Decision Processes Colloquia

Monday, October 6, 2014
Where: 265 JMHH
When: 12:00 – 1:15 pm

Ori Heffetz
Assistant Professor of Economics, Samuel Curtis Johnson Graduate School of Management, Cornell University

Task Completion: Evidence from New York City Parking-Ticket Recipients

ABSTRACT: Life involves many small nonrecurring tasks, such as paying a one-time bill. Such tasks often come with a sequence of deadlines, and failure to complete the task by each successive deadline may be increasingly costly. How do people respond to such tasks? When do they complete them, and at what cost? We study response behavior of recipients of parking tickets in New York City using administrative records that cover the entire universe of tickets issued between June 2011 and August 2013. For millions of car owners, the data track their violations, recipient-initiated actions such as payment and contest, and City-initiated communications such as notification letters, penalty warnings, reminders, and contest outcomes. A key feature of the data is that they contain exogenous variations in such communications---in both their timing and content---created by a combination of a citywide regime shift implemented in June 2012 and a citywide field experiment implemented in the summer of 2013. We find strong evidence of, first, heterogeneity in persistent behavioral types of recipients, and second, forgetfulness.