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Consumption Choice Hypothetical Scenario
Outline of Analysis

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1 Brief Introduction

This study tests the idea that current consumption is a substitute for information about aversive future events. Receiving information about aversive future events reduces the demand for pleasurable consumption at the time of receipt of the information, especially when consumption demand is elastic and easy to shift. We propose to generate a hypothetical scenario through an online survey to test this hypothesis, utilizing a real-life situation to represent impending consumption and a potentially negative future outcome.

2 Study Design

2.1 Online Survey
The survey consists of one question which investigates the effect of salient information about aversive future events on the demand for forthcoming pleasurable consumption. This question comes with two treatment conditions and a control condition.

During a routine medical test your doctor discovers a lump on your body. There is a 50-50 chance that it can be serious, or it could go away on its own. You get a biopsy. Information is the phone call from the doctor about the test result. Consumption is a birthday celebration with some friends this week you very much look forward to.		
Timing of information is manipulated: • Treatment 1: A phone call on Monday, when the celebration possibly happens. • Treatment 2: A phone call on Tuesday, when the celebration possibly happens. • Control: A phone call on Friday, after the celebration.	Consumption choice (when to celebrate) among: • Monday. • Tuesday. • I don't care. They are the same to me.	Participants are randomly assigned to info during celebration (treatment 1 and 2) condition and info after celebration (control) condition

2.2 Sample Size

This study will recruit a total 800 subjects. We have a control condition and two treatment conditions, with 50% allocated to the control, and 25% allocated to each of the treatment conditions. These numbers will ensure we have enough statistical power for between subject analysis. We aim to pay 40¢ per participant but with Prolific's service fee this comes out to $0.5333 per person, for $427 total.

2.3 Allocation to Treatments

Which treatment group the subject will be assigned to will be decided by a randomizer generated by Qualtrics prior to the commencement of each survey.

3 Data and Variables

Individual-level data will be collected through the Qualtrics survey distributed through Prolific, an online research platform. The population will be drawn from registered users on Prolific. Participants must be at least 18 years of age.

3.1 Qualtrics Survey data

1) Choice of when the consumption will take place.
2) Treatment indicator (Information received possibly during the celebration or after the celebration).

4 Hypothesis

Receiving salient information about aversive future events decreases demand for contemporaneous consumption. Receiving the phone call on day X will decrease people's choice to have the celebration on day X.

- Regression (OLS / logit) whether the consumption will take place on the day when the information is received.