

## **DIW Applied Micro Seminar**

## Choosing to Compete Against Self or Others – Gender Differences

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## Abstract:

This paper introduces and examines selection into an alternative competitive payment scheme – *self-competition* – in which individuals compete against their own past performance. Using a lab and an online experiment, we replicate the well-documented gender difference in willingness to compete against others, but find no evidence of a gender difference in willingness to self-compete. We then expand on our work using another online experiment and further study the preference for *self-competition* as opposed to *other-competition*. We report that both men and women prefer self-competitions to competitions against others and when the self-competition option is available, more people choose to compete, yielding to an increase in participants' earnings. We also find that confidence; risk preferences and self-serving bias can partly explain the different behavior of each gender in *self- and other-competitions*.