Fairness crowded out by law:
An experimental study on withdrawal rights

by

GEORG BORGES AND BERND IRLENBUSCH

Appendix

Instructions

Basics

Both buyers (he) and sellers (she) participate in this experiment, whose role is determined in the beginning of the experiment at random. In total 5 sellers and 25 buyers take part. {*Treatments law* and *law_rc*: 5 buyers are assigned to each seller, also randomly}.
Buyers have the option to order various goods (G), which meet their needs or do not. Their suitability, however, can only be assessed ex-post, i.e. after the good's reception.

{*Treatment vol*: ***Each seller has the option to grant a right of return. Sellers are not obliged to do so, it is at their discretion. This right entitles the buyer to return the good after its reception without payment, i.e. the buyer can return the good and does not have to pay for it.***}
{*Treatment law* and *law_rc*: ***Buyers have, by law, an unqualified right to return the good. This right entitles them to return the good after its reception without payment, i.e. the buyer can return the good and does not have to pay for it.***}

{*Treatment vol*: Sellers decide at the beginning of the experiment, whether they grant a right of return or not, independent from further parameters (such as price, order costs, etc.). Yet, their decision binds them for the length of the experiment. Consequently, this means that buyers have the choice between sellers that offer a right of return and those who do not (except for the two extreme cases where all sellers offer a right of return or none do).}

{*Treatment vol*: Besides the decision about whether to grant a right of return or not, the experiment consists of a specific number of order transactions, with the buyers as transactors.}
{*Treatment law* and *law_rc*: The experiment consists of a specific number of order transactions, with the buyers as transactors.}
With each order the buyer incurs some fixed costs, i.e. the costs are the same irrespective of whether he orders one good or two and whether he returns or keeps a good.

Buyers' decisions

In this experiment three different kinds of order transactions exist, each leading to different results in terms of the buyers' and sellers' payoffs.

1) In the context of order transactions of type 1 the good is valuable to the buyer as he can temporarily use it.

   a) {*Treatment vol*: In case the seller has granted a right of return, the buyer can choose between two options:}

      {*Treatment law* and *law_rc*: The buyer can choose between two options:}

      i. He does not order the good, i.e. he abstains from ordering.
      ii. He orders G, uses it and returns afterwards.

      Ad (i) In the first case, nothing happens, no payments are made. Thus no bookings take place in the seller's and buyer's accounts.

      Ad (ii) In the second case the buyer enjoys the benefits (payoff) of G's temporary use. Its value is credited into his accounts. Due to the return of the good, the seller incurs the return cost. Her account is debited with this negative payoff. {*Treatment law_rc*: The buyer incurs return costs as well.}

   b) {*Treatment vol*: In case the seller did not grant a right of return, the buyer can choose between two options as well.

      i. He does not order anything, i.e. abstains from ordering.
      ii. He orders G, pays for G and keeps it.

      Ad (i) In the first case, nothing happens, no payments are made. Thus no bookings take place in the seller's and buyer's accounts.

      Ad (ii) In the second case the buyer realises the value of G's continuous use (keeping). Yet, for this use he has to pay the good's price to the seller. Since the value of the price is higher than the value of enjoying the benefits from keeping G, the buyer's overall payoff is negative in this case. The seller realises a positive payoff, which is the difference between the amount she receives from the buyer (the price) and G's procurement costs.}

2) In the context of order transactions of type 2 the good is valuable to the buyer as he keeps and continuously uses it (keeping). Good G is produced in two variants G1 and G2, to be sold at the same price. Nevertheless, only one of them is valuable to the buyer (with $v>0$), the other one is without benefit to him ($v=0$) . Yet, which one is valuable (suitable), can only be assessed ex-post, i.e. after the good's reception. Which G is valuable is probabilistically

determined: With a probability q (e.g. 70%) G1 is suitable and G2 is not. With the counter-probability (e.g. 30%) G2 is suitable and G1 is not. If the buyer wants to keep either one, he has to pay the price. Then, the seller realises a positive payoff, which is the difference between the amount she receives from the buyer (the price) and G's procurement costs. If the buyer returns the good, then the seller has to bear the costs of either variant's return.

a) {*Treatment vol*: In case the seller has granted a right of return, the buyer can choose between three options:}

{*Treatment law* and *law_rc*: The buyer can choose between three options:}

   i. He does not order the good, i.e. he abstains from ordering.
   ii. He orders G1. If he realises (ex-post, i.e. after the G1's reception) that the good does not meet his needs, i.e. for him G1 has the value 0, he returns G1. Then he orders G2 and keeps it.
   iii. He orders G1 and G2. Since he realises (ex-post, i.e. after the goods' reception), which one is valuable and which is not, he keeps the variant with value *v* and returns the other variant (with v=0).

Ad (i) In the first case, nothing happens, no payments are made. Thus no bookings take place in the seller's and buyer's accounts.

Ad (ii) In the second case the buyer receives a positive payoff. Its amount depends on the fact whether G1 is valuable (with value v) or not (v=0), the size of v, the price, as well as the order costs.

{*Treatment law_rc*: and the return costs.}

The seller's payoff mainly depends on the fact whether G1 is valuable or not. For, in nearly all the cases, when G1 is valueless, she realises a negative payoff.

Ad (iii) Here, in the third case, the buyer can (potentially) realise a higher payoff than in the second case, since he can save the order costs of a second order (if G1 is valueless).

{*Treatment law_rc*: Nonetheless, he has to bear the return costs in any case.}

In comparison to the second case, the seller is at a disadvantage in this case, as necessarily (one good is returned in any case) she must bear the return costs of one good, which often results in negative payoffs for her.

b) {*Treatment vol*: In case the seller did not grant a right of return, the buyer can choose between three options as well.

   i. He does not order anything, i.e. abstains from ordering.
   ii. He orders G1. If he realises (ex-post, i.e. after the G1's reception) that the good does not meet his needs, i.e. for him G1 has the value 0, he keeps G1. Then he orders G2 and keeps it.

iii. He orders G1 and G2 and keeps both.

Ad (i) In the first case nothing happens, no payments are made. Thus no bookings take place in the seller's and buyer's accounts.

