibility of donating to your anti-charity morally reprehensible. What do you do? Do you choose the anti-charity contract?

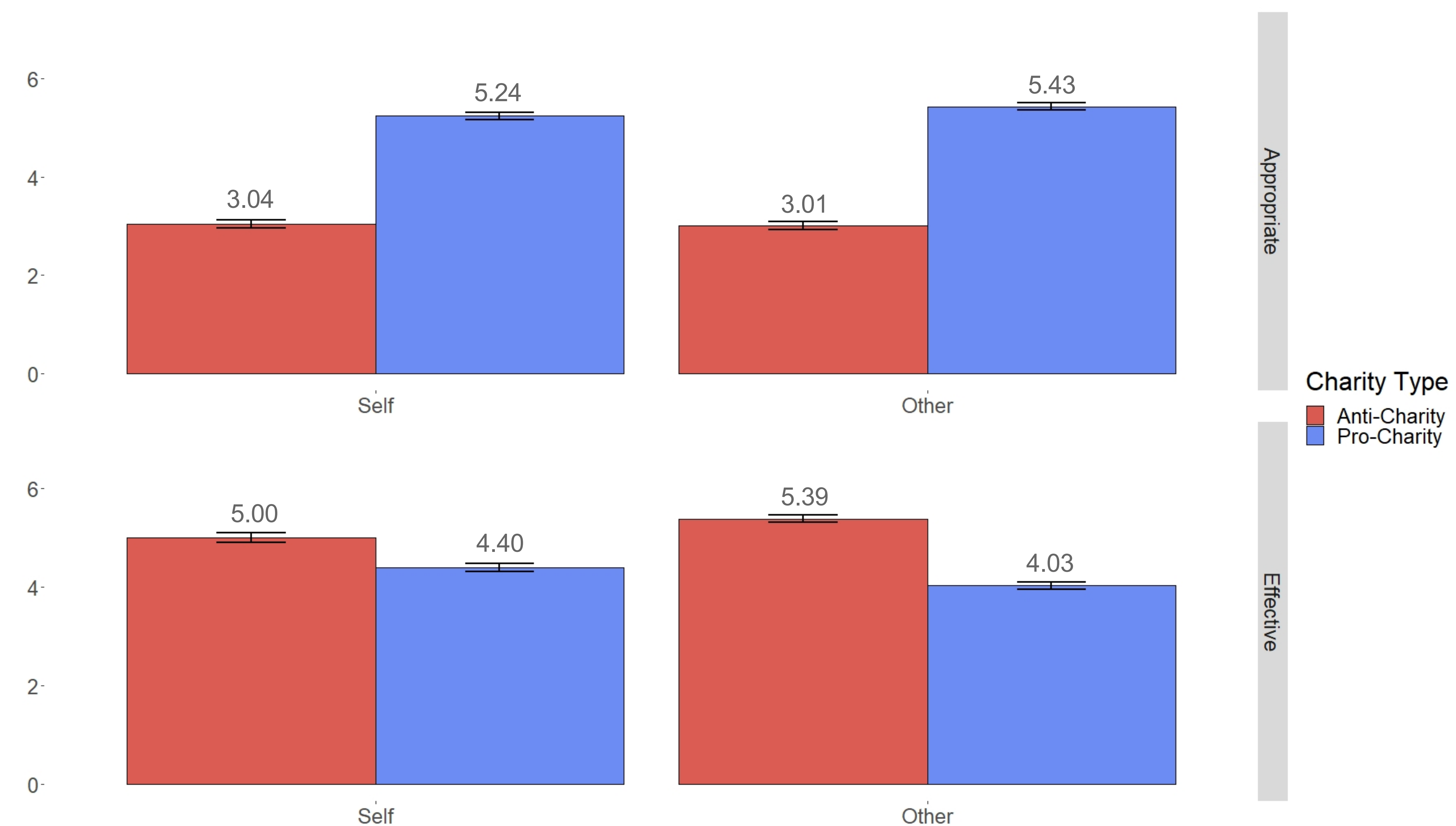
Key Findings

- Participants are more likely to choose anti-charity commitment contracts for others than they are to select anti-charity contracts for themselves.
- Participants view anti-charity contracts as more effective than pro-charity contracts, but also as less appropriate.
- The self-other difference in contract preference is fully mediated by differences in how effective participants believe the contracts will be for themselves versus for another person ($b = 0.069$, $SE = 0.017$, $p < 0.001$).
- Contract preferences are malleable: Participants are more likely to select anti-charity contracts for themselves if they first have to recommend a contract for another person.

Anti-Charity Contract Selection by Study

| Study | N | Design | Choosing for Self | Choosing for Other | Choosing for Self after Choosing for Other | Z | p |
|-------|------|---------------------------------------|-------------------|--------------------|--|------|---------|
| 1 | 250 | Incentive-compatible real-effort task | 4% | 33% | --- | 5.96 | < 0.001 |
| 2 | 404 | Hypothetical weight-loss scenario | 33% | 48% | --- | 2.85 | 0.003 |
| 3 | 1004 | Hypothetical weight-loss scenario | 41% | 50% | --- | 2.89 | 0.005 |
| 4 | 401 | Hypothetical weight-loss scenario | 33% | 52% | 48% | 3.86 | < 0.001 |

Ratings of Appropriateness and Effectiveness (Study 3)



References
 Bryan, G., Karlan, D., & Nelson, S. (2010). Commitment devices. *Annual Review of Economics*, 2(1), 671-698.
 Imas, A., Sadoff, S., & Samek, A. (2016). Do people anticipate loss aversion? *Management Science*, 63(5), 1271-1284.
 Exley, C.L., & Naecker, J.K. (2017). Observability increases the demand for commitment devices. *Management Science* 63(10), 3262-3267.

ZOOM LINK
<https://utah.zoom.us/j/97684511424>