

The background is a dark green gradient with a pattern of small, light green dots. Scattered throughout are several floating banknotes and coins. The banknotes are light green with two circular patterns, and the coins are gold with a vertical line. The text is centered in the middle of the slide.

Role of Gender in Risk-Taking: Insights from Gaming-Based Decision Making

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If given a choice between gaining a certain 500 rupees or a coin flip with equal probability of winning 1000 or 0, what would you choose? Now imagine that if this choice was given to one of your male and female friends, what would they choose? Would their choices differ?



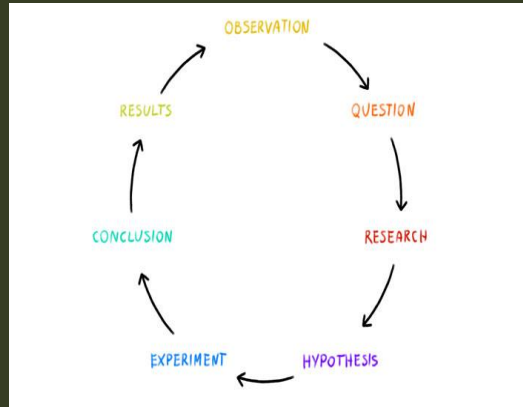
Introduction to Risk and Decision-Making!

- Risk-taking involves choices with uncertain outcomes
- Loss aversion: People prefer avoiding losses over equivalent gains
- Prospect Theory: Losses have greater emotional impact than gains
- The disposition effect: Tendency to sell winning investments too early
- Gender may influence risk-taking behaviors



Research Methodology

- Experimental design with 5 games, 2 rounds each
- 2 participants play simultaneously under same rules
- Players start with \$20, can bid up to \$10 per round



- Higher bidder wins and takes losing player's bid
- Post-game survey on strategies and perceptions
- Sample: 15 participants (8 females, 7 males) aged 24-47

Key Findings: Bidding Behavior

- Male players generally bid higher than female players
- Female players more likely to lower bids after losses
- Males showed less risk aversion, bidding high despite potential losses
- Females adopted more cautious "loss prevention" strategies
- First round outcomes influenced second round behaviors

The Psychology of Bidding



Players often believed higher bids led to winning



Overconfidence sometimes resulted in greater losses



Past experiences shaped future bidding choices



Risk perception varied between genders

Results

GAME 1: Round 1

Table 1 : *Five bids (in \$) to determine the winner in Round 1 Game 1*

Amount bid	(Lt-10)	(Lt-10)	(LT 10)	(LT 10)	(Lt 10)	Total (\$)
Player 1 male	5	8	9	8	9	Left with -25
Player 2 female	5	9	9	7	6	Left with -15

GAME 1: Round 2

Table 2 : *Five bids (in \$) to determine the winner in Round 2 Game 1*

Amount bid	(Lt-10)	(Lt-10)	(LT 10)	(LT 10)	(Lt 10)	Total
Player 1 male	7	7	8	8	9	Left with -37
Player 2 female	4	7	6	8	7	Left with - 3

In the first round, male players and female players started off by bidding the same amount after which they observed it got them no money and proceeded to bid higher. Gradually after the female player started losing money, she proceeded to bid lower to lose a smaller amount (realizing this by the end of the round). Learning from this, in the second round, the male player started with a moderately high bid and the female player with a low one to avoid any greater loss. She gradually raised her bid which the male player expected. He expected her to bid at around 6 (as told by him) but this backfired since she bid a little higher and they both got nothing by bidding the same amount. Regretting this the female player went back to lowering her bid to ease the loss and the male player went higher being less loss averse. The same continued further.

Results

GAME 2: Round 1

Table 3 : *Five bids (in \$) to determine the winner in Round 1 Game 1*

Amount bid	(Lt-10)	(Lt-10)	(LT 10)	(LT 10)	(Lt 10)	Total (\$)
Player 1 female	6	7	9	10	8	Left with -14
Player 2 male	8	8	9	10	7	Left with -26

In the first round , the female player starts with a moderate bid and then gradually raises her bid and it declines when she realizes the player is doing the same. The same happened with the male player. Both the players applied the same strategy in round 2 as well. This time the female player bid moderately high and kept winning and bid low when she thought the male player would bid very high which was a smart move since he bid the highest (10).

GAME 2: Round 2

Table 4 : *Five bids (in \$) to determine the winner in Round 2 Game 1*

Amount bid	(Lt-10)	(Lt-10)	(LT 10)	(LT 10)	(Lt 10)	Total (\$)
Player 1 male	6	8	8	9	10	Left with -10
Player 2 female	7	8	9	9	4	Left with -30

Results

GAME 3: Round 1

Table 5 : *Five bids (in \$) to determine the winner in Round 1 Game 1*

Amount bid	(Lt-10)	(Lt-10)	(LT 10)	(LT 10)	(Lt 10)	Total (\$)
Player 1 male	7	9	9	9	9	Left with -18
Player 2 female	5	8	3	10	10	Left with -22

GAME 3: Round 2

Table 6 : *Five bids (in \$) to determine the winner in Round 2 Game 1*

Amount bid	(Lt-10)	(Lt-10)	(LT 10)	(LT 10)	(Lt 10)	Total (\$)
Player 1 male	9	9	10	8	10	Left with -27
Player 2 female	7	9	8	10	10	Left with -13

In the first round , the male player kept bidding the same amount which was a unique strategy and evidently it did not work out for him! Mainly because the female player caught on to it and started bidding higher than that. In the second round , the female player continued to bid high thinking it was working well for her but the male player acting less loss averse started bidding even higher with little fear of losing more money and taking risk.