Ad (ii) In the second case the buyer can receive a positive or negative payoff. This depends on the fact whether G1 or G2 is valuable (with value v) or not (v=0), the size of v, and the price as well as the order costs. Most often, the buyer's payoff is negative. The seller always realises a positive payoff.

Ad (iii) In the third case the buyer's payoff is always negative. The seller's payoff is always positive and higher than in the second case.}

3) In the context of order transactions of type 3 the good is valuable to the buyer as he keeps and continuously uses it (keeping). Good G is produced in two variants G1 and G2, to be sold at the same price. Yet, this time, independently from each other , they are valuable or valueless: With a probability q_1 (e.g. 80%) G1 is suitable, i.e. it yields benefits to the buyer (with v>0), otherwise it is valueless. With a probability q_2 (e.g. 50%) G2 is suitable, i.e. it yields benefits to the buyer (with v>0), otherwise it is valueless. The value can only be assessed ex-post, i.e. after the good's reception. Furthermore, the same applies as in the context of order transactions of type 2.

a) {*Treatment vol*: In case the seller has granted a right of return, the buyer can choose between three options:}

{*Treatment law* and *law_rc*: The buyer can choose between three options:}

i. He does not order the good, i.e. he abstains from ordering.

ii. He orders G1. If he realises (ex-post, i.e. after the G1's reception) that the good does not meet his needs, i.e. for him G1 has the value 0, he returns G1 and orders G2. If he realises (ex-post, i.e. after G2's reception) that even G2 does not meet his needs, i.e. for him also G2 has the value 0, he returns G2 as well.

iii. He orders G1 and G2. Once he realises (ex-post, i.e. after the goods' reception), which values are attached to which variant, he proceeds as follows: If both variants are valueless (i.e. both have the value v=0), he returns both. If one variant is valueless (v=0) and the other one is valuable (v) to the buyer, he returns the valueless one and keeps the one, which is valuable.

Ad (i) In the first case, nothing happens, no payments are made. Thus no bookings take place in the seller's and buyer's accounts.

Ad (ii) In the second case the buyer can receive a positive or a negative payoff of different size. This depends on the fact whether G1 or G2 is valuable (with value v) or not (v=0), furthermore on the size of v, the price, as well as the order costs.

{*Treatment law_rc*: and the return costs.}

The seller's payoff mainly depends on the fact whether G1 is valuable or not. For, in nearly all the cases, when G1 is valueless, she realises a negative payoff.

Ad (iii) Here, in the third case, the buyer's payoff (if G1 is valueless, i.e. v=0) is higher than in the second case, since he can save the order costs of a second order.

{*Treatment law_rc*: Nonetheless, he has to bear the return costs in any case.}

Furthermore the same applies as in the second case.

In comparison to the second, this case is much less favourable to the seller, as necessarily (one good is returned in any case) she must bear the return costs of one good, which often results in negative payoffs for her. If both variants are returned, the negative payoff for her can be rather large.

{*Treatment law_rc:* In this case also the buyer has to bear the each variant's return costs, i.e. the return costs for both.}

b) {*Treatment vol*: In case the seller did not grant a right of return, the buyer can choose between three options as well.

   i. He does not order anything, i.e. abstains from ordering.
   ii. He orders G1. If he realises (ex-post, i.e. after the G1's reception) that the good does not meet his needs, i.e. for him G1 has the value 0, he orders G2 and keeps it.
   iii. He orders G1 and G2 and keeps both.

Ad (i) In the first case, nothing happens, no payments are made. Thus no bookings take place in the seller's and buyer's accounts.

Ad (ii) In the second case the buyer can receive a positive or negative payoff. This depends on the fact whether G1 or G2 is valuable (with value v) or not (v=0), furthermore on the size of v, the price, and the order costs. Most often, the buyer's payoff is negative. The seller always realises a positive payoff.

Ad (iii) In the third case, the buyer's payoff is always negative. The seller's payoff is always positive and higher than in the second case since the buyer pays the price for both variants G1 and G2.}

Overall payoffs

Regarding the overall payoffs for both sellers and buyers, the following holds:

{*Treatment vol*: ***The buyer's overall payoff depends first most on whether the seller granted a right of return or not.***}

If the seller granted a right of return, then, in the context of order transactions of type 1, the buyer can maximise his overall payoff by choosing the ii. option (ordering G, using and then returning it). In the context of order transaction of the types 2 and 3, he can maximise his payoffs by choosing the iii. option (ordering both variants at the same time). In this way he can save order costs.

{*Treatment law_rc:* but he has to bear the return costs.}

The difference between options ii. and iii. depends on the size of the order costs

{*Treatment law_rc:* and the return costs}

as well as on the probability q and q_1 respectively, i.e. on the probability whether the first variant is valuable or not.

The seller's overall payoff depends on

{*Treatment vol*: the fact whether she grants a right of return or not and}

how buyers decide on average.

Regarding the effects of the buyers' behaviour on the sellers' payoffs, the following holds:

The more often buyers exercise their right of return, the lower is the sellers' overall payoff. Hereby it is most importance whether buyers exercise their right of return even in those cases where the implications of the right's exertion are particularly disadvantageous to the sellers.

{*Treatment vol*: If the seller does not grant a right of return, then his overall payoff mainly depends on how this affects the buyers' tendency to order, i.e. how much they order even if they cannot return the good. The buyers' overall payoff mainly depends on how much they order and to what extent the risk to receive a valueless good (v=0) materialises.}

At the beginning of the experiment an endowment in "Taler" is booked into each of the participants' accounts. "Taler" earned/ lost in the course of the experiment are concurrently credited to/ debited from the participants' respective accounts. At the end of the experiment, the amount of "Taler" in each of the participants' accounts will be exchanged at a rate of € 0.06 per 1 "Taler". The experiment concludes by paying out that amount in € to each of the participants individually and anonymously.

Excerpt from the German Civil Code (Bürgerliches Gesetzbuch, BGB)

§ 312b Distance contracts

(1) Distance contracts are contracts for the delivery of goods or the supply of services which are concluded between a businessperson and a consumer exclusively by means of distance communication, unless the conclusion of the contract takes place otherwise than in the framework of a an organized distance sales or service-provision scheme.

