"Prisoners of Their Own Resources"

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ABSTRACT

We test consequences of the hypothesis that constructing preferences depletes a limited mental resource, which in turn leads to a tendency to simplify decisions. Our empirical demonstrations use field data of sequential decisions and show how these sequences evoke decision simplification in the form of accepting the status quo. In the legal domain, we demonstrate that parole decisions made by judges in a large prison system in Israel are influenced by the ordinal position of a prisoner's case and, most strikingly, by the timing of the judge's meal break. We find that a prisoner is less likely to be released following before a break (i.e., the status quo remains) rather than following a break (keep this in mind next time you're on trial). In the product customization domain, we show that ordering attributes by increasing or decreasing variety of attribute levels leads to different patterns of default attribute level acceptance, which we interpret to be a consequences of different levels of depletion. As a result, in our studies people configure and purchase different high priced durables (luxury cars, custom-made suits). We discuss the implications of our findings to fundamental assumptions in legal theory and differentiated product models, respectively.