Results

GAME 4: Round 1

Table 7 : *Five bids (in \$) to determine the winner in Round 1 Game 1*

Amount bid	(Lt-10)	(Lt-10)	(LT 10)	(LT 10)	(Lt 10)	Total (\$)
Player 1 male	10	9	10	9	10	Left with •3
Player 2 female	8	9	10	10	10	Left with - 37

GAME 4: Round 2

Table 8 : *Five bids (in \$) to determine the winner in Round 2 Game 1*

Amount bid	(Lt-10)	(Lt-10)	(LT 10)	(LT 10)	(Lt 10)	Total (\$)
Player 1 male	10	10	5	7	7	Left with •24
Player 2 female	9	10	2	8	7	Left with - 16

The above tables represent the results obtained after playing game 5. In the first round , it is observed that the male player starts off bidding the highest amount (10) and then lowers it to 9. Usually after losing the female players tend to lower their bid but in this case she may have thought that the male player will lower his bid thinking that she would do the same. When that did not happen and the female player raised her bid , it helped her avoid any further loss. Applying the same strategy and not lowering the bid even once made her win the round with a margin of 34 dollars ! In the second round, having the same mindset she starts with a high bid and increases it in the next one but this time the male player caught on to it and doesn't lower his bid like he did in the first round. In the next one both of them thought the other one wouldn't lower their bid based on the last round so both resorted to avoiding as much loss as they could. The male player brought it down to 5 while the female one brought it way down to 2. This shows that the female player was more loss averse. This strategy helped the male player win this round by a margin of 8 dollars! However , the female player still came out with a larger amount in this game.

Results

GAME 5: Round 1

Table 9 : *Five bids (in \$) to determine the winner in Round 1 Game 1*

Amount bid	(Lt-10)	(Lt-10)	(LT 10)	(LT 10)	(Lt 10)	Total (\$)
Player 1 male	7	9	9	9	9	Left with -18
Player 2 female	5	8	3	10	10	Left with -22

GAME 5: Round 2

Table 10 : *Five bids (in \$) to determine the winner in Round 2 Game 1*

Amount bid	(Lt-10)	(Lt-10)	(LT 10)	(LT 10)	(Lt 10)	Total (\$)
Player 1 male	9	9	10	8	10	Left with -27
Player 2 female	7	9	8	10	10	Left with -13

In the first round, the players thought bidding high led to winning which is why growth in the bid is observed in both players but since the male players bid higher and took more risk they won in that round. The second round turned out to be interesting! Initially, the same pattern is observed as in the first round: Both players kept bidding higher while the male player bid higher of the two. However, the female player gradually realized what was happening and lowered her bid from 10 to 2! This shows that instead of aiming to win the round by bidding higher (which was not working) she decided to lower the amount that the opponent would gain, decreasing the amount she would lose so in a way easing the loss incurred by a large margin. After that she realized the opponent would not make the bid lower in fear of her making her bid higher so she bid the highest (10) again since if the player bids 10 then both would get nothing which eases her loss and if the player bid something lower then she would gain that money. The latter happened because the male player got confident. This led to her gaining money and drastically changing this round's pattern!

Implications for Behavioral Economics

- Financial planning and investment strategies
- Marketing and consumer behavior analysis
- Human resource management and team building
- Policy-making and risk assessment
- Where else might gender differences in risk-taking matter? Gender impacts risk aversion and decision-making

- Findings relevant to finance and marketing fields
- May explain gender gaps in certain professions or investments
- Highlights importance of diverse perspectives in decision-making
- How might understanding these differences improve economic models?

Small sample size limits generalizability
Artificial game setting may not fully
reflect real-world choices
Need for cross-cultural studies on
gender and risk-taking
Exploration of non-binary gender
identities and risk behaviors
What other factors might influence risk-
taking beyond gender?

Limitations and Future Research



Reflection on Personal Risk Attitudes

- Consider your own approach to risky decisions
- How might gender stereotypes influence your choices?
- Importance of self-awareness in decision-making
- Balancing risk and caution in various life domains

- How can you use this knowledge to make better decisions?

Discussion and Conclusion

- Gender significantly impacts risk aversion and decision-making
- Men tend to be more risk-taking, women more loss-prevention focused
- Individual variation exists within gender groups
- Understanding these differences can improve economic models and policies
- What are your thoughts on the study's findings?



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