

Personality, Information Acquisition and Choice under Uncertainty: An Experimental Study*

Guillaume R. Fréchet[†], Andrew Schotter[‡], and Isabel Treviño[§]

March 3, 2014

Abstract

This paper presents the results of an experiment that demonstrates that personality may have a significant impact on economic decision making under uncertainty. This impact is indirect since differences in personality characteristics lead decision makers to seek different types of information which alters the decisions they make. We also show that when information is transmitted by an adviser, personality influences both the advice given and the likelihood that the advice is followed. As a control, we conduct a treatment where no information acquisition takes place since subjects observe the complete probability distributions they face. In that environment, one with risk only, the influence of personality vanishes and the only factor that determines choice is a decision maker's coefficient of risk aversion.

Key words: Personality, information acquisition, advice, risk, uncertainty.

JEL Codes: C90, D03, D81.

1 Introduction

The economics of decision making under uncertainty leaves little room for personality. Differences between people are typically summarized as differences in their risk aversion parameter,

*The authors would like to thank the participants of the Experimental Economics Seminar at the University of British Columbia and the members of the Decision Science Seminar at INSEAD for their helpful comments. In addition, Fréchet wishes to thank the NSF via grants SES-0519045, SES-0721111, and SES-0924780. Schotter wishes to thank the NSF via grant SES-0721111, and the support of CESS.

[†]New York University, guillaume.frechette@nyu.edu.

[‡]New York University, andrew.schotter@nyu.edu.

[§]New York University, isabel.trevino@nyu.edu

so this parameter serves as a sufficient statistic for all personality characteristics.

While this may be adequate to explain decision making under risk, where the decision maker (DM) knows with certainty the probability distributions he faces, in environments where information is sparse (one case being decisions under uncertainty) and where DMs are not informed about the probability distributions they face, the personality of the DM may play a role. In such environments, it is natural for DMs to seek out information that would give them at least a glimpse into what the set of probability distributions they face looks like, and thereby decrease the amount of uncertainty they face.

An environment where this is particularly relevant is that of personal finance where investors are faced with a set of investments, the properties of which are opaque. When investors have to choose between two projects with risky returns they tend to gather more information about these projects in order to decrease the amount of uncertainty they face. Two possible ways in which they gather information are by directly requesting information about the characteristics of these projects (e.g. by studying financial reports), or by getting advice from experts as to what project to choose (e.g. hiring a financial advisor).

In order to fully understand the decision making behavior of people in this type of informationally sparse environments we must understand both their choice rule over lotteries and their information gathering strategies. While attention has been paid to the first part of this problem, relatively little attention has been paid to what type of people acquire information in informationally sparse environments and what factors are important for such information gathering decisions.

In this paper we study the role of personality traits on the type of information that agents acquire when facing environments of high uncertainty, and how the information acquired determines choice. We show that personality determines the type of information sought by agents, and that this, indirectly, has an effect on the choice that is ultimately made. In this way, we establish an indirect channel to study the effects of personality on choice through information acquisition.

In our experiments subjects have to make choices between two lotteries and have the opportunity to acquire information about certain characteristics of these lotteries. In particular, the environment we study is one of uncertainty where DMs know only the mean and the range of the two probability distributions from which they have to make a choice, and they acquire information to reduce the amount of uncertainty they face, but they cannot fully remove uncertainty (i.e. they cannot acquire information that gives them the full probability distribution over all possible outcomes). In our control treatment, however, subjects observe

the complete probability distributions that characterize these lotteries so that uncertainty is not present, i.e. they face a situation solely of risk. In this case, as predicted by economic theory, it is the coefficient of risk aversion and not personality which determines choices.

Our experiments are not meant to show that personality only matters in situations of uncertainty. Rather, we deemed it plausible to expect personality to play a role in this type of informational environments. Moreover, it seems to be a natural and relevant environment in which to study personality.

In environments where uncertainty is present, however, we show that personality plays an important role at the information gathering stage, in the sense that different personality types may choose to acquire different types of information which can, given a DM's risk attitude, lead to different choices. More precisely, we will present evidence that a subject's personality characteristics, as measured by the Big Five personality scale (Costa and McCrae, 1992) and the Sensation Seeking Scale (Zuckerman, 1994), are correlated to what information he decides to gather and if he decides to follow advice. Hence, two identical DMs with respect to their attitudes toward risk may wind up making different choices over lotteries because they gather different information about the probabilities they face.

This result is important since if decision making is influenced by the information available to the DM and if information gathering strategies are a function of people's personality characteristics, then our results open the door for a systematic study of the impact of personality on economic behavior and outcomes, a study which is in its infancy (see Borghans et al, 2008, and Almlund et al, 2011, for recent and exhaustive surveys of the personality literature and its relationship to economic decision making).¹ Our results allow us to go even further by indicating that the impact of personality on choice under uncertainty is not limited to information gathering, but extends to choice in the sense that when the information gathered is held constant, personality still affects choice in environments of uncertainty. This result is in contrast to what we find in our control treatment about choice under risk, where agents receive full information about the probability distributions they face and personality ceases to be relevant for choice. Hence, the importance of personality on choice under uncertainty seems to be different from choice under risk.

These results imply that it is possible for two DMs with identical levels of risk aversion to make different choices simply because they gather different information, and the information they gather may be influenced by their personality characteristics. Similarly, we will show

¹See Rustichini (2009) for a discussion on the importance of including personality traits into decision theory.

that when the information comes from an advisor, personality comes into play through two channels. First, it affects the recommendations made by the advisor. Second, it determines the likelihood that the advice is followed. In particular, our results indicate that the impact of risk aversion and personality on choice when the information comes through an advisor differs significantly from their impact in environments where subjects endogenously gather their own information. In particular, the impact of both risk aversion and personality of the DM are no longer correlated to choice once advice is offered. A similar inclination to follow advice is seen in Schotter and Sopher (2003, 2007). However, we know that some people are more likely to take advantage of advice than others and the question then arises as to what types of people are more likely to follow advice when offered. Here again we find evidence that personality variables are likely to be a key determinant of who follows advice and also on what type of advice is offered.²

It is important to point out that in our experiments we contrast two extreme informational situations; one where a DM faces two completely known probability distributions, and hence has no opportunity or need to gather information (what we call risk), and one where the DM has only very minimal information about the distributions he must choose between and therefore has an incentive to gather information (what we call uncertainty). We study these two extremes because they present the starkest contrast between situations where information gathering is possible and desirable and situations where it is not. This does not mean, however, that there is not a middle ground where only risk is present but information gathering is still possible. For example, say that a decision maker faces a compound lottery, the probabilities of which are known to the DM. Assume that the outcome of this lottery is revealed in two stages. At a first stage one of the simple lotteries is chosen, and at the second stage this lottery is played. In this case, it might be desirable for some subjects to gather information about the first stage outcome. However, we have purposefully avoided these situations in order to examine the more obvious cases where the ex-ante information that subjects hold is very sparse, i.e. where they do not know the full probability distributions, and where information gathering is clearly important.

There is ample evidence that personality, as measured by the Big Five and the Sensation Seeking Scales, correlates to important economic decisions. For instance, Nyhus and Pons (2005) investigate the influence of the Big Five factors on wages using household survey data

²Charness et al (2013) study the effect that incentivized persuasion (similar to our advice treatment) has on ambiguity attitudes. They find that ambiguity-seeking and ambiguity-incoherent subjects are very likely to follow the recommendations of ambiguity-neutral subjects.

from the Netherlands. They find that the economic returns of the personality factors in wage determination vary between educational groups and across genders. In a similar spirit, Mueller and Plug (2006) use the Big Five scale to investigate how personality affected the earnings of a large group of men and women who graduated from Wisconsin high schools in 1957 and were re-interviewed in 1992. In a political economy context, Morton et al (2011a, 2011b) analyze data from a large sample of the Danish population to study the effects that the Big Five may have on political ideology and whether or not these traits can explain the ideological gender gap. They find that the differences in traits between men and women explain the tendency to be left or right-wing oriented through a direct effect on ideology and through the indirect effect that these traits have on income. Filiz-Ozbay et al (2013) study the role that cognitive ability, gender, and personality traits have on behavior in the gift exchange game. They find that one of the traits of the Big five scale, agreeableness, plays an important role in explaining the results. Anderson et al (2011) analyze a large data set for truck drivers in the United States and find that personality traits (as measured by the Big Five) are better predictors for credit score, job persistence, and heavy truck accidents than economic preferences. Proto and Rustichini (2012) study the relationship between income and life satisfaction by looking at the Big Five personality traits and find that different traits mediate the effect that income has on aspirations and life satisfaction. In a survey Borghans et al (2008) summarize evidence from various psychology papers about the importance of personality traits in predicting socioeconomic outcomes including job performance, health, and academic achievement. They show correlations for the predictive validity of IQ and the Big Five personality factors on leadership ratings, job performance, longevity, college grades, and years of education. Finally, Zuckerman (2007) reviews over 2000 published articles on Sensation Seeking self-report questionnaires to show that collectively these studies have established that Sensation Seeking predicts risky driving, substance use and abuse, smoking, drinking, unprotected sex, juvenile delinquency, and adult criminal behavior.

However, there is little evidence that such personality measures are predictive of behavior in laboratory environments where many more relevant factors are controlled. This study attempts to fill some of this gap by providing evidence that these personality measures correlate to financial decision making in a controlled environment and taking into account risk attitudes. Furthermore, we show that this is true only under certain informational conditions, and the specific conditions help to partly shed light on the process by which personality may play a role on choice. Unlike the previous studies, we focus on the effect that personality has on choice under different information settings, and not on the effect that

personality has on economic variables that reflect life outcomes, such as earnings, political ideology, or job persistence.

The Big Five and the Sensation Seeking Scales are only two taxonomy scales out of many in the psychology literature. However, they seem like a natural starting point since the Big Five has established itself as the most commonly referred to and used scale, while the Sensation Seeking Scale focuses on aspects of personality having to do with risk taking, an important component of investment decisions. However, it is important to keep in mind that these measures were not designed to explain economic decision making.

