Journal of Economic Psychology 62 (2017) 295–312

Contents lists available at ScienceDirect

Journal of Economic Psychology

journal homepage: www.elsevier.com/locate/joep

Elicited vs. voluntary promises

Huseyn Ismayilov [a], Jan Potters [b]

[a] School of Business, ADA University, 11 Ahmadbey Aghaoglu, AZ 1008 Baku, Azerbaijan
[b] CentER and Department of Economics, Tilburg University, PO Box 90153, 5000LE Tilburg, The Netherlands

ARTICLE INFO

Article history:
Received 29 July 2016
Received in revised form 16 May 2017
Accepted 17 July 2017
Available online 24 July 2017

JEL classification:
C72
C91
D03

PsycINFO classification:
2220
2260
3020

Keywords:
Promises
Communication
Cooperation
Guilt aversion
Cost-of-lying
Experiment

ABSTRACT

We set up an experiment with pre-play communication to study the impact of promise elicitation by trustors from trustees on trust and trustworthiness. When given the opportunity a majority of trustors solicits a promise from the trustee. This drives up the promise making rate by trustees to almost 100%. We find that elicited promises are more likely to be trusted than volunteered promises, but trustees who make an elicited promise are not more likely to be trustworthy than trustees who make a voluntary promise.

1. Introduction

Pre-play messages by trustees are often found to increase trust and trustworthiness in experimental games. This effect is often attributed to promises. Trustors who receive a promise are more trusting and trustees who make a promise are more trustworthy.[1] Previous studies argue that only voluntary promises are effective in enhancing trust and trustworthiness (Belot et al., 2010; Charness and Dufwenberg, 2010). Promises elicited by a third party are not as effective as promises volunteered by trustees in enhancing cooperation.

Belot et al. (2010) suggest that the moral cost of breaking a promise is lower when one is 'forced' to make a promise. Charness and Dufwenberg (2010) provide an explanation based on guilt aversion. They suggest that, unlike volunteered

E-mail addresses: hismayilov@ada.edu.az (H. Ismayilov), j.j.m.potters@uvt.nl (J. Potters)

[1] See, e.g., Bicchieri and Lev-On (2007), Charness and Dufwenberg (2006), Ismayilov and Potters (2016), Orbell et al. (1988), Ostrom et al. (1992), Sally (1995) and Vanberg (2008).

http://dx.doi.org/10.1016/j.joep.2017.07.005
0167-4870/

promises, elicited promises do not affect expectations by trustors and trustees (i.e., these promises are not believed and are not expected to be believed), and, hence, do not affect trustees' feeling of guilt when breaking a promise.

One important feature of these studies is that promises are elicited by a third party and not by the trustor. It is not clear whether a promise elicited by the trustor from the trustee would be as ineffective as the promise elicited by a third party. In particular, unlike third-party elicitation, promise elicitation by the trustor might reveal to the trustee something about the trustor's intentions and expectations, e.g., whether the trustor is willing to trust if he is assured by a promise made by the trustee. Expectations might be affected differently after a promise elicited by the trustor than a promise elicited by a third party.

If the trustor asks for a promise, it might suggest to the trustee that the trustor is willing to rely on a promise made by the trustee. 'Otherwise, why would the trustor ask for a promise?' the trustee might think. A book on influence (Yeung, 2011) recommends to ask for a promise from one's contracting partner: "If you would like a customer to call you . . .ask 'Will you call me back next week?' and get the customer to say 'yes'. If you're nearing the end of a first date, don't say 'It would be great to meet again.' Ask: 'Will you go out with me again?' And don't take no for answer. Use your charm and good humor to get a 'yes'".

Our goal in this paper is to test whether trustors elicit a promise from trustees when given the opportunity to do so and how the behavior of trustors and trustees is affected by elicited promises compared to volunteered promises. We implement two treatments of a trust game: one in which only the trustee can send a free-form pre-play message, and one in which, first, the trustor sends a free-form message to the trustee and then, the trustee responds. To examine whether elicited and voluntary promises affect expectations differently, we measure first-order beliefs of trustors and second-order beliefs of trustees regarding the outcome of the trust game.

We find that 73% of the trustors elicit a promise from the trustee either by directly asking the trustee to make a promise or by asking the trustee to cooperate. Almost all trustees (95%) make a promise in return. The analysis of beliefs data shows that trustors are more optimistic about the cooperative outcome when they elicit a promise than when they receive a voluntereed promise or no promise and this is correctly anticipated by trustees.

The analysis of choice data shows that although more promises are made and trustees' second-order beliefs are higher with promise elicitation than with one way communication, trustees are no more likely to cooperate in the former case than in the latter case. Nevertheless, overall our results suggest that asking for a promise when given the opportunity is better than nor asking for it. This result is driven by the fact that trustees who do not make a promise if not asked to are very unlikely to be trustworthy.

2. Experimental design and hypothesis

Our experimental design is based on the trust game from Charness and Dufwenberg (2006). The game is depicted in Fig. 1. In this game, first, A decides either to play *Out* or *In*. If A plays *Out*, then A and B get 5 euros each and the game ends. If A plays *In*, then B's choice determines the payoffs. If B chooses *Don't Roll*, B gets 14 euros and A gets 0. If B chooses *Roll*, B gets 10 euros and rolls a six sided die to determine the payoff to A. If the die comes up 1, then A gets 0 and if the die comes up any other number then A gets 12 euros.

We have two treatments: *Two-way messages* and *One-way message*. Our main treatment is the *Two-way messages* treatment. In this treatment first Player A sends a message to Player B and after player B receives the message from A she replies to player A. In the *One-way message* treatment only Player B sends a free-form message to Player A. It is similar to one of the treatments from Charness and Dufwenberg (2006) and serves as a control treatment.

As mentioned in the previous section the main feature of our design is that we let the trustor decide whether he wants to elicit a promise from the trustee or not. In contrast, promises are elicited by the experimenter in Charness and Dufwenberg (2010) and by the host of a TV show in Belot et al. (2010). Specifically, Charness and Dufwenberg (2010) give the trustee a choice between sending a predetermined 'I promise to choose *Roll*' message and sending a blank sheet of paper. Belot et al. (2010) analyze a dutch TV show where at the last stage of the show two participants make short speeches before playing a prisoner's dilemma. Some participants make voluntary promises during their speech, in other cases the host of the show elicits a promise from participants who do not volunteer to make a promise.

We are interested in the following questions:

- Do people elicit a promise from their partner if they have the opportunity to do so?
- How is the rate of promises by B players affected by whether or not A players solicit a promise?
- How does promise elicitation/non elicitation affect trustworthiness and promise keeping rates by B's?

2.1. Hypothesis

We do not present a complete equilibrium analysis but focus on the behavior of the B player - in much the same vein as Charness and Dufwenberg (2006) - and then analyze how B's behavior may be affected by the elicitation of a promise.

Let $\alpha(m)$ be B's first order belief that A plays *In* if A receives message m, where m can be either a promise (p) or not a promise (np). We assume that $\alpha(p) > \alpha(np)$, that is, B expects that a promise will increase the likelihood that A plays *In*. Apart