(2) Means of distance communication are means of communication which can be used with a view to or in order to conclude a contract between a consumer and a businessperson without the simultaneous physical presence of the contracting parties, in particular, letters, catalogues, telephone calls, telefax, emails, and radio, television and media services.

(3) The provisions on distance contracts do not apply to contracts

1. concerning distance learning (§ 1 of the Distance Learning Protection Act

2. concerning time-sharing of residential premises (§ 481),

3. concerning financial services, in particular bank transactions, finance and investment services and insurances and their arrangement, except contracts for the arrangement of loans,

4. concerning the transfer of immovable property or other immovable property rights, the creation, transfer and annulment of real rights in land or other immovable property rights, and the construction of buildings,

5. concerning the delivery of foodstuffs, beverages or other goods intended for everyday consumption supplied to the home of the consumer, to his residence or to his workplace by regular roundsmen,

6. concerning the provision of accommodation, transport, catering or leisure services, where the businessperson undertakes, when the contract is concluded, to provide these services on a specific date or within a precisely specified period, or

7. which are concluded

a) by means of automatic vending machines or automated commercial premises, or

b) with telecommunications operators through the use of public payphones in so far as they concern the use of those payphones.

§ 312c Information to be given to consumers in the case of distance contracts

(1) In good time prior to the conclusion of any distance contract, the consumer must be provided with the following information in a clear and comprehensible manner in any way appropriate to the means of distance communication used, of

1. the details of the contract specified by the Regulation under Article 240 of the Introductory Act to the Civil Code and

2. the commercial purpose of the contract.

In the case of telephone communications, the identity of the businessperson and the commercial purpose of the call must be made explicitly clear at the beginning of any conversation with the consumer.

(2) The businessperson must inform the consumer in textual form of the information specified in the Regulation under Article 240 of the Introductory Act to the Civil Code to the extent specified therein and in the manner laid down therein, in good time, at the latest by the completion of performance of the contract or, where goods are concerned, at the latest at the time of delivery to the consumer.

(3) Subsection (2) above does not apply to services which are performed through the use of a means of distance communication, where they are supplied in one go and are invoiced by the operator of the means of distance communication. Nevertheless, the consumer must in all cases be able to obtain the geographical address of the place of business of the businessperson to which he may address any complaints.

(4) More extensive restrictions of the use of means of telecommunication and more extensive duties to provide information on the basis of other provisions are unaffected.

§ 312d Right of revocation and return in distance contracts

(1) In the case of a distance contract the consumer has a right of revocation under § 355. In the case of contracts for the delivery of goods, the consumer may be granted a right of return under § 356 instead of the right of revocation.

(2) In derogation from § 355 (2), sentence 1, the revocation period does not commence before the duties to provide information in accordance with § 312c (1) and (2) have been fulfilled; in the case of the delivery of goods not before the day on which they reach the recipient; in the case of a recurring deliveries of goods of the same kind, not before the day on which the first instalment reaches the recipient; and in the case of services, not before the day on which the contract is concluded. § 355 (2), sentence 2, does not apply.

(3) In the case of a service, the right of revocation also expires if the businessperson has begun to provide the service with the express consent of the consumer before the end of the revocation period or if the consumer himself has occasioned this.

(4) Save where otherwise provided, there is no right of revocation in the case of distance contracts

1. for the delivery of goods made to the consumer's specifications or clearly personalized or which, by reason of their nature, cannot be returned or are liable to deteriorate or expire rapidly or where the recommended period for their consumption would be exceeded,

2. for the delivery of audio or video recordings or of software which were unsealed by the consumer,

3. for the delivery of newspapers, periodicals and magazines,

4. for gaming and lottery services, or

5. concluded by way of auction (§ 156).

Right of revocation and of return in consumer contracts

§ 355 Right of revocation in consumer contracts

(1) If a consumer is granted a statutory right of revocation under this provision, he is no longer bound by his declaration of intention to conclude the contract if he has revoked it in good time. The revocation does not have to state any grounds and must be declared to the businessperson in textual form or by return of the thing within two weeks; punctual dispatch suffices to comply with the time limit.

(2) The period begins when the consumer has been informed in textual form by a clearly formulated notice of his right of revocation which makes clear to him the nature of his rights in accordance with the requirements of the means of communication used, which also states the name and address of the person to whom revocation is to be declared and refers to the beginning of the period and the rules in subsection (1), sentence 2 above. Except in the case of contracts authenticated by a notary, it is to be signed separately by the consumer or provided by him with a qualified electronic signature. If the contract is to be made in writing, the period does not begin until the consumer has also been provided with a contract document, his written application or a copy of the contract document or of the application. If the beginning of the period is disputed, the businessperson bears the burden of proof.

(3) The right of revocation ceases to exist at the latest six months after the conclusion of the contract. In the case of the delivery of goods the period does not begin before the day on which they reach the consignee.

§ 356 Right of return in consumer contracts

(1) To the extent expressly allowed by statute, the right of revocation may, where the contract is concluded on the basis of a catalogue, be replaced in the contract by an unrestricted right of return. It is a precondition that

1. the catalogue contains a clearly presented notice concerning the right of return,

2. the consumer could peruse the contract in detail in the absence of the businessperson, and

3. the right of return is granted to the consumer in textual form.

(2) The right of return may be exercised within the revocation period, which does not, however, begin before receipt of the thing, and only by return of the thing or, if it cannot be dispatched as a parcel, be exercised by a demand for collection. § 355 (1), sentence 2 applies mutatis mutandis.

§ 357 Legal consequences of revocation and return

(1) Save where otherwise provided, the provisions on statutory termination apply mutatis mutandis to the right of revocation and return. The period laid down in § 286 (3) begins upon the consumer’s declaration of revocation or return.

(2) In the event that he exercises the right of revocation the consumer is bound to return the thing if it can be sent as a parcel. The cost and risk of return is borne by the businessperson in the event of revocation and return. If a right of revocation exists, the normal costs of return may be imposed by contract on the consumer where the value of his order does not exceed Euro 40, unless the goods delivered do not correspond to the goods ordered.