Psychologists have studied decisions in the financial realm and how these relate to personality. However, those studies do not really speak to economists as they typically do not consider the decision maker's risk aversion. Furthermore, in line with their experimental tradition, these studies are not incentivized and their focus is often different. Others focus on the question of whether considering personality adds anything to intellect alone. Our study, although not designed to answer these questions, sheds light on some of that debate. For instance, the fact that risk aversion explains some of the decisions we observe, even controlling for personality, indicates that it is a feature of the decision maker that is not subsumed in the personality traits considered by those scales.

It is important to point out that this is first and foremost an empirical paper that, we believe, is the first to establish a connection between personality and information gathering under uncertainty. While we do not provide a theory to explain the behavior we observe, we do present, in Section 5, a number of theoretical approaches that could be used to construct one. We do point out, however, that when such a theory is constructed it is likely to need different types of personality measures than the descriptive scales currently available. These scales are more suitable for explaining life outcomes and other variables for which personality traits do not require such a precise characterization. However, they are too vague to be useful inputs into a formal theory of choice. Hence, one would have to devise new personality measures that gave operational meaning to how specific personality traits affect choice under different informational environments.³

Despite the empirical nature of the paper, it does make one point that we think is relevant for theorists. While the literature on decision making under uncertainty has tended to treat the degree of uncertainty that DMs face as fixed or exogenous, in reality the degree of uncertainty is endogenous in the sense that DMs are able to modify it via information

³See Ferguson et al (2011) for a discussion on the development of new choice-motivated personality measures.

gathering activities. This fact, we believe, makes decision making under uncertainty a two-stage process where in the first stage the DM needs to decide whether to gather information and, if so, how. In the second stage, given the information gathered and the updated priors about the distributions faced, the DM needs to make a choice. What is needed then is a theory of both information gathering and decision making under uncertainty. In this paper we document the importance of the first stage.

The paper proceeds as follows. In Section 2 we describe our experimental design and in Section 3 we analyze our results. In Section 4 we present some related literature while in Section 5 we present several possible theoretical approaches to modeling the influence of personality on information gathering under uncertainty. Finally, in Section 6 we offer some observations and conclusions.

2 Experimental Design

The experiment is composed of three treatments, which we call Control, Priority, and Advice. In each treatment subjects have to choose between pairs of probability distributions under different information conditions. For all treatments, each of the sessions is divided in two parts. The first part of the experiment involves measuring various personality and risk aversion characteristics of the subjects by administering three tasks: the Sensation Seeking Scale (Zuckerman, 1994), the Big Five personality scale (Costa and McCrae, 1992),⁴ and the Holt-Laury risk aversion task (Holt and Laury, 2002). The second part of the experiment varies by treatment but always involves six choices over lottery pairs.⁵

The probability distributions defining the lotteries are represented by the four distributions in Figure 1. The specific probabilities of each of these distributions are in Table 17 in Appendix B.

In the rest of the paper, we will refer to the distributions with the following shorthand: L (Low variance) for the top left distribution, SR (skewed right) for the top right distribution, G/L (Gains and Losses) for the bottom left, and U for the bottom right. In most cases the lowest possible outcome is 0 and the highest possible outcome is 20, except for the G/L distribution which also puts positive probability on -5 and 25 . Every lottery has the same

⁴We implemented the questionnaires using form V of the Sensation Seeking Scale (SSS-V) as described in Zuckerman (1994), and the short (120 items) version of the IPIP-NEO Big Five questionnaire available at <http://www.personal.psu.edu/j5j/IPIP/ipipneo120.htm>

⁵Instructions for all parts and treatments can be found online at https://files.nyu.edu/gf35/public/print/Frechette_2011c_inst.pdf.

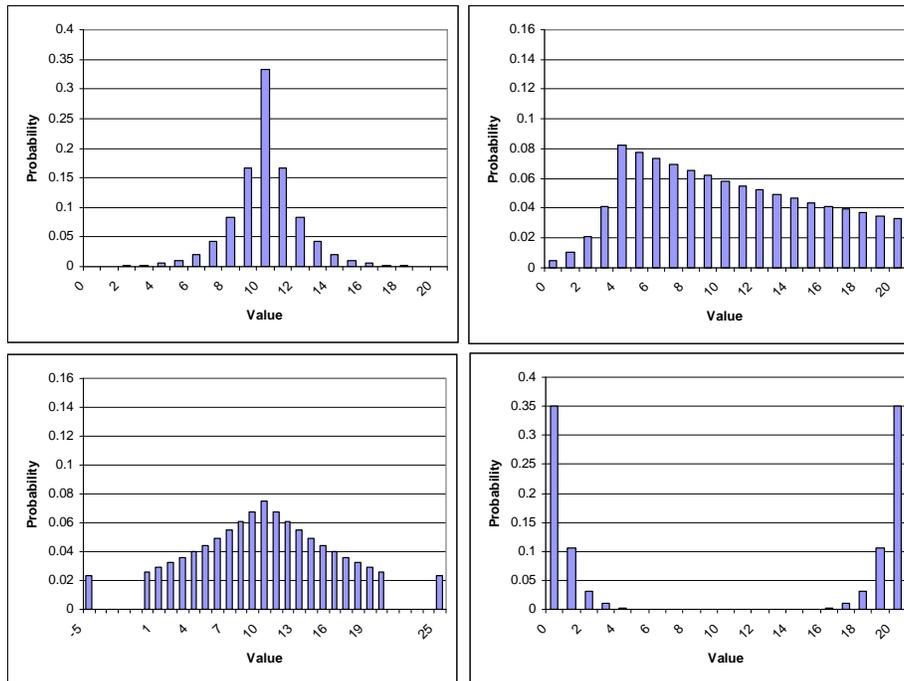


Figure 1: Distributions

mean of 10 but a different variance. The subjects are informed that the means are identical, and of the lower and upper bounds of the support. Thus, in a standard Expected Utility model, if subjects have complete information about the distributions, their choice should be completely determined by the risk preference of the DM and the properties of the lotteries.

Given the four lotteries we can define six lottery pairs covering all possible pairwise combinations of these distributions. In the Control treatment, subjects have to choose one of the lotteries from each of the pairs of distributions that are presented to them sequentially on their computer screen (referred to as *Left* or *Right* distributions). This treatment serves as our control since subjects have complete information about the probability distributions that characterize these lotteries, thus representing an environment solely of risk.

In the Priority treatment, subjects face the same choices as in the Control, but they do not observe the distributions (the instructions only inform them that the distributions all have mean 10 and all range between -5 and 25). Instead, they are given the opportunity to learn some salient features of each pair: the sum of the probabilities for outcomes 4 or less, the sum of the probabilities for outcomes 16 and above, or the sum of the probabilities for outcomes between 8 and 12. Henceforth we will refer to these pieces of information as the Bottom (B), Top (T), or Middle (M) sections of the distributions. Before choosing

among lotteries, subjects are asked to state their priority over these 3 pieces of information by choosing which one they would like to receive the most, second most, and third most. Then, for each choice problem, a computer randomly determines if they will be shown 1, 2, or 3 pieces of information (each is equally likely), and based on the priority they state and the random number generated by the computer, they are given the relevant information and then they make their choice.⁶ Subjects only state their preference over these 3 pieces of information once, and that preference is relevant for each pairwise choice, but a different random number is generated for each of the six choice problems they face, so for different choices they receive different amounts of information.

Finally, in the Advice treatment subjects are matched in fixed pairs. Half of the subjects are given the role of Advisors and the other half of Decision Makers (DM), and subjects remain with that role for the rest of the session. The Advisors' screens display the distributions relevant for each of the six choice problems, but the DMs see only blank screens. The Advisors, after observing the distributions, have to make a recommendation to the DM they have been matched with as to which lottery to choose (Left or Right), and justify their advice using one of the three types of information presented in the Priority treatment: Bottom, Top, or Middle. For example, an advisor can give one of the following pieces of advice: "Choose *Left* instead of *Right* because the probability of receiving 4 or less is 0.498 with *Right* but 0.159 with *Left*", or "Choose *Right* instead of *Left* because the probability of receiving 16 or more is 0.498 with *Right* but 0.185 with *Left*", or "Choose *Left* instead of *Right* because the probability of receiving an outcome between 8 and 12 is 0.293 with *Left* but 0.0000061 with *Right*". DMs do not observe the distributions, they only observe advice for either the left or right distribution and the reason given to them. Once they receive their advice, they have to choose one of the lotteries. Note that the information available to the DMs is the same in this treatment as in the Priority treatment (when they receive only one piece of information), but in this treatment it comes in the form of exogenous advice rather than solicited information.

At the end of the experiment one of the choice problems is selected at random and the choice of the DM is played out. Advisors are paid \$3.33 for each of their recommended decisions that are followed. Hence, advisors have incentives to at least offer advice that they think is persuasive. DMs are paid the outcome of the lottery chosen. All subjects are also paid a \$13 show-up fee.

⁶Notice that subjects in this treatment still face uncertainty even if they are given the 3 available pieces of information, since they cannot assess the exact probability of each individual outcome.

For each treatment, 2 sessions were conducted, for a total of 6 sessions. In total there were 123 subjects (41 in the Control, 42 in the Priority, and 40 in the Advice treatment). The software was z-tree (Fishbacher, 2007) for the first part and multistage (CASSELL (UCLA) and SSEL (Caltech)) for the second part. All subjects were undergraduate students at New York University (from all majors).

3 Results

In this section we present the results of our experiments. We do this in the form of a set of observations implied by our data which we then substantiate.

Before we proceed to our first observation, however, let us briefly describe the results of our personality and risk preference elicitation exercise so as to give an insight into what the population of subjects looks like and to verify that our sample does not vary dramatically from the norm associated with these personality scales. We also summarize the choices of our subjects over lotteries in the three treatments.

3.1 Personality Attributes

Table 1 contains summary statistics about gender, risk preferences, and personality traits of the subjects that participated in the experiment.

