

Study: Credence Goods in the EU: A field experiment on laptop repair in 12 EU countries

Introduction: Credence goods, where a consumer cannot verify the quality or appropriateness of a good or service due to informational asymmetries, describe many important markets like health care, expert advice, and repair services. Because these markets are so vital yet rely on seller honesty, it is important to understand how they operate in order to minimize market breakdowns. This study uses a field experiment to quantify how much overcharging or overtreatment occurs in credence goods markets through the lens of laptop repair, in different EU countries.

Target Population: The experiment targets laptop repair stores in the capital city of various EU countries. These laptop repair stores are taken from Google Maps, using the search terms 'laptop repair' and 'computer repair'. This list is randomly shuffled, and duplicates and invalid stores (e.g., due to closure, or not repairing laptops) are removed. The first 30 valid stores of this randomly shuffled list for each city are our target population for this study.

Intervention: The experiment takes a refurbished Lenovo ThinkPad T14 Gen 2, with the appropriate keyboard for the country in question, and damages the SSD so that the laptop does not boot. This is straightforward to diagnose, and the correct repair is to replace the SSD. We take the damaged laptop into one of the repair stores to be fixed. There are two treatments: the ORDINARY treatment and the CREDENCE treatment. In the ORDINARY treatment, the customer states that the SSD is broken and that they would like it replaced. In the CREDENCE treatment, the customer states that they do not know what is wrong with the laptop and that they would like it repaired. The experiment is 'within-subject', meaning each store is visited twice (once for each treatment), with the same type of laptop and required repair, with visits occurring at least two weeks apart. The order of the visit is randomized, meaning a store either faces the ORDINARY treatment and then the CREDENCE treatment, or the CREDENCE treatment and then the ORDINARY treatment.

The market research company Ipsos Hamburg GmbH is conducting this experiment on our behalf. They started with the first visit on 29/05/2026 and the data collection is currently in progress, hopefully finishing by mid November 2026 at the latest. The customers are trained mystery shoppers who are local men aged between 25-35 years old. Data collection will continue until 30 stores have completed both repairs.

The experimenters have seen none of the collected data on prices at the time of implementing this survey.

Outcome: The outcome we are interested in is the 'credence markup' - the ratio of the price the customer had to pay in the CREDENCE treatment divided by the price the customer had to pay in the ORDINARY treatment. This is done for each store individually, then the mean is taken over all stores in that country for a country-level value. For simplicity, we multiply this value by 100.

For example, if you think the average price of repairs in the ORDINARY treatment was 110 Euros and the average price of repairs in the CREDENCE treatment was 160 Euros, you should enter $145.5 (=160/110 \cdot 100)$, or in other words a 45.5% credence markup. An estimate of the level of prices in each treatment is not necessary for your prediction, for example, if you think there is a 25% credence markup you should enter 125. If you think there is no credence markup, you should enter 100. Note this outcome is independent of currency, i.e., it works for countries with Euros or other currencies without need for conversion.

Predictions and incentives: We will ask you for 4 predictions, each on the credence markup in our experiment in specific cities. We will provide a 100 EUR Amazon gift card to the 5 most accurate respondents of those that provide an email address via the SSPP. We define accuracy as the lowest mean squared deviation over all 4 predictions.