

Long paper discussion 1 essays example

[Business](#), [Marketing](#)



Simple one period bargaining situation experiment

Purpose of the experiment

The experiment study was undertaken on a simple one period bargaining among four countries namely Israel, Japan, United States and Yugoslavia. The purposes of the study are based on the research questions. The comparison of the behaviors that are related on the market and bargaining environments situations. Secondly is the assessment of subjects per pool by identifying the effects that arise and how they differ with the environment of bargaining and marketing. The research questions are: how are the behaviors bargaining and market environment related? What are the effects of change on different market and bargaining environment?

Theoretical predictions

. The relation of the market and the bargaining environments, the equilibrium on the monetary payoffs are used in the determination of the wealth distribution among the players. The application of the pure strategic approach in perfect equilibrium, it is equally used in the experiment case in finding the relation of the bargaining and marketing effects in the respective countries. The theory of bargaining has provided the background of the customer's behavior in the market.

In the resulting outcome of the four countries showed that the market behaviors converge faster toward the perfect equilibrium. The demand of high returns makes the market remain at the equilibrium as there is no countries offered a high price and turned away. This has led to a situation of

Pareto inefficiency where the observation has shown the countries substantially rejects the offers depending with the bargaining.

Experimental set up

The controls over the business activities, the countries, have different variables affecting the study. The difference in locations of the countries has led to uncontrollable procedural in the experiment leading to experimenter effects. Secondly, affected areas are languages that are used in the four countries. This requires for translation to the experimenters in getting the basics of the residents in solving the language effects. Finally, the difference in the currencies as has differently numerical scales of payments. The currencies are dinars, yen, dollars and shekels. The three effects, experimenter, language and currency, affects the outcome of the bargaining and marketing environment of the four countries.

What could have done differently by the author?

Conclusion

In the conclusion, the bargaining and marketing environment study has provided the relationship of the four countries. The study applied only four countries that showed how they relate according to the respond in the offers. The arising differences are subjected to the currencies as the countries have different currencies. Languages and experimenter have been other effects hence the translation was needed.

References

Friedman, D., & Sunder, S. (1994). *Experimental methods: a primer for economists*. New York: Cambridge Univ. Press.

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