(3) In derogation from § 346 (2), sentence 1, No. 3, the consumer must pay compensation for value in respect of a deterioration in the goods as a result of their proper use, if his attention has previously been drawn in textual form to this legal consequence and to a means of avoiding it. This does not apply if the deterioration is due exclusively to inspection of the thing. § 346 (3), sentence 1, No. 3 does not apply if the consumer has been properly informed of his right of revocation or he has become aware of it in another way.

(4) More extensive claims do not exist.

Table A1: Parameter Values and (Expected) Payoffs for the Different Scenarios

scenario number	scenario type	v_b	v_u	c_o	c_{rB}	p	c_p	c_{rS}	q	q_1	q_2	payoff B (order/sim)	payoff S (order/sim)	payoff B (seq)	payoff S (seq)
1	1	15	5 (5.5)	1	0 (0.5)	19	12	3	-	-	-	4	-3	-	-
2	1	15	7 (7.5)	1	0 (0.5)	19	12	3	-	-	-	6	-3	-	-
3	1	15	4 (4.5)	1	0 (0.5)	15	11	5	-	-	-	3	-5	-	-
4	1	15	3 (3.5)	2	0 (0.5)	15	11	7	-	-	-	1	-7	-	-
5	1	12	10 (10.5)	4	0 (0.5)	15	6	4	-	-	-	6	-4	-	-
6	1	18	17 (17.5)	4	0 (0.5)	14	8	6	-	-	-	13	-6	-	-
7	1	20	10 (10.5)	5	0 (0.5)	16	8	8	-	-	-	5	-8	-	-
8	1	15	7 (7.5)	4	0 (0.5)	13	8	8	-	-	-	3	-8	-	-
9	2	22	-	4	0 (0.5)	15 (14.5)	10	8 (7.5)	0.7	-	-	3	-3	1.8 (2.2)	2.6 (2.3)
10	2	18	-	1	0 (0.5)	15 (14.5)	10	4 (3.5)	0.8	-	-	2	1	1.8 (2.2)	4.2 (3.8)
11	2	18	-	1	0 (0.5)	15 (14.5)	12	7 (6.5)	0.5	-	-	2	-4	1.5 (1.8)	-0.5 (-0.8)
12	2	16	-	1	0 (0.5)	13 (12.5)	11	9 (8.5)	0.5	-	-	2	-7	1.5 (1.8)	-2.5 (-2.8)
13	2	20	-	3	0 (0.5)	15 (14.5)	12	10 (9.5)	0.5	-	-	2	-7	0.5 (0.8)	-2.0 (-2.3)
14	2	19	-	1	0 (0.5)	15 (14.5)	10	6 (5.5)	0.9	-	-	3	-1	2.9 (3.4)	4.4 (4.0)
15	2	21	-	1	0 (0.5)	16 (15.5)	6	2 (1.5)	0.8	-	-	4	8	3.8 (4.2)	9.6 (9.2)
16	2	22	-	1	0 (0.5)	15 (14.5)	8	8 (7.5)	0.8	-	-	6	-1	5.8 (6.2)	5.4 (5.0)
17	2	21	-	1	0 (0.5)	16 (15.5)	7	2 (1.5)	0.9	-	-	4	7	3.9 (4.4)	8.8 (8.4)
18	3	20	-	1	0 (0.5)	17 (16.5)	12	7 (6.5)	-	0.8	0.4	1.6 (1.5)	-3.4 (-3.3)	1.4 (1.7)	2.2 (1.9)
19	3	19	-	1	0 (0.5)	15 (14.5)	12	8 (7.5)	-	0.7	0.5	2.4 (2.2)	-6.7 (-6.5)	2.1 (2.3)	-1.1 (-1.3)
20	3	16	-	3	0 (0.5)	15 (14.5)	10	5 (4.5)	-	0.7	0.4	-2.2 (-2.4)	-1.8 (-1.6)	-3.1 (-2.9)	1.7 (1.5)
21	3	18	-	2	0 (0.5)	13 (12.5)	11	8 (7.5)	-	0.7	0.3	2.0 (1.7)	-8.1 (-7.9)	1.4 (1.5)	-2.5 (-2.6)
22	3	22	-	3	0 (0.5)	16 (15.5)	5	4 (3.5)	-	0.4	0.3	0.5 (0.1)	0.7 (1.1)	-1.3 (-1.5)	2.3 (2.5)
23	3	23	-	3	0 (0.5)	14 (13.5)	7	4 (3.5)	-	0.4	0.3	2.2 (1.8)	-1.6 (-1.2)	0.4 (0.2)	-0.0 (0.2)
24	3	21	-	3	0 (0.5)	17 (16.5)	7	4 (3.5)	-	0.4	0.3	-0.7 (-1.1)	0.1 (0.5)	-2.5 (-2.7)	1.7 (1.9)
25	3	20	-	2	0 (0.5)	13 (12.5)	8	3 (2.5)	-	0.3	0.2	1.1 (0.5)	-2.5 (-1.9)	-0.3 (-0.7)	-1.6 (-1.2)

Values in brackets ( ) are the ones used in the treatment law_cr. Payoffs are expected values ex ante.

Table A2: Spearman Correlation Coefficients on number of choices versus different payoff measures