<Table 1 here>

Female is an indicator variable that takes the value of 1 for female subjects and 0 otherwise. The Relative Risk Aversion coefficient takes the value of the mid-point of the interval of a relative risk aversion specification of utility implied by the Holt-Laury choices of each subject.⁷ Neuroticism, Extraversion, Openness to Experience, Agreeableness, and Conscientiousness are the Big Five personality traits and are explained in more detail in Table 2 in the appendix. Note that the Big Five questionnaires are designed to give a mean of 50 with a standard deviation of 10 for each trait. The score on the Sensation Seeking Scale is presented as an aggregate score (SSS), and also separated into its components: Thrill and Adventure Seeking, Experience Seeking, Disinhibition, and Boredom Susceptibility (see Zuckerman, 1994). The SSS is calibrated to result in a mean of 23.0 and a standard deviation

⁷0, 9 and 10 choices of the safe options do not correspond to a finite range of RRA coefficient and consequently subjects with such decisions are dropped when considering the implied RRA.

of 5.6 for males, and a mean of 19.0 and standard deviation of 5.7 for females in the United States (Zuckerman, 1994). As we can see, our sample appears to conform to these norms. Table 3 in the appendix shows the pairwise correlations between the different personality measures, the female indicator, and the relative risk aversion coefficient. It is interesting to note that risk aversion is not significantly correlated to any of the Big Five personality traits and its correlations with the components of the SSS are not high.⁸

<Table 2 here>

<Table 3 here>

The choices of our subjects over lottery pairs in the three treatments are summarized in Table 4. We consider the Control treatment as the baseline since this is the only treatment where subjects have full information about the distributions they face. As a result, we might consider the choices made there as reflecting the subjects' true preferences over these distributions. Note that in each pair, the distribution on the right is the riskier one.

<Table 4 here>

One result that is clear is that the choices made for the same lottery pairs change dramatically as we move across treatments. For example, while the SR distribution is greatly preferred to the L in the Control treatment, the opposite is true when we move to the Priority treatment.

These results should give readers a first indication that information gathering can have a dramatic impact on choice because the only thing that varies across these treatments is the information available to subjects and the manner in which that information is acquired. If one considers the choices made in the Control treatment as the welfare maximizing choices for the subjects, since they have full information there, our results from Table 4 demonstrate the impact on welfare of different informational conditions in the presence of uncertainty. As we will see, a large part of this variation can be explained by the different, personality-influenced, information acquisition strategies that subjects use in these different treatments.

⁸This observation may illustrate the fact that these personality scales are not properly designed for economic decision making. Even if the Big Five were constructed in such a way that all personality characteristics can be associated to one of these traits, it is not clear which combination of traits (if any) could characterize a person's level of risk aversion.

3.2 Control Treatment

Observation 1 *Risk preferences determine investment choices under risk, where subjects have full information about the probability distributions they face, but personality does not.*

As mentioned earlier, subjects in our Control treatment are faced with six pairs of probability distributions and are asked to choose sequentially which one they prefer. According to standard economic theory, a subject’s personality should be irrelevant here since all relevant information is summarized by the subject’s coefficient of risk aversion, which we have measured.

To support Observation 1 consider Table 5 which shows, in Specification 1, the probit estimates of the impact of risk preferences on taking riskier choices.⁹ The dependent variable takes value 1 if the selected option has the highest variance, and 0 otherwise. Other regressors are considered in specifications 2 to 4, namely gender, the Big Five, and the Sensation Seeking Scale, either as one number or separated in its constituent parts.

As these regressions indicate, in the Control Treatment risk preferences affect choices in the expected direction: the more risk averse subjects are less likely to select the riskier option. Looking across specifications, risk preferences is the only factor that is systematically significant. The only other regressor that is statistically significant in one of the four specifications is the female indicator variable, which in specification 4 suggests that females prefer safer choices than males. The estimate from Specification 1 suggests that increasing a subject’s switch point in the Holt-Laury procedure from 4 to 5 implies a decrease in the probability of picking the riskier outcome of about 4 percentage points, or about 9%.¹⁰

<Table 5 here>

3.3 Information Acquisition: Choice under uncertainty

For the Priority treatment, the preferences for learning different features of the distribution are represented by the popularity of each possible permutation of information demand and of the most popular first choice in Table 6. As we can see in the last column on the right,

⁹Throughout the paper we will refer to choices towards the riskier distribution, i.e. the distribution with higher variance, as “riskier choices”.

¹⁰In our regressions we use the coefficient of Relative Risk Aversion to measure the risk attitudes of our subjects. Nevertheless, we discuss our result in terms of the number of safe choices to illustrate by how much the probability of choosing the riskier outcome varies when we move from 4 to 5 safe choices in the Holt-Laury procedure, since this defines a switch from risk neutrality to risk aversion. It corresponds to the RRA coefficient going from 0.005 to 0.28.

half of the subjects want to learn about the bottom part of the distribution first, with the other two options almost equal among the rest of the subjects. The most popular order (for one third of the subjects) is to learn first about the bottom, followed by the top and finally about the middle.

<Table 6 here>

Since Observation 1 indicated that personality variables were, in general, not significant for choice in risky environments where subjects observe the complete probability distributions they face, the question arises as to whether they are relevant for information acquisition under uncertainty. Observation 2 indicates that this is in fact the case.

Observation 2 *Personality, risk preferences, and gender affect the demand for information under uncertainty.*

Table 7 shows the results of multinomial probits with the same set of regressors as for the probits studying choices in our Control treatment, but with the information ranked first as the dependent variable. In this case the results are markedly different. First note that the coefficient of risk aversion is only statistically significant in one of the four specifications. However, many of the personality traits are statistically significant, in particular when considering the impact of focusing on the middle rather than the bottom of the distribution. Take Specification 7 (decomposing Sensation Seeking into its components does not seem to add much), where the coefficient of risk aversion affects demand for the middle of the distribution negatively, with respect to the bottom. That is to say, more risk averse subjects are more likely to want information about outcomes in the bottom of the distribution, rather than the middle. Women are more likely to rank the middle instead of the bottom first as compared to men. Similarly, higher scores on the Neuroticism, Extraversion, and Conscientiousness scales increase the likelihood of requesting information about the middle first, rather than the bottom. Finally, a higher score on the Sensation Seeking Scale results in a higher probability of demanding to know about the bottom rather than the top first. The size of some of these effects is not trivial. The difference between men and women in the likelihood of asking about the middle rather than the bottom is 0.41. The size of the marginal effects for the statistically significant components of the Big Five on demand for the middle rather than the bottom are similar in size, between 0.02 to 0.03 at the average regressor of 50. Similarly, risk preference has an estimated marginal effect of -0.36 with an average regressor of 0.49. The marginal impact of Sensation Seeking on both categories is

-0.014 and -0.023 for the middle and top respectively at an average regressor of about 22. For all other regressors, the marginal impact is much smaller in the case of the top category, in most cases smaller by at least a factor of 10.

In short, when subjects face an informationally sparse environment, personality characteristics have a significant impact on what information they acquire.

<Table 7 here>

Observation 3 *The information received by DMs affects the incidence of riskier choices in environments of uncertainty where DMs demand information according to their priority ranking.*

As we discussed before, how people choose when they are only partially informed about the probability distributions they face is, to a large degree, a function of the information they have chosen to gather prior to making their choice. Given that all distributions in the experiment have the same mean, we look at the impact of information acquisition on the riskiness of the choice made, i.e. whether or not they choose the higher variance distribution given the information they have gathered. We have already established that personality plays a key role in determining what information the DM seeks, next we establish the presence of a link between the information received and choice.

Table 8 shows how the information about the distributions actually observed affects choices in the Priority treatment (viewing all three features is the default). Clearly, when only one piece of information is observed, which one it is affects the decision. To get a sense of the size of these impacts, Table 9 shows the frequency of riskier choices in the Control treatment and in the Priority treatment, depending on which piece of information is received for the cases where subjects observe either one or three pieces of information. Note that subjects who only receive information about the Top of the distribution choose the riskier option 81 percent of the times, while subjects that observe information about the Bottom and Middle choose the riskier option 39.47 and 18.18 respectively. This suggests that demanding and receiving information about the Top may lead to riskier choices. When subjects observe all three pieces of information the frequency of riskier choices is 31%.¹¹

<Table 8 here>

<Table 9 here>

¹¹Notice that when subjects observe 3 pieces of information they are still facing a situation of uncertainty, since they only know the sum of probabilities of outcomes in 3 different ranges (less than 4, between 8 and 12, and higher than 16), and not the exact probability assigned to each possible outcome.

Observation 4 *In environments of uncertainty, where DMs set a priority on the information they would like to observe, riskier choices are correlated to personality and risk preferences.*

What has been shown so far in the Priority treatment is that 1) personality affects the information that a DM seeks the most, and 2) the information the DM receives about a pair of distributions affects the probability that the riskiest option will be selected. However, the relation between personality and choices under this informational environment can be the result of more than just observing different information. That is, it might be that when choosing under uncertainty, unlike when choosing under risk, subjects with identical information sets select differently as a function of their personality. Table 10 shows the results of probit estimations of riskier choices on risk aversion, gender, the Big Five, and the SSS. In Specifications 11 and 12 we look at subjects who receive three pieces of information (B, M, and T), so that all subjects have the same information set.¹² In Specification 12 we also control for the stated preference for information for the subjects. Our results indicate that risk preferences have a significant impact on choices, as well as Extraversion and Agreeableness, which have a positive and negative effect on choices, respectively.

<Table 10 here>

The implications of these results are meaningful. In the Control treatment subjects have full information about the probability distributions they face and we have found that personality has no impact on choice. However, under uncertainty, even when we condition for observing identical information, personality matters, so it is not the case that once information arrives the impact of personality disappears. Under uncertainty it persists and affects choice.

3.4 Choice with Advice

In an informationally sparse world, i.e. where uncertainty is present, DMs may resort to many devices to help them make choices. One common device is to ask for advice from those who are better informed. Since in our experiments the information received either by request (as in the Priority treatment) or through advice (in the Advice treatment) is identical, one might think that they would have a similar impact on behavior. What our results indicate,

¹²Notice that even when subjects observe all three pieces of information they still face uncertainty since they do not know the probabilities associated to each specific outcome.

however, is that when information is received via advice, its impact on the decisions made differs dramatically from what we observe in the Priority treatment where information is individually gathered. This indicates that the source of information (whether it was provided by a person or not) has an effect on choices. Consider the following observation.

