

The Psychology of Second Guesses: Implications for the Wisdom of the Inner Crowd

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Abstract: Prior research suggests that averaging two guesses from the same person can improve quantitative judgments, a phenomenon known as the “wisdom of the inner crowd.” In this article, we find that this effect hinges on whether people explicitly decide in which direction their first guess had erred before making their second guess. In eight studies ($N = 6,959$), we found that asking people to explicitly indicate whether their first guess was too high or too low prior to making their second guesses decreased their tendency to provide second guesses that were in the right direction, and reduced (and sometimes eliminated or reversed) the wisdom-of-the-inner-crowd effect. We also found that these effects are explained by the fact that the introduction of this “Too High/Too Low question” alters the direction of people’s second guesses. Specifically, after being asked to consider the direction in which their first guess had erred, people tend to give second guesses that are more extreme (in the same direction) than their first guesses. Our findings suggest that the wisdom-of-the-inner-crowd effect is not inevitable, but rather that it depends on the processes people use to generate their second guesses.