

Title: “Does a promise script work to reduce the hypothetical bias? Evidence from an induced value experiment”

General Remarks

This paper investigates whether to make a promise before an experiment reduces the hypothetical bias when preferences are controlled by induced values. The author uses an n-th price auction in order to elicit preferences. Four treatments are implemented: (1) baseline (i.e. no monetary incentive, no promise), (2) promise, (3) monetary incentive, and (4) promise and monetary incentive.

The paper is clearly written. It makes an additional and rather methodological point: Making an oath is for many applications a very tight requirement and may also be unfamiliar to many people (e.g. in China). That’s why a promise may be an alternative which is a weaker requirement and also reduces the hypothetical bias in preference elicitation studies.

Specific Comments

1. “all treatments” in the abstract. Before you introduce the treatments, I think, it does not make sense to refer to all treatments. You should find a different phrase here.
2. Footnotes 1 and 2 are much too long. Either cut the footnotes or put them (in a shorter version) into the main text.
3. P. 3: The motivation of your approach should be improved. Firstly, you should give the general motivation for your approach. Secondly, you should motivate why you have chosen China as an example of a country where a promise is better suited than an oath.
4. P. 4: Paragraph on experimental design. The sentence “I run experiments in China” is redundant. See p. 5. There you write the same sentence and it makes sense to explain this here.
5. P. 5: explain the abbreviation BDM (Becker-deGroot-Marschak) and give the reader a source.
6. P. 5. “...drawn from $2 - N$...”. This looks as if you subtract N from 2 which is of course not the case here. Better from $[2, N]$. See also p. 6 where you use $N - 1$.
7. P. 6: What is the monetary unit of the values in the demand function? I case it is not RMB but some kind of experimental currency you should indicate the exchange rate.
8. P. 7: You should indicate what is the average earning in a student job in the city where the experiments were run. Or something else to make clear what the RMB amount you paid is worth.
9. P. 8, last paragraph before Section 3: Make clear that subjects signed a document (which is shown in Figure 1). It sounds here as if they make the promise only verbally.
10. P. 8: Again you write that the n-th price action has specific advantages. This is redundant. You already explain this on p. 4-5.
11. P. 8: I guess “private” = “induced” but I think you should explain this once.
12. Table 4 and NOT Table 3.
13. I miss the number of independent observations per treatment. Is it $72/4 = 18$?

14. Regression: Did you control for socioeconomic characteristics? I think you should do this.

Minor Comments

1. P. 2: 4th line and 7th line: Missing space.
2. P. 6: missing period. 3rd line from below.
3. P 10 missing space “ $z = -1.723(p =$ ”
4. Table 5: Please check the notation. Better “notation^a”, and “Bids \pm 10%^b”

I suggest inviting the author to resubmit their paper. If the above mentioned points are considered, I believe the paper would make an interesting point and would be worth being published.