Observation 5 *In environments of uncertainty where subjects have partial information, but the type of information they have is determined by an advisor, their choices are not correlated to their personality traits.*

Specification 13 in Table 11 shows that risk attitudes, gender, and personality have no impact on the choice of the riskier distribution. Other key elements (beside risk attitudes, gender, and personality) that could explain choices in the advice treatment are the actual recommendations and the piece of information used to support them. More specifically, in the Advice treatment the advice received comes in two parts: a piece of information (justification) and a suggested choice. In other words, Advisors suggest a choice and justify it with a reason which was one of the three facts about the distributions faced. This creates two routes for advice to influence choice: one through the information provided and one through the recommendation itself. To investigate which of these factors determine choices, consider Specification 14 in Table 11. The results suggest that what is the key determinant of choice is the advice about which distribution to select, not what part of the distribution is used to support that advice, since the dummies “Information about B” and “Information about T” are not statistically significant. Likewise, risk preferences influence choices in the expected direction.¹³

<Table 11 here>

The fact that personality does not influence choice under uncertainty when information comes through advice suggests that the impact of personality on choices depends on the channel through which information is acquired (demanding it or via an advisor). We have shown that personality matters for choices when subjects demand more information, but not when information is received with a recommendation from an advisor.

¹³While the coefficient for gender is statistically significant in Specification 14 of Table 11, this result is driven by the fact that females tend to follow advice more often than men (see Table 12), so they choose the riskier distribution partly because this is the advice they received.

3.5 Advice Following

Observation 6 *Under uncertainty, personality traits and gender affect the probability with which a DM follows advice.*

As mentioned earlier, subjects appear eager to follow advice.¹⁴ In fact, in our experiment subjects follow the advice given 85% of the time. This does not mean, however, that personality is not important for advice following. Table 12 shows the results of probit estimates where the dependent variable takes the value of 1 if the subject follows the advice given, and zero otherwise. The independent variables are dummies for the reason given as advice, personality measures, gender, and risk aversion.

<Table 12 here>

One thing that is striking is that the reasons offered for following advice are rarely significant, meaning that it is the recommendation alone that is important (i.e. to choose the left or right distribution), and whether it is followed is primarily influenced by a subject's personality. For example, in all of the specifications women seem to follow advice more often than men. People with high scores on Extraversion and Agreeableness seem to follow advice more often, and people with high scores on Openness to Experience and Conscientiousness follow advice less often. Risk aversion does not explain the decision to follow advice. Hence, certain personality types are more inclined to follow advice, whatever the reason offered.

3.6 Advice Giving

While we have established a link between personality and advice following there may also be a personality component in advice giving. This is important because if the type of advice given is determined by the personality of the advisor, and the likelihood of it being followed depends on the personality of the advisee, then the match between advisors and advisees may be important in determining the effectiveness of advice.

Observation 7 *The advice given (the suggested choice) is correlated to gender and personality for advisors.*

To support this observation we present Table 13 which uses the data from our subject advisors and shows the results of probit estimations where the dependent variable takes the

¹⁴See Schotter and Sopher (2003, 2007).

value of one if the subjects advised the choice of the riskier distribution, and zero otherwise. The independent variables are risk aversion, gender, and personality measures.

<Table 13 here>

As we can see, females seem to give the riskier option as advice more often than men, and subjects who are more open to experience seem to give the riskier advice less often. The fact that females suggest riskier options more often is interesting since women typically are risk averse when making choices for themselves in situations of risk (see Croson and Gneezy, 2009), suggesting a kind of split attitude for females when it comes to choosing for themselves when facing risk and advising others when facing uncertainty. Finally those who score higher on average on the Sensation Seeking Scale and on Conscientiousness tend to suggest the more risky choice. These results hint towards the following observation.

Observation 8 *Gender and elements of personality have a significant impact on the type of information offered as justifications by advisors.*

As we have mentioned before, in our experiment advice giving has two parts: a recommendation and a piece of information used as a justification for the advice. Observation 7 above suggests that personality is relevant for the recommendation but there might be an additional personality component involved in the type of justification used to support it. Table 14 shows how personality measures and risk aversion determine the reason given as advice, i.e. bottom, middle, or top of the distribution, using a multinomial probit where the base outcome is to give bottom as advice. In this table note that females are less likely to justify a recommendation by pointing to the bottom of the distribution. Interestingly, there seems to be a number of Sensation Seeking attributes that, together with Extraversion and Openness, influence the type of justifications used for advice giving.

<Table 14 here>

3.7 Summary of Results

Since we have presented a fair number of results, it might make sense to pause and take stock of what we have learned before proceeding to a discussion and our conclusions. The key results are the following. First, the main determinant of choice under risk is risk aversion. However, under uncertainty, personality, risk attitudes, and gender affect multiple aspects

of behavior. In particular, when subjects can specify the information they would prefer to know before making their choice, the information asked for is affected by personality, and, since information affects choice, the implication is that personality affects choice (albeit indirectly). On the other hand, if information is obtained via an advisor, personality has no effect on choices directly, but it affects the probability that the DM will follow the advice. Finally, what the advisor suggests is influenced by his or her personality.

In discussing our results further, it is useful to make a distinction between direct and indirect relationships. The relation between information demand and personality in the Priority treatment, between following advice and personality in the Advice treatment, and between personality and advice giving in the Advice treatment are all direct relations. On the other hand, for instance, the relationship between personality and choice in the Priority treatment is indirect since it is mediated by the intermediate step of information demand. To summarize these direct and indirect relationships Table 15 presents the main statistically significant relationships we have uncovered.

<Table 15 here>

As we can see from Table 15, when it comes to information demand, Neuroticism, Extraversion, and Conscientiousness all increase the probability that a subject ranks M first rather than B. With respect to indirect relationships, in our study personality affects the information demanded, which in turn affects choices. Table 15 contains the results for the Priority treatment when we pool the data over the cases where subjects received information about B, M, and T, and hence all have the same information. In this case personality is correlated to the riskiness of choices, even after controlling for information preferences. In particular Extraversion has a positive impact on the riskiness of choices while Agreeableness has a negative impact.

With regards to the Advice treatment, Extraversion and Agreeableness increase the likelihood of following advice, while Openness and Conscientiousness decrease it. Openness decreases the probability that an advisor gives the riskier advice while Conscientiousness and SSS increase it. Personality does not determine riskier choices in the Advice treatment, even after controlling for the type of advice given.

Risk Aversion also plays an interesting and subtle role in all of the relationships discussed above. As mentioned earlier, it is the only statistically significant predictor of choice in the Control treatment. With respect to information demand, Risk Aversion decreases the demand for M in the priority treatment, so that more risk averse agents are less likely to

rank M first as opposed to B. With respect to advice giving, Risk Aversion increases the likelihood of giving B as a justification for choice in the Advice treatment and it decreases the likelihood of riskier choices, but it does not have an impact on who follows advice.

When we turn our attention to gender, we find that while it does not have a conclusive impact on choices in the Control treatment, it does increase the demand for M by females in the Priority treatment. In the advice treatment, females are more likely to follow advice and more likely to give riskier advice.

One thing that is important to point out as we look across our regression results is that while personality traits are significant across specifications, it is not always the same traits, nor is it necessarily in the same direction. This is not surprising, however, since each regression explains a different phenomenon. In particular, in each regression subjects are presented with different types of choices (or tasks), and there is no reason a priori why the same personality traits should explain different tasks in the same way. For example, while Neuroticism and Conscientiousness increase the likelihood of asking for information about the middle of the distributions as opposed to the bottom, it is Conscientiousness and Agreeableness that are significant in determining whether a subject follows advice. Neuroticism seems not to be significant here. This finding is somewhat expected since the personality characteristics that are responsible for information demand do not have to be the same that determine whether a person is more likely to follow advice. Our point is that the Big Five and SSS personality scales appear to be correlated to certain types of behavior under uncertainty, but which constellations of traits are important for any given type of behavior varies with the task performed by subjects.

4 Related Literature

There is relatively little literature that directly relates to the questions of personality, information acquisition, and choice discussed here. The only study we know of that relates personality to information demand is Gerber et al (2011).¹⁵ This study correlates the Big Five to political interest, knowledge, and the consumption of different types of political media. They use data from an internet survey of American registered voters which attempts to be close to a representative sample of the population. The survey they use was administered before the 2008 election and contains data on 8664 individuals. They find that Openness,

¹⁵Mondak and Halperin (2008) also correlates the Big Five to media consumption, but it is more general consumption rather than on a specific topic.

Agreeableness, and Extraversion are all positively correlated to the consumption (in the previous week) of at least one of the three forms of media they study: television, internet or newspaper. When they focus on whether the individuals watched national or local news, what they find is that Agreeableness and Extraversion increase the likelihood of watching national news, while Agreeableness and Conscientiousness increase the chance of watching local news and Openness decreases it. Clearly, their exercise is very different from ours. However, one comparison which may be legitimate is that in their case, each of the five personality dimensions matters for some aspect of whether individuals consume news or not, and in what format, except for Neuroticism. In our case, Neuroticism does affect the kind of information demanded, but Openness and Agreeableness never come into play. This could simply be because the realms of these two studies are so different, or because the decision to consume some information is different from the decision to choose what information to focus on.

We also analyze the impact that personality has on choice. The studies that would seem the most relevant for the impact of personality on risky choices are those related to the role of personality in gambling.¹⁶ McDaniel (2002) finds that the SSS is positively correlated to interest in gambling in a sample of 555 adults (18 and above) from the eastern United States surveyed by telephone.¹⁷ Lauriola and Levin (2001), using a sample of 76 Italian adults, conclude that Openness and Neuroticism affect riskier choices (they offer a series of choices between a safe alternative and a riskier one). Furthermore, the impact of Neuroticism varies for the loss and gain domains. However, their results are either not statistically significant or barely so. Our results suggest a more complicated role for personality, one where the impact of personality traits on choice interacts with the way in which the information is being presented to the subject. Nicholson et al (2005) study a sample of students and executives, including MBAs and executives in training programs at the London Business School (sample size 1669) looking to validate a set of survey questions on the propensity to take risks in various areas (physical status, lifestyle, and livelihood, which includes career and financial risk).¹⁸ The answer to their question on financial risks is significantly correlated to all five

¹⁶Even though in gambling situations probabilities can be objectively known, it seems reasonable to argue that individuals are not fully cognizant of them. Thus, it is similar to an environment with uncertainty.