	payoff B (order/sim)	payoff B (seq)	increase payoff B (sim – seq)	payoff S (order/sim)	payoff S (seq)	increase payoff S (sim – seq)	difference increase payoff B – S	efficiency = increase payoff B + S	(– increase S) divided by (increase B)
scenario type 1									
#order (vol)								.708 (.050)	
#order (law)								.749 (.033)	
#order (law_rc)									
scenario type 2									
#no order (vol)	-.760 (.017)	-.767 (.016)							
#no order (law)									
#no order (law_rc)	-.870 (.002)	-.815 (.007)		-.694 (.038)	-.798 (.010)				
#sim order (vol)		-.720 (.029)	.910 (.001)						-.899 (.001)
#sim order (law)			.793 (.011)	-.669 (.049)					-.832 (.005)
#sim order (law_rc)		-.815 (.007)	.889 (.001)						.803 (.009)
#seq order (vol)	.721 (.029)	.881 (.002)	-.935 (.000)	.766 (.016)	.810 (.008)				.861 (.003)
#seq order (law)			-.793 (.011)	.678 (.045)					.807 (.009)
#seq order (law_rc)		.837 (.005)	-.906 (.001)		.667 (.050)				-.783 (.013)
scenario type 3									
#no order (vol)	-.880 (.004)	-.952 (.000)		.807 (.015)					
#no order (law)	-.881 (.004)	-.976 (.000)							
#no order (law_rc)	-.802 (.017)	-.874 (.005)		.731 (.040)		.710 (.048)	-.724 (.042)		
#sim order (vol)	.762 (.028)								
#sim order (law)	.807 (.015)	.711 (.048)							
#sim order (law_rc)									
#seq order (vol)			-.875 (.004)	-.805 (.016)		-.872 (.005)	.875 (.004)	-.825 (.012)	.825 (.012)
#seq order (law)			-.957 (.000)	-.898 (.002)		-.806 (.016)	.761 (.028)	-.810 (.015)	.810 (.015)
#seq order (law_rc)			.-854 (.007)			-.847 (.008)	.854 (.007)	-.903 (.002)	

Numbers in brackets indicate significance levels.

Table A3: Number of choices in different scenarios

Type 1 scenarios

Scenario 1

	no order	order
vol	5	43
law	4	46
law_rc	4	45

Scenario 2

	no order	order
vol	4	44
law	4	46
law_rc	0	49

Scenario 3

	no order	order
vol	5	43
law	3	47
law_rc	1	48

Scenario 4

	no order	order
vol	15	33
law	10	40
law_rc	14	35

Scenario 5

	no order	order
vol	9	39
law	1	49
law_rc	1	48

Scenario 6

	no order	order
vol	3	45
law	2	48
law_rc	1	48

Scenario 7

	no order	order
vol	3	45
law	5	45
law_rc	3	46

Scenario 8

	no order	order
vol	7	41
law	4	46
law_rc	3	46

Type 2 scenarios

(*) indicates that in this scenario the expected buyer's payoff in law_rc is higher with sequential order than with simultaneous order which is never the case in the treatments law and vol.

Scenario 9

	no order	simultaneous order	sequential order
vol	0	36	12
law	3	37	10
law_rc	0	37	12

Scenario 10 (*)

	no order	simultaneous order	sequential order
vol	2	26	20
law	0	27	23
law_rc	1	15	33

Scenario 11

	no order	simultaneous order	sequential order
vol	1	36	11
law	3	43	4
law_rc	3	40	6

Scenario 12

	no order	simultaneous order	sequential order
vol	5	32	11
law	3	37	10
law_rc	2	32	15

Scenario 13

	no order	simultaneous order	sequential order
vol	6	33	9
law	0	43	7
law_rc	2	42	5

Scenario 14 (*)

	no order	simultaneous order	sequential order
vol	0	21	27
law	0	28	22
law_rc	0	10	39

Scenario 15 (*)

	no order	simultaneous order	sequential order
vol	1	27	20
law	0	35	15
law_rc	0	20	29

Scenario 16 (*)

	no order	simultaneous order	sequential order
vol	0	24	24
law	1	29	20
law_rc	0	12	37

Scenario 17 (*)

	no order	simultaneous order	sequential order
vol	0	21	27
law	0	30	20
law_rc	0	15	34

Type 3 scenarios

(*) indicates that in this scenario the expected buyer's payoff in law_rc is higher with sequential order than with simultaneous order which is never the case in the treatments law and vol.

Scenario 18 (*)

	no order	simultaneous order	sequential order
vol	2	31	15
law	2	37	11
law_rc	2	18	29

Scenario 19 (*)

	no order	simultaneous order	sequential order
vol	1	37	10
law	0	43	7
law_rc	2	29	18

Scenario 20

	no order	simultaneous order	sequential order
vol	29	14	5
law	28	16	6
law_rc	23	17	9

Scenario 21

	no order	simultaneous order	sequential order
vol	1	29	18
law	5	37	8
law_rc	0	30	19

Scenario 22

	no order	simultaneous order	sequential order
vol	11	33	4
law	10	39	1
law_rc	14	32	3

