

Project No.	Project Title			
2022-01-077		Multiple Crowdsourcing Contests: An Experiment		
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## Abstract

Crowdsourcing is the act of appealing to the crowd for performing a task. In this study, we focus on a single form of crowdsourcing: a crowdsourcing contest. In crowdsourcing contest platforms, each task is presented to the crowd as a contest, i.e., a requester posts a task on a platform and offers a monetary reward. Contestants submit solutions and the requester chooses the best solution and awards the prize.

The performance of a contest depends on the effort the contestants exert in their solutions. In crowdsourcing contest platforms, the contestants usually have limited effort resources (particularly time), hence they can participate only in a limited number of contests. We assume they compare the multiple contests on a platform and choose to enter those in which they estimate they will be more likely to win the prize. For the contest organizers, having more contestants is critical to ensuring they receive qualitatively acceptable solutions. This creates an environment of competition among contests, in which every organizer competes over the attention of potential contestants. Therefore, it is necessary to examine how contestants choose which contests to enter over the contests in a platform, and decide how much effort to exert in these contestants' behavior is almost always in a single-contest situation, while contestants on crowdsourcing platforms have multiple contests in which they can participate. This study is motivated by the assumption that research conducted on single-contest situations cannot necessarily be applied to multiple contests situations.

To address this gap in the literature, this study aims to empirically investigate the effect of the prizes offered in contests on contestants' behavior in a multiple contest situation. For this purpose, we designed an online experiment that simulates a multiple contest environment, in which all contests are identical in every aspect other than their monetary prize. Each participant could spend up to two hours in three contests, which varied in their monetary prize. We manipulated the ratios among the prizes in the three contests and observed the effort exerted by each participant in each contest, the overall participants' effort in each contest, and the profitability of each contest in terms of the ratio of effort to dollar. We found that the low-prize contests attracted the largest number of participants, while the medium-prize contests attracted the fewest participants. Furthermore, we found that the most profitable contest for the organizers, relative to the monetary prize awarded, was the low-prize contest. The main conclusion arising from our findings is that the common notion in the literature that increasing the prize increases the participants' effort does not necessarily hold in multiple contest situations, as increasing the prize of the high-prize contest may cause contestants to exert more effort in the low-prize contest instead.

Keywords: Crowdsourcing, Contests, Effort, Decision Making, Experiment