¹⁷One study, by Paunonen and Ashton (2001) correlates the Big Five to a survey question about buying lottery tickets and another about the willingness to gamble. Unfortunately, they do not provide information in the paper about which of the five components has a statistically significant correlation to the answers. Another study by Breslin et al (1999) focuses on the interaction of drinking and Sensation Seeking and the impact this has on risky choice behavior in the gains versus losses domain.

¹⁸Lo, Repin, and Steenbarger (2005) studies an even more specialized group, namely day-traders that were

domains of the Big Five. More specifically, they find a positive relation to Extraversion and Openness, and a negative relation to Neuroticism, Agreeableness, and Conscientiousness. They also report that males score higher on risk taking, but this correlation seems to have been established without controlling for personality (and similarly, the impact of personality is established without controlling for any other factors). Similar to them, we find that males take riskier choices (in our case even controlling for personality and risk aversion).

With respect to gender, there is some evidence that women are more risk averse than men when making decisions under risk (see Croson and Gneezy, 2009, and Eckel and Grossman, 2008, for two surveys).¹⁹ Borghans et al (2009) study how risk and ambiguity aversion vary across men and women and whether the differences in these parameters can be explained by personality measures. They find that differences in ambiguity aversion cannot be explained by personality traits. However, similar to Croson and Gneezy (2009), they find that women are more risk averse than men and that differences across risk aversion parameters can be explained by personality measures, in particular by Agreeableness and Neuroticism from the Big Five scale, and by ambition, as measured by Duckworth et al (2007). Eckel and Grossman (2002) study risk attitudes between men and women and measure personality characteristics using the SSS. They find that women are consistently more risk averse than men and that men seem to overestimate the risk aversion of women when predicting choices between gambles. However, they find no significant gender difference in the overall SSS scores and they find very low predictive power of the SSS on gamble choices.

5 Motives for Information Gathering: Some Theoretical Approaches

There are really two questions that we need to answer in order to fully understand how personality affects decision making under ambiguity. First, why do people desire information in the first place and why a particular type of information? Second, what is it about a DM's personality that leads him to desire the type of information he does? Below we sketch a few of our thoughts on the motives that people may have for information gathering. While a complete theory of personality is beyond the scope of this paper, we do hope that our

taking part in an online training for day-traders. They did not find that any of the Big Five dimensions correlated significantly with trading performance.

¹⁹Nevertheless, as pointed out by Niederle and Vesterlund (2011), there are some studies that do not find gender differences in risk preferences.

thoughts below can be useful to others who are interested in pursuing these topics.

5.1 Pessimistic Priors

Probably the most straightforward answer to the question of how personality can affect information gathering works through a subject's level of optimism (or pessimism) about the unknown distributions he faces and the relationship of personality traits to this characteristic. Under this interpretation, the subject remains an expected utility maximizer but his level of optimism simply affects the type of priors he has over the payoff distributions he faces. While one might think it natural for pessimists to concentrate their attention on the left tail of the distribution, with optimists caring more for the right tail, this may not necessarily be the case. However, as long as pessimists and optimists seek different information, then all that is needed is to connect a subject's level of optimism with some constellation of personality traits in order to explain the impact of personality on information gathering.

The type of ambiguous decision environments we place our subjects in are relatively scary when compared to environments characterized solely by risk. As such, they may call forth some type of ambiguity averse behavior. A famous theory of decision making under ambiguity by Gilboa and Schmeidler (1989) suggests that when faced with ambiguity, a DM is likely to assume he is facing the worst possible probability distribution in the set of feasible distributions and choose that action which is best against this pessimistic assumption. So Gilboa and Schmeidler's DMs are extremely pessimistic when faced with ambiguity.

However, not all subjects are likely to be this pessimistic and, hence, we might expect some variability across people concerning how pessimistic they are. To this end Ghirardato et al (2004) have created an alternative theory where DMs choose as if they were characterized by a combination of pessimism and optimism with a weight, α , defining the exact convex combination of the two. If a theory of personality and decision making under ambiguity is to be formulated, one might investigate what factors determine a DM's α . We expect that personality variables are likely to play a role here and hence in determining the information that such types find desirable.

5.2 Probabilities Inside the Utility Function

A second possibility for why personality affects information acquisition may stem from the idea that the prize space over which a person's utility function is defined contains not only tangible outcomes but also emotional states defined by probability distributions. As Caplin

and Leahy (2001) have demonstrated, the utility of a particular outcome may depend both on the anticipated outcome itself and on the probabilities that this outcome may occur, with the probability entering independently into a DM's utility function.²⁰ This is particularly true when the decision has an emotional component to it, such as when medical decisions are being made and anxiety about outcomes is paramount.

In such a situation, different personality types may be inclined to search for different types of information because their utility at the moment of decision making is affected by the beliefs they hold at that moment. Neurotics may want to assure themselves that they are making a choice that, a priori, guarantees them either the largest minimum outcome or perhaps, as our regressions indicate, the largest middle outcome. People who rank high on the Sensation Seeking Scale or Openness to Experience may derive utility from thinking that they are more likely to receive a good outcome and hence inquire about the top of the distribution, etc. Whatever their motive, the idea here is for DMs to choose their beliefs optimally much like Brunnermeier and Parker (2005) suggest. They search for information in order to find those beliefs they would like to hold and we suspect that their preferred beliefs are a function of personality variables.

The two sketches of a theory of personality and decision making outlined above are certainly not exhaustive. Other theories can be easily constructed. Still, they all would need to share some common features. First, the role of personality may be dramatically different as we move from risky to ambiguous environments. Second, the information people gather will depend on their personality.

Two more theories that might seem like plausible avenues through which personality might affect information gathering decisions are heuristics and preferences over higher moments of the distribution. We review these two possibilities below. Note that while these theories are equally applicable for decision making under risk and uncertainty it is only in the ambiguous situations where they have an influence on the information-gathering strategies of subjects.

5.3 Heuristics

There has been a considerable amount of work done by psychologists (see Gigerenzer, 2004, Branstatter, Gigerenzer, and Hertwig, 2006, to name only two), and economists (Rubinstein, 1988, for example), indicating that in a risky choice environment, where DMs see all rele-

²⁰See also Brunnermeier and Parker (2005) for a model where probabilities or beliefs enter directly into a DM's utility function.

vant probability distributions, rather than weighting, multiplying and adding probabilities and payoffs as is expected of them under the Expected Utility Hypothesis, they employ a heuristic where they proceed lexicographically and compare features of lotteries, i.e. their minimum payoffs or the probability of a minimum payoff. Rubinstein (1988), for example, demonstrates that when comparing two lotteries DMs compare the similarities of the probabilities and payoffs in a lexicographical manner. Brandstatter et al. (2006) proceed in a similar manner but assume a fixed order for comparisons using what they call a “priority heuristic” which compares the minimum gain of two gambles, then the probability of the minimum gain, and then finally the maximum gain. This priority order is justified empirically rather than theoretically and, as is true for Rubinstein (1988), is assumed to be the same for all individuals.

There are some modifications that need be made on the Brandstatter et al. (2006) and Rubinstein (1988) theories before they can be employed here. First, those theories were constructed for complete information settings and not for the ambiguous settings we examine. However, it is obvious that our subjects could use such heuristics simply by asking questions in the order most closely associated with either heuristic and by modifying it where necessary. Furthermore, Brandstatter et al. (2006) and Rubinstein (1988) assume that all people search identically using their heuristics. Clearly, we assume heterogeneity across decision makers and assume that this heterogeneity can be explained by personality. What is missing is a theory that connects personality and heuristic choices (and hence information gathering).

5.4 Preferences over higher moments

In recent years a number of empirical and theoretical papers have been written indicating that individuals have a preference for (positive) skewness in the distribution of payoffs they face and that risk averse individuals are prepared to accept a lower expected payoff or a higher level of overall riskiness if the distribution of payoffs is more skewed to the right.²¹

These results may have direct relevance for the type of information inquiries we might see in experiments like ours since such inquiries may be aimed at finding out information about these higher moments. Eliaz and Schotter (2010) demonstrate that if a DM has a

²¹See Scott and Horvath (1980) for an early contribution and Chiu (2005) for a more thorough choice theoretic treatment of the issue. Menezes et al. (1980) discuss skewness in a choice-theoretic framework by introducing the concept of increasing downside risk, a concept that may have relevance for our discussion here.

preference for confidence in his decision and, as a result, has the probability of making the correct decision as an argument in his utility function, he will have a preference for negative skewness. As a result, he might also wish to gather information about these higher moments and hence ask questions that would be informative about them.

If this is the motive for information acquisition, then if we were to build a theory of personality and choice we would need a model that connects a subject's personality to his preferences over moments of a distribution.

6 Conclusions

This paper has presented the results of a unique set of experiments that demonstrate that personality may have a significant impact on economic decision making through its effects on information gathering in environments of uncertainty. The path of this influence is in part indirect since we establish that differences in personality characteristics, as measured by the Big Five personality scale and the Sensation Seeking Scale, lead decision makers to seek out different types of information which then, conditional on the information observed, alters the decisions they make. We also show that when information is transmitted by an advisor, personality influences both the advice given and the likelihood that the advice is followed.

However, when decisions are made solely under risk, i.e. in environments where the decision maker knows with certainty the exact probability distribution he or she faces, personality fails to be a significant determinant of choice. In such circumstances, it turns out that what matters for choice is the decision maker's level of risk aversion.

The source of information seems to play a crucial role when studying the effects of personality on choice in the presence of uncertainty, where the probability distributions faced by the decision maker are unknown. On the one hand, the impact of personality on choice seems to be mediated through information acquisition when decision makers choose the information they wish to acquire. On the other hand, personality ceases to be important for choice when information is received via advice rather than solicited directly. This implies that the source of information, or how the information was received, matters for choice. This is plausible because people tend to follow advice so diligently that they ignore the actual information offered to justify the recommendation.