Scenario 23

	no order	simultaneous order	sequential order
vol	8	39	1
law	9	39	2
law_rc	8	41	0

Scenario 24

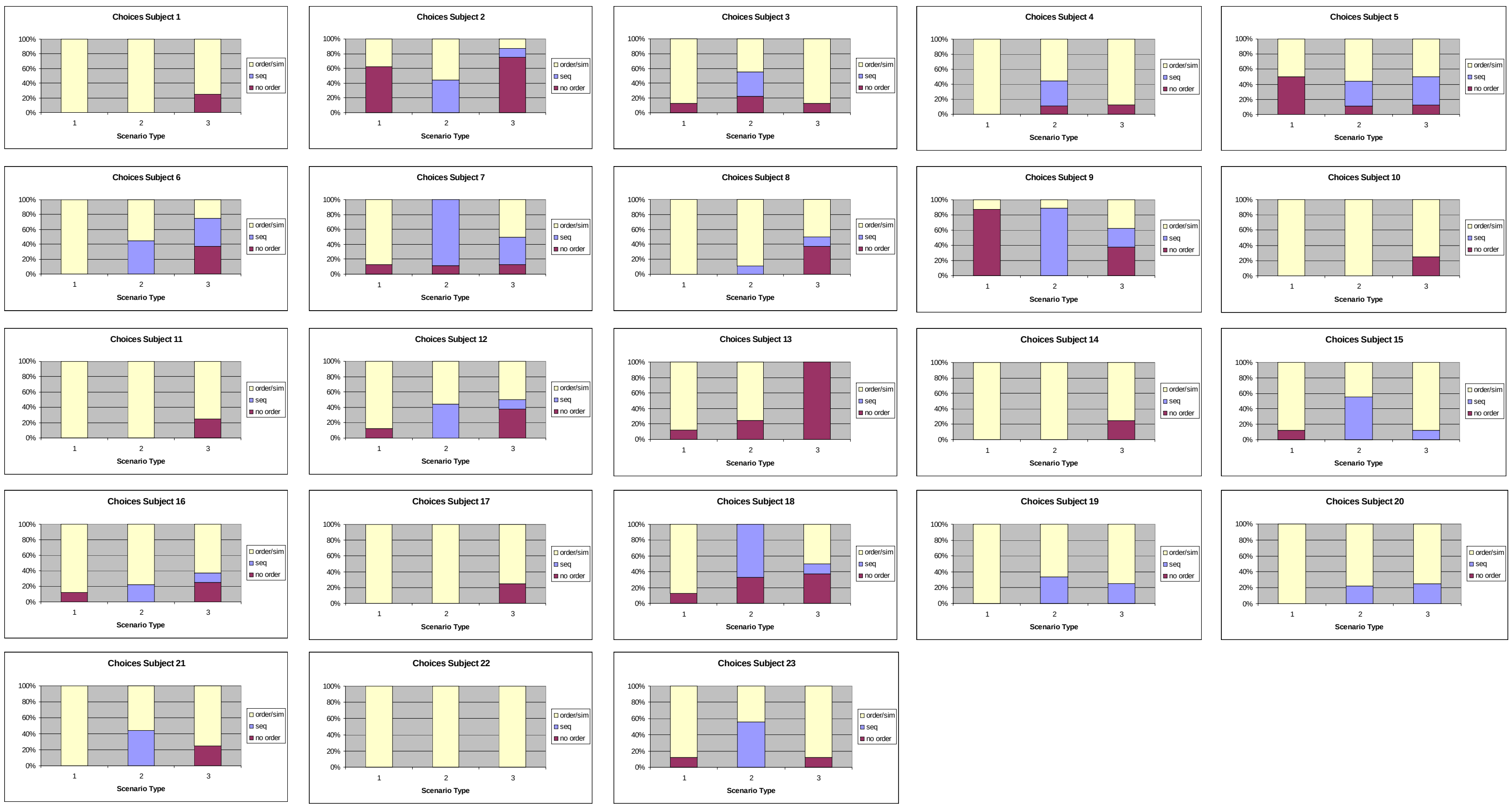
	no order	simultaneous order	sequential order
vol	20	24	4
law	23	26	1
law_rc	24	23	2

Scenario 25

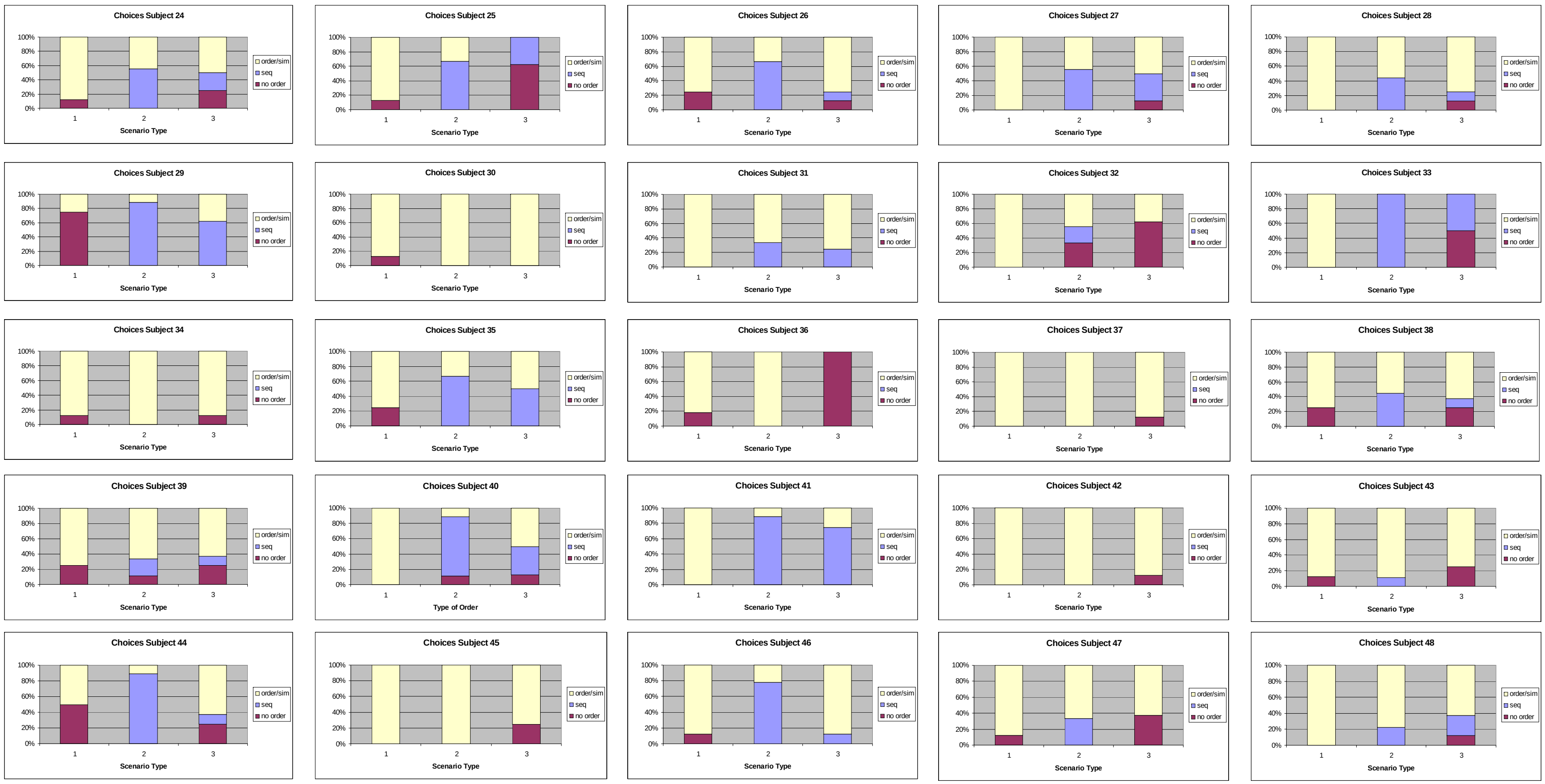
	no order	simultaneous order	sequential order
vol	8	36	4
law	18	29	3
law_rc	21	27	1