As we have suggested, if progress is to be made in connecting personality with decision making, a theory of personality will be needed. One component of such a theory will

certainly be the specification of a link between the different personality characteristics, i.e. Openness to Experience, Neuroticism, etc., and information search. Furthermore, a link will be needed between personality traits and individual welfare. For example, do neurotics or conscientious types do better because they gather more relevant information about the world they face before making decisions, or do they do better because, conditional on any information gathered, they make better choices?

One might envision a number of theoretical explanations for information gathering in situations of uncertainty and the role played by personality. For example, decision makers may rely on heuristics when making decisions under risk (see Gigerenzer, 2004, Brandstatter et al, 2006, and Rubinstein, 1988). Under these theories when decision makers make risky decisions, rather than weighting, multiplying and adding probabilities and payoffs, they proceed lexicographically and compare features of lotteries, i.e. their minimum payoffs or the probability of a minimum payoff, etc. Brandstatter et al (2006), for example, assumes a “priority heuristic” where the decision maker compares first the minimum gain of two gambles, then the probability of the minimum gain, and finally the maximum gain. If such a heuristic is used under risk, it would be interesting to understand what type of information would be gathered under uncertainty. Personality may play a role in this information acquisition stage.

Alternatively, the impact of personality on information gathering may work through another related personality characteristic, for example, the degree of pessimism of the decision maker. For example, Gilboa and Schmeidler (1989) suggest that when faced with uncertainty, a decision maker who is uncertainty averse is likely to assume an extremely pessimistic stance. This would imply a demand for specific types of information in our setting. But not all decision makers are this pessimistic. Ghirardato et al (2004) allow for a combination of optimism and pessimism (weighted by an α parameter, $0 \leq \alpha \leq 1$). This suggests that personality may affect decision making and information acquisition under uncertainty by affecting how pessimistic or optimistic a decision maker is and hence, the α they use in making decisions. Defining a link between the Big Five personality traits, a decision maker’s degree of pessimism, and information gathering is part of our future agenda.

References

- [1] **Anderson, Jon, Stephen Burks, Colin DeYoung, and Aldo Rustichini.** 2011. “Toward the Integration of Personality Theory and Decision Theory in the Explanation of Economic Behavior.” Mimeo.
- [2] **Almlund, Mathilde, Angela Lee Duckworth, James J. Heckman, and Tim Kautz.** 2011. “Personality Psychology and Economics.” In E. A. Hanushek, S. Machin, and L. Woessman (Eds.) *Handbook of the Economics of Education Vol. 4*, North Holland: Elsevier: 1-181.
- [3] **Borghans, Lex, Angela Lee Duckworth, James J. Heckman, and Bas ter Weel.** 2008. “The Economics and Psychology of Personality Traits.” *The Journal of Human Resources*, 43(4): 972-1059.
- [4] **Borghans, Lex, Bart H. H. Golsteyn, James J. Heckman, and Huub Meijers.** 2009. “Gender Differences in Risk Aversion and Ambiguity Aversion.” *Journal of the European Economic Association*, 7(2-3): 646–658.
- [5] **Brandstatter, Eduard, Gerd Gigerenzer, and Ralph Hertwig.** 2006. “The priority heuristic: A process model of risky choice.” *Psychological Review*, 113(2): 409–432.
- [6] **Breslin, F. Curtis, Mark B. Sobell, Howard Cappell, Shervin Vakili, and Constantine X. Poulos.** 1999. “The Effects of Alcohol, Gender, and Sensation Seeking on the Gambling Choices of Social Drinkers.” *Psychology of Addictive Behaviors*, 13(3): 243-252.
- [7] **Bruine de Bruin, Wandii, Andrew M. Parker, and Baruch Fischhoff.** 2007. “Individual differences in Adult Decision-Making Competence.” *Journal of Personality and Social Psychology*, 92: 938-956.
- [8] **Brunnermeier, Markus K. and Jonathan A. Parker.** 2005. “Optimal Expectations.” *American Economic Review*, 95(4): 1092-1118.
- [9] **Caplin, Andrew and John Leahy.** 2001. “Psychological Expected Utility Theory and Anticipatory Feelings.” *Quarterly Journal of Economics*, 116(1): 55-79.
- [10] **Charness, Gary, Edi Karni and Dan Levin.** 2013. “Ambiguity Attitudes: An Experimental Investigation.” *Journal of Risk and Uncertainty*, 46(1): 1-25.

- [11] **Chiu, W. Henry.** 2005. “Skewness Preference, Risk Aversion, and the Precedence Relations on Stochastic Changes.” *Management Science*, 51(12): 1816–1828.
- [12] **Croson, Rachel and Uri Gneezy.** 2009. “Gender differences in preferences.” *Journal of Economic Literature*, 47(2): 448-474.
- [13] **Costa, Paul T. and Robert R. McCrae.** 1992. *Revised NEO Personality Inventory (NEO PI-R) and NEO Five-Factor Inventory (NEO-FFI) Professional Manual*. Florida: Psychological Assessment Resources, Inc.
- [14] **Duckworth, Angela L., Christopher Peterson, Michael D. Matthews, and Dennis R. Kelly.** 2007. “Grit: Perseverance and passion for long-term goals.” *Journal of Personality and Social Psychology*, 92:1087-1101.
- [15] **Eckel, Catherine C. and Philip J. Grossman.** 2002. “Sex Differences and Statistical Stereotyping in Attitudes Toward Financial Risk.” *Evolution and Human Behavior*, 23(4): 281-295.
- [16] **Eckel, Catherine C. and Philip J. Grossman.** 2008. “Men, Women and Risk Aversion: Experimental Evidence.” *Handbook of Experimental Economics Results, Volume 1*, C. Plott and V. Smith (eds.), Chapter 113: 1061-1073. New York, Elsevier.
- [17] **Eliaz, Kfir and Andrew Schotter.** 2010. “Paying for confidence: An experimental study of the demand for non-instrumental information.” *Games and Economic Behavior*, 70(2): 304-324.
- [18] **Ferguson, Eamonn, James J. Heckman, and Philip Corr.** 2011. “Personality and economics: Overview and proposed framework.” *Personality and Individual Differences*, 51(3): 201-209.
- [19] **Filiz-Ozbay, Emel, John C. Ham, John H. Kagel, and Erkut Y. Ozbay.** 2013. “The Role of Cognitive Ability, Personality Traits and Gender in Gift Exchange Outcomes.” mimeo.
- [20] **Fischbacher, Urs.** 2007. “z-Tree: Zurich Toolbox for Ready-made Economic Experiments.” *Experimental Economics*, 10(2): 171-178.
- [21] **Gerber, Alan S., Gregory A. Huber, David Doherty, and Conor M. Dowling.** 2011. “Personality Traits and the Consumption of Political Information.” *American Politics Research*, 39(1): 32-84.

- [22] **Ghirardato, Paolo, Fabio Maccheroni, and Massimo Marinacci.** 2004. “Differentiating Ambiguity and Ambiguity Attitude.” *Journal of Economic Theory*, 118(2): 133–173.
- [23] **Gilboa, Itzhak and David Schmeidler.** 1989. “Maxmin Expected Utility with a Non-Unique Prior.” *Journal of Mathematical Economics*, 18(2): 141-153.
- [24] **Gigerenzer, Gerd.** 2004. “Fast and frugal heuristics: The tools of bounded rationality.” In D. J. Koehler and N. Harvey (Eds.) *Blackwell handbook of judgment and decision making*, Oxford, United Kingdom: Blackwell: 62–88.
- [25] **Holt, Charles and Susan Laury.** 2002. “Risk Aversion and Incentive Effects.” *American Economic Review*, 92(5): 1644-1655.
- [26] **Lauriola, Marco and Irwin P. Levin.** 2001. “Personality traits and risky decision-making in a controlled experimental task: an exploratory study.” *Personality and Individual Differences*, 31: 215-226.
- [27] **Lo, Andrew R., Dmitry V. Repin, and Brett N. Steenbarger.** 2005. “Fear and Greed in Financial Markets: A Clinical Study of Day-Traders.” *American Economic Review Papers and Proceedings*, 95(2): 352-359.
- [28] **McDaniel, Stephen R.** 2002. “Investigating the Roles of Gambling Interest and Impulsive Sensation Seeking on Consumer Enjoyment of Promotional Games.” *Social Behavior and Personality*, 30(1): 53-64.
- [29] **Menezes, Carmen, Charles Geiss, and John Tressler.** 1980. “Increasing downside risk.” *American Economic Review*, 70(5): 921–932.
- [30] **Modnak, Jeffery J. and Karen D. Halperin.** 2008. “A Framework for the Study of Personality and Political Behaviour.” *British Journal of Political Science*, 38(2): 335-362.
- [31] **Morton, Rebecca, Jean-Robert Tyran, and Erik Wengstrom.** 2011. “Personality Traits and the Gender Gap in Ideology.” Mimeo.
- [32] **Morton, Rebecca, Jean-Robert Tyran, and Erik Wengstrom.** 2011. “Income and Ideology: How Personality Traits, Cognitive Abilities, and Education Shape Political Attitudes.” Mimeo.

- [33] **Mueller, Gerrit and Erik Plug.** 2006. “Estimating the Effect of Personality on Male and Female Earnings.” *Industrial and Labor Relations Review* 60(1): 3-22.
- [34] **Nicholson, Nigel, Emma Soane, Mark Fenton-O’Creevy, and Paul Willman.** 2005. “Personality and domain-specific risk taking.” *Journal of Risk Research*, 8(2): 157-176.
- [35] **Niederle, Muriel and Lise Vesterlund.** 2011. “Gender and Competition.” *Annual Review in Economics*, 3: 601-630.
- [36] **Nyhus, Ellen K. and Empar Pons.** 2005. “The Effects of Personality on Earnings.” *Journal of Economic Psychology*, 26(3): 363-84.
- [37] **Parker, Andrew M., Wandu Bruine de Bruin, and Baruch Fischhoff.** 2007. “Maximizers versus satisficers: Decision-making styles, competence, and outcomes.” *Judgment and Decision Making*, 2(6): 342–350.
- [38] **Paunonen, Sampo V. and Michael C. Ashton,** 2001. “Big Five Factors and Facets and the Prediction of Behavior.” *Journal of Personality and Social Psychology*, 81(3): 524-539.
- [39] **Proto, Eugenio and Aldo Rustichini,** 2012, “Life Satisfaction, Income, and Personality” mimeo.
- [40] **Rubinstein, Ariel.** 1988. “Similarity and decision-making under risk (is there a utility theory resolution to the Allais paradox?).” *Journal of Economic Theory*, 46(1): 145-153.
- [41] **Rustichini, Aldo.** 2009. “Neuroeconomics: What have we found, and what should we search for.” *Current Opinion in Neurobiology*, 19: 672-677.
- [42] **Schotter, Andrew and Barry Sopher.** 2003. “Social Learning and Coordination Conventions in Intergenerational Games: An Experimental Study.” *Journal of Political Economy*, 111(3): 498-529.
- [43] **Schotter, Andrew and Barry Sopher.** 2007. “Advice and behavior in intergenerational ultimatum games: An experimental approach.” *Games and Economic Behavior*, 58(2): 365-393.
- [44] **Scott, Robert C., and Philip A. Horvath.** 1980. “On the Direction of Preference for Moments of Higher Order than the Variance.” *Journal of Finance* 35(4): 915-919.