Table A4: Individual Behaviour

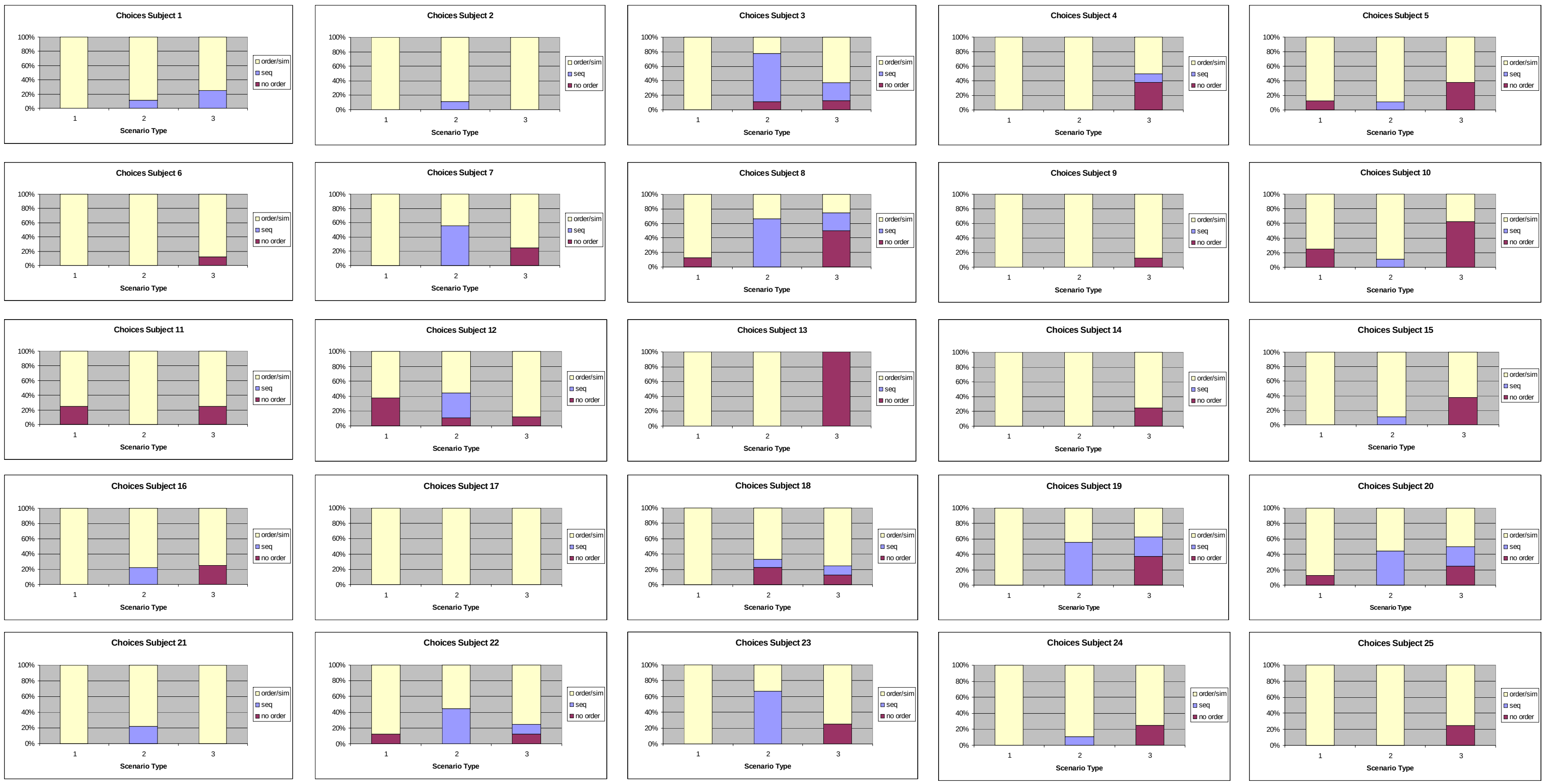
Individual Behaviour in Treatment vol



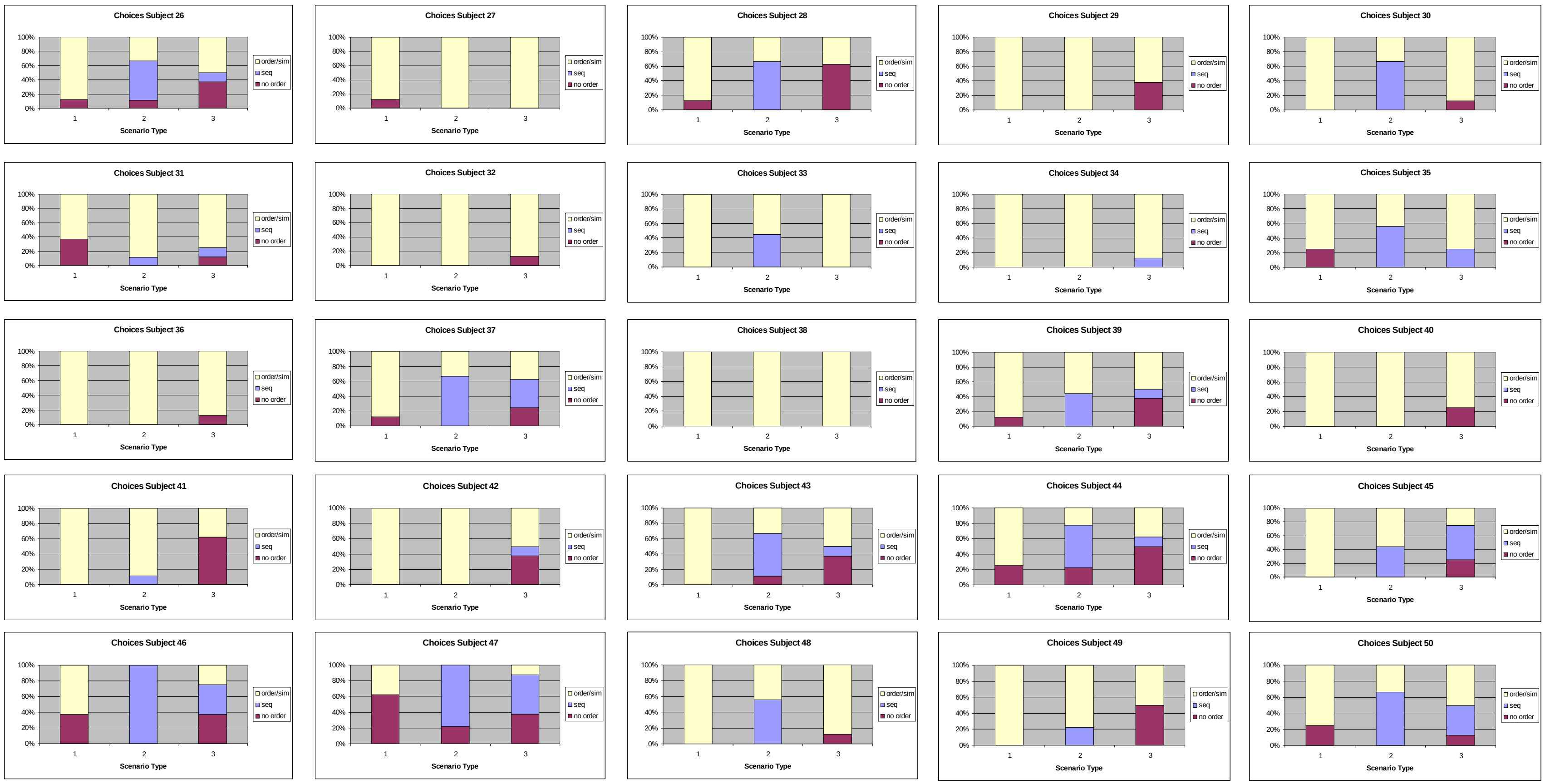
Individual Behaviour in Treatment vol



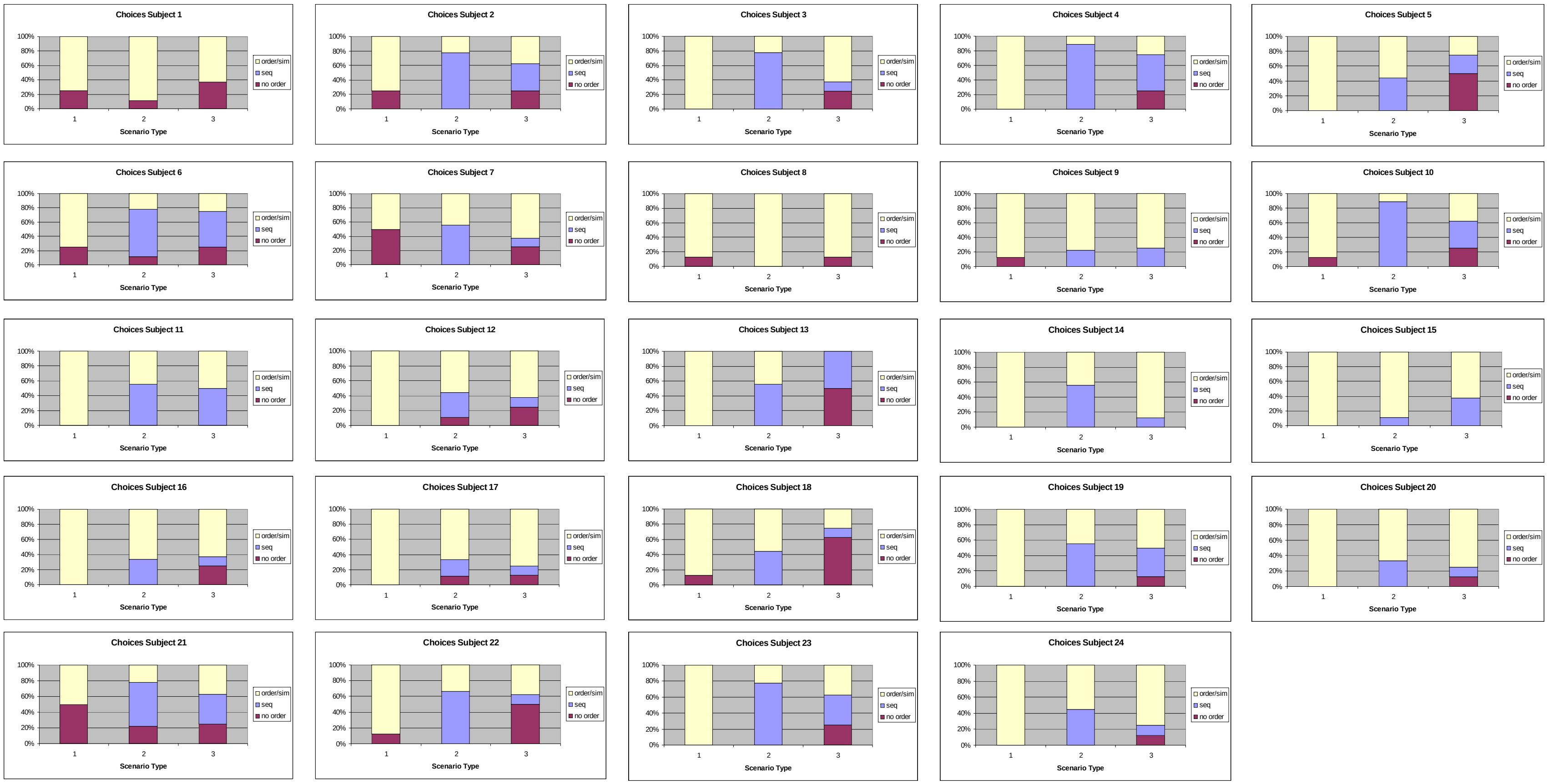
Individual Behaviour in Treatment law



Individual Behaviour in Treatment law



Individual Behaviour in Treatment law_cr



Individual Behaviour in Treatment law_cr