- [45] **Zuckerman, Marvin.** 1994. *Behavioral Expressions and Biosocial Bases of Sensation Seeking*. Cambridge University Press.
- [46] **Zuckerman, Marvin.** 2007. *Sensation Seeking and Risky Behavior*. Washington, DC: American Psychological Association.

A Tables

Variable	Mean	St Dev	Min	Max	Obs
Female	0.47				738
Holt-Laury choices	5.37	1.58	0	9	738
RRA ¹	0.38	0.43	-0.72	1.17	726
Neuroticism	49.55	8.58	25.78	72.47	738
Extraversion	50.05	8.64	29.66	76.79	738
Openness	51.90	10.17	21.81	75.88	738
Agreeableness	50.44	9.44	28.13	69.68	738
Conscientiousness	52.17	9.37	31.56	72.32	738
SSS ²	21.73	6.67	8	35	738
Thrill	6.94	2.59	0	10	738
Experience	6.21	2.03	2	10	738
Disinhibition	4.92	2.71	0	10	738
Boredom	3.66	2.16	0	10	738

¹ Relative risk aversion implied by Holt-Laury choices

² Sensation Seeking Scale, aggregate score

Table 1: Summary statistics

Trait	Facet	Description
Neuroticism Identifies individual tendency to experience psychological distress	Anxiety	Level of free floating anxiety
	Angry hostility	Tendency to experience anger, frustration, bitterness, etc.
Extraversion Quantity and intensity of energy directed outwards into the social world	Depression	Tendency to experience guilt, sadness, despondency and loneliness
	Self Consciousness	Shyness or social anxiety
	Impulsiveness	Tendency to act on cravings and urges rather than delaying gratification
	Vulnerability	General susceptibility to stress
Openness to Experience The active seeking and appreciation of experiences for their own sake	Warmth	Interest in and friendliness towards others
	Gregariousness	Preference for the company of others
	Assertiveness	Social ascendancy and forcefulness of expression
	Activity	Pace of living
	Excitement seeking	Need for environmental stimulation
	Positive Emotion	Tendency to experience positive emotions
	Fantasy	Receptivity to the inner world of imagination
Agreeableness The kinds of interactions an individual prefers, from compassion to tough mindedness	Aesthetics	Openness to inner feelings and emotions
	Feelings	Social ascendancy and forcefulness of expression
	Actions	Openness to new experiences on a practical level
	Ideas	Intellectual curiosity
	Values	Readiness to re-examine own values and those of authority figures
	Trust	Belief in the sincerity and good intentions of others
	Straightforwardness	Honesty and frankness in expression
Conscientiousness Degree of organization, persistence, control, and motivation in goal directed behavior	Altruism	Active concern for the welfare of others
	Compliance	Response to interpersonal conflict
	Modesty	Tendency to play down own achievements and be humble
	Tender mindedness	Attitude of sympathy for others
	Competence	Belief in own self efficacy
Neuroticism Degree of organization, persistence, control, and motivation in goal directed behavior	Order	Personal organization
	Dutifulness	Emphasis placed on importance of fulfilling moral obligations
	Achievement striving	Need for personal achievement and sense of direction
	Self Discipline	Capacity to begin and complete tasks despite boredom or distractions
	Deliberation	Tendency to think things through before acting or speaking

Table 2: The Big Five personality traits and their facets (Source: Costa and McCrae, 1992)

	Female	Risk aversion	Neuroticism	Extraversion	Openness	Agreeableness	Conscientiousness	SSS	SSS: Thrill	SSS: Experience	SSS: Disinhibition	SSS: Boredom
Female	1											
Risk aversion	0.21**	1										
Neuroticism	-0.14	0.09	1									
Extraversion	-0.17*	-0.09	-0.48***	1								
Openness	-0.13	-0.09	-0.20**	0.32***	1							
Agreeableness	0.03	-0.06	-0.14	0.05	0.30***	1						
Conscientiousness	-0.06	-0.07	-0.46***	0.25***	0.18**	0.22**	1					
SSS	-0.25***	-0.17*	-0.16*	0.44***	0.46***	-0.15*	-0.12	1				
SSS: Thrill	-0.21**	-0.16*	-0.20**	0.33***	0.20**	-0.04	-0.08	0.64***	1			
SSS: Experience	-0.05	-0.07	-0.06	0.23***	0.57***	0.07	-0.13	0.75***	0.29***	1		
SSS: Disinhibition	-0.16*	-0.02	-0.09	0.41***	0.30***	-0.16*	-0.06	0.79***	0.28***	0.58***	1	
SSS: Boredom	-0.28***	-0.26***	-0.07	0.23**	0.26***	-0.29***	-0.10	0.61***	0.16*	0.31***	0.31***	1

* significant at 10%; ** significant at 5%; *** significant at 1%

Table 3: Correlations between personality traits, relative risk aversion, and gender

Treatment Pair	Control Frequency (%)	Priority Frequency (%)	Advice Frequency (%)
L vs SR	60.98	16.67***	40.00
L vs G/L	26.83	38.10	30.00
L vs U	12.20	35.71**	15.00
SR vs G/L	60.98	45.24	45.00
SR vs U	26.83	50.00**	35.00
G/L vs U	39.02	50.00	40.00

* Significantly different from the frequency in the Control treatment at 10%;

** significant at 5%; *** significant at 1%

Table 4: Frequency choice for the riskier distribution, by treatment

Variable	Specification			
	1	2	3	4
RRA	-0.343** (0.156)	-0.301* (0.158)	-0.346** (0.174)	-0.317* (0.164)
Female		-0.135 (0.158)	-0.184 (0.169)	-0.278* (0.151)
Neuroticism			0.001 (0.009)	-0.002 (0.01)
Extraversion			-0.014 (0.016)	-0.016 (0.015)
Openness			-0.005 (0.010)	0.001 (0.01)
Agreeableness			0.002 (0.009)	-0.001 (0.009)
Conscientiousness			-0.004 (0.008)	-0.005 (0.007)
SSS			0.008 (0.022)	
Thrill				0.006 (0.035)
Experience				0.018 (0.054)
Disinhibition				0.027 (0.034)
Boredom				-0.052 (0.047)
Constant	-0.215 (0.081)	-0.172* (0.091)	0.711 (0.729)	0.963 (0.743)

Clustered (by subject) standard errors in parentheses

* significant at 10%; ** significant at 5%; *** significant at 1%

Table 5: Probit estimate of the factors correlated to riskier choices in the Control treatment

Info	Rank						Ranked First
Bottom	1	1	2	2	3	3	50.00
Middle	3	2	1	3	1	2	26.19
Top	2	3	3	1	2	1	23.81
Frequency (%)	33.33	16.67	7.14	7.14	19.05	16.67	

Table 6: Preferences over different information

Specification: Variable	5		6		7		8	
	M	T	M	T	M	T	M	T
RRA	-0.94 (0.738)	-0.36 (0.76)	-1.159 (0.76)	-0.41 (0.772)	-2.24* (1.232)	-1.389 (1.052)	-1.606 (1.446)	-0.746 (1.222)
Female			1.044 (0.661)	0.181 (0.629)	2.438** (1.053)	0.847 (0.811)	2.413** (1.1)	0.83 (0.842)
Neuroticism					0.18** (0.076)	0.08 (0.057)	0.19** (0.083)	0.094 (0.064)
Extraversion					0.168* (0.092)	0.091 (0.064)	0.153* (0.088)	0.09 (0.07)
Openness					0.05 (0.049)	0.049 (0.047)	0.052 (0.061)	0.037 (0.058)
Agreeableness					-0.059 (0.061)	-0.049 (0.049)	-0.023 (0.073)	-0.027 (0.06)
Conscientiousness					0.11** (0.054)	0.033 (0.047)	0.122** (0.062)	0.053 (0.052)
SSS					-0.116 (0.089)	-0.125* (0.074)		
Thrill							0.008 (0.168)	-0.095 (0.157)
Experience							-0.197 (0.358)	-0.038 (0.325)
Disinhibition							-0.27 (0.247)	-0.307 (0.238)
Boredom							0.219 (0.326)	0.234 (0.281)
Constant	0.004 (0.462)	-0.325 (0.494)	-0.515 (0.574)	-0.392 (0.558)	-20.763** (8.94)	-7.667 (6.966)	-24.048** (10.489)	-11.154 (7.778)

Standard errors in parentheses

* significant at 10%; ** significant at 5%; *** significant at 1%

Table 7: Multinomial Probit estimate of the factors correlated to demand for the first priority in the Priority treatment. Bottom was used as the base outcome.

Variable	Specification	
	9	10
Observed Bottom	0.24 (0.29)	0.383 (0.348)
Observed Top	1.38*** (0.35)	1.148*** (0.437)
Observed Middle	-0.41 (0.29)	-0.757* (0.394)
Observed B and T	0.62** (0.22)	0.923*** (0.227)
Observed B and M	-0.37 (0.26)	-0.486 (0.373)
Observed M and T	0.34 (0.31)	-0.070 (0.389)
Preference: B - T - M		-0.735** (0.349)
Preference: B - M - T		-0.300 (0.418)
Preference: T - B - M		-0.545 (0.344)
Preference: T - M - B		0.024 (0.312)
Preference: M - B - T		-0.219 (0.247)
Constant	-0.50*** (0.14)	-0.103 (0.275)

Clustered (by subject) standard errors in parentheses

* significant at 10%; ** significant at 5%; *** significant at 1%

Table 8: Probit estimate of the relation between information observed and riskier choices in the Priority treatment. The default is to observe 3 pieces of information

Treatment	Information	Frequency (%)
Control		37.80
Priority	Bottom	39.47
	Middle	18.18
	Top	80.95
	B - M - T	30.77

Table 9: Frequency of choice of the riskier distribution in the Control and Priority treatments, for some of the key cases of information observed

Variable	11	12
Preference: B - M - T		0.394 (0.502)
Preference: T - B - M		0.637 (0.566)
Preference: T - M - B		0.397 (0.472)
Preference: M - B - T		0.684 (0.469)
Preference: M - T - B		0.64 (0.508)
RRA	-1.22** (0.517)	-1.077** (0.52)
Female	0.772** (0.33)	0.568 (0.475)
Neuroticism	-0.002 (0.016)	-0.026 (0.026)
Extraversion	0.082*** (0.027)	0.071** (0.032)
Openness	0.001 (0.02)	-0.013 (0.026)
Agreeableness	-0.045** (0.018)	-0.045** (0.019)
Conscientiousness	0.011 (0.017)	-0.008 (0.022)
SSS	-0.016 (0.038)	-0.008 (0.042)
Constant	-2.102 (1.958)	0.74 (3.121)

Clustered (by subject) standard errors in parentheses

* significant at 10%; ** significant at 5%; *** significant at 1%

Table 10: Probit estimates of the factors correlated to riskier choices, controlling for information demand in the Priority treatment, when subjects 3 pieces of information

Variable	Specification	
	13	14
Advice to riskier distribution		1.607*** (0.516)
Information about B		-0.4 (0.508)
Information about T		0.79 (0.557)
RRA	0.123 (0.299)	-0.598** (0.275)
Female	-0.456 (0.308)	0.651** (0.282)
Neuroticism	-0.003 (0.018)	0.005 (0.012)
Extraversion	-0.013 (0.015)	0.03 (0.019)
Openness	-0.024 (0.017)	-0.019 (0.015)
Agreeableness	0.018 (0.014)	-0.02 (0.012)
Conscientiousness	0.015 (0.017)	0.000 (0.011)
SSS	0.029 (0.026)	0.019 (0.021)
Constant	-1.088 (2.137)	-1.438 (1.729)

Clustered (by subject) standard errors in parentheses

* significant at 10%; ** significant at 5%; *** significant at 1%

Table 11: Probit estimate of the factors correlated to riskier choices by DMs depending on advice received in the Advice treatment

Variable	Specification		
	15	16	17
Advice to the right distribution	-0.903** (0.403)		-1.101** (0.506)
Information about B	0.368 (0.507)		0.65 (0.525)
Information about T	0.56 (0.496)		1.089* (0.591)
RRA		-0.394 (0.519)	-0.221 (0.528)
Female		1.361*** (0.466)	1.501*** (0.474)
Neuroticism		0.008 (0.016)	0.007 (0.015)
Extraversion		0.049*** (0.016)	0.063*** (0.02)
Openness		-0.046* (0.027)	-0.065** (0.02)
Agreeableness		0.059*** (0.021)	0.074*** (0.021)
Conscientiousness		-0.053*** (0.021)	-0.055*** (0.021)
SSS		0.026 (0.048)	0.038 (0.05)
Constant	1.252*** (0.178)	-0.459 (2.277)	-1.091 (2.162)

Clustered (by subject) standard errors in parentheses

* significant at 10%; ** significant at 5%; *** significant at 1%

Table 12: Probit estimates of the factors correlated to following advice, for deciders in the Advice treatment

Variable	Specification			
	18	19	20	21
RRA	0.292 (0.207)	0.332* (0.193)	0.114 (0.151)	0.090 (0.153)
Female		0.284 (0.189)	0.34** (0.152)	0.325* (0.17)
Neuroticism			0.011 (0.01)	0.006 (0.011)
Extraversion			0.003 (0.007)	-0.0001 (0.014)
Openness			-0.018*** (0.006)	-0.017** (0.008)
Agreeableness			-0.01 (0.007)	-0.003 (0.007)
Conscientiousness			0.019** (0.01)	0.013 (0.01)
SSS			0.016** (0.007)	
Thrill				-0.026 (0.028)
Experience				0.003 (0.11)
Disinhibition				0.053 (0.057)
Boredom				0.02 (0.028)
Constant	-0.445*** (0.104)	-0.634*** (0.19)	-1.212 (0.87)	-0.721 (0.891)

Clustered (by subject) standard errors in parentheses

* significant at 10%; ** significant at 5%; *** significant at 1%

Table 13: Probit estimates of the factors correlated to giving advice toward the riskier option, for advisers in the Advice treatment

Specification: Variable	22		23		24		25	
	M	T	M	T	M	T	M	T
RRA	-0.085 (0.473)	0.199 (0.52)	0.019 (0.412)	0.34 (0.452)	-0.567 (0.56)	-0.645 (0.497)	-3.507*** (1.345)	-3.516*** (1.317)
Female			0.778* (0.471)	0.913* (0.474)	1.223** (0.476)	1.393*** (0.35)	1.813*** (0.554)	1.981*** (0.49)
Neuroticism					0.032 (0.039)	0.023 (0.022)	-0.002 (0.048)	-0.015 (0.038)
Extraversion					0.036 (0.039)	0.039 (0.025)	-0.144* (0.082)	-0.141** (0.072)
Openness					-0.038 (0.032)	-0.068*** (0.023)	-0.068 (0.045)	-0.095** (0.043)
Agreeableness					-0.002 (0.028)	-0.016 (0.015)	0.028 (0.033)	0.025 (0.021)
Conscientiousness					-0.018 (0.032)	0.023 (0.025)	-0.07 (0.05)	-0.039 (0.043)
SSS					-0.074** (0.037)	-0.043 (0.027)		
Thrill							0.086 (0.131)	0.063 (0.111)
Experience							-0.936*** (0.325)	-0.991*** (0.304)
Disinhibition							0.595*** (0.218)	0.654*** (0.239)
Boredom							-0.456** (0.219)	-0.397* (0.21)
Constant	1.023*** (0.283)	0.323 (0.314)	0.583 (0.388)	-0.218 (0.444)	1.838 (3.472)	0.827 (2.479)	19.092** (9.555)	18.307** (8.618)

Clustered (by subject) standard errors in parentheses

* significant at 10%; ** significant at 5%; *** significant at 1%

Table 14: Multinomial Probit estimate of the factors correlated to the reason given as advice, for advisers. Bottom was used as the base outcome.

Treatment		N	E	O	A	C	SSS
Direct							
Control	Riskier Choice						
Priority	Info. Demand*	$+M$	$+M$			$+M$	$-T$
Advice	Follow Advice		+	-	+	-	
Advice	Give Risky Adv.			-		+	+
Indirect							
Priority**	Riskier Choice		+		-		
Advice	Riskier Choice						

* Compared to the baseline of ranking B first in the priority.

** For the case when subjects observe 3 pieces of information.

Table 15: Key (statistically significant) relations between personality traits and behavior

Position in ranking	Reason	Female	Risk Aversion	Neuroticism	Extraversion	Openness to Experience	Agreeableness	Conscientiousness	Sensation Seeking
(1)	B	-0.169	0.126	0.17	-0.381**	-0.122	0.032	-0.269*	-0.056
(2)	T								
(3)	M								
(1)	B	0.021	0.069	-0.269*	0.41***	0.194	-0.04	0.123	0.26*
(2)	M								
(3)	T								
(1)	T								
(2)	B	0.066	0.039	0.075	-0.146	-0.259*	0.046	0.042	-0.258*
(3)	M								
(1)	T	-0.107	-0.018	-0.019	0.076	0.189	-0.06	-0.071	0.055
(2)	M								
(3)	B								
(1)	M	-0.119	-0.021	0.194	-0.093	0.138	-0.196	-0.00	0.134
(2)	B								
(3)	T								
(1)	M	0.319**	-0.203	-0.106	0.152	-0.138	0.155	0.247	-0.15
(2)	T								
(3)	B								

* significant at 10%; ** significant at 5%; *** significant at 1%

Table 16: Correlations between personality traits and ranking of pieces of information in the Priority treatment

Choice	Value	Probability			
		L	SR	G/L	U
0	-5	0	0	0.023504	0
1	0	0.000326	0.005157	0.026115	0.350001
2	1	0.000651	0.010314	0.029017	0.105
3	2	0.001303	0.020629	0.032241	0.0315
4	3	0.002606	0.041257	0.035824	0.00945
5	4	0.005212	0.082515	0.039804	0.002835
6	5	0.010423	0.077924	0.044227	0.000851
7	6	0.020847	0.073588	0.049141	0.000255
8	7	0.041694	0.069494	0.054601	7.65E-05
9	8	0.083388	0.065627	0.060668	2.3E-05
10	9	0.166775	0.061976	0.067409	6.89E-06
11	10	0.33355	0.058528	0.074898	2.07E-06
12	11	0.166775	0.055271	0.067409	6.89E-06
13	12	0.083388	0.052196	0.060668	2.3E-05
14	13	0.041694	0.049292	0.054601	7.65E-05
15	14	0.020847	0.04655	0.049141	0.000255
16	15	0.010423	0.04396	0.044227	0.000851
17	16	0.005212	0.041514	0.039804	0.002835
18	17	0.002606	0.039204	0.035824	0.00945
19	18	0.001303	0.037023	0.032241	0.0315
20	19	0.000651	0.034963	0.029017	0.105
21	20	0.000326	0.033018	0.026115	0.350001
22	25	0	0	0.023504	0
Variance		3.907492	26.209200	40.031050	92.224839

L stands for low variance, SR for skewed to the right, G/L for gains and losses, U because it is U shaped.

Table 17: Distributions subjects were shown