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## Evidence on Job Search Models from a Survey of Unemployed Workers in Germany

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a Survey of Unemployed Workers in  
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APRIL 2020

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## ABSTRACT

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# Evidence on Job Search Models from a Survey of Unemployed Workers in Germany\*

The job finding rate of Unemployment Insurance (UI) recipients declines in the initial months of unemployment and then exhibits a spike at the benefit exhaustion point. A range of theoretical explanations have been proposed, but those are hard to disentangle using data on job finding alone. To better understand the underlying mechanisms, we conducted a large text-message-based survey of unemployed workers in Germany. We surveyed 6,800 UI recipients twice a week for 4 months about their job search effort. The panel structure allows us to observe how search effort evolves within individual over the unemployment spell. We provide three key facts: 1) search effort is flat early on in the UI spell, 2) search effort exhibits an increase up to UI exhaustion and a decrease thereafter, 3) UI recipients do not appear to time job start dates to coincide with the UI exhaustion point. A model of reference-dependent job search can explain these facts well, while a standard search model with unobserved heterogeneity struggles to explain the second fact. The third fact also leaves little room for a model of storable offers to explain the spike.

**JEL Classification:** J64, J65, D91

**Keywords:** unemployment, job search, reference dependence, survey

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## 1 Introduction

To tell apart different models of job search, the key piece of evidence is typically the path of the hazard rate from unemployment to employment. The evidence from administrative data sets suggests three common patterns, from the US (Ganong and Noel, 2019) to Spain (Domenech and Vannutelli, 2019), from France (Marinescu and Skandalis, 2019) to Slovenia (Boone and van Ours, 2012): (i) the hazard rate from unemployment typically declines in the initial months of unemployment; (ii) it increases near expiration; (iii) it declines again following expiration, creating a spike at UI exhaustion. We find those same patterns in Germany for recipients with potential unemployment duration ranging from 6 to 15 months (Figure 1a).<sup>1</sup>

As well-established as these patterns are, it is not obvious to translate them into job search models because of the role of unobserved heterogeneity and other confounders. Does the decline in job finding rate in the initial months reflect workers discouragement, or the fact that more able workers get jobs faster? Does the spike of the hazard rate at exhaustion reflect increase search intensity, or previous offers that the workers extended, as in the storable offer models (Boone and van Ours, 2012)? With aggregate hazard rates, one can attempt to separate the different models, but the ability to do so is ultimately limited by the fact that we do not observe the path of search effort within worker, only the aggregate composition. One would ideally like within-worker measure of search intensity over the spell.

In this paper, we provide evidence on search intensity from a panel survey of unemployed workers in Germany. In doing so, we build on the pioneering work of Krueger and Mueller (2011, KM) who surveyed a panel of unemployed workers in New Jersey in the wake of the Great Recession. As important as the lessons from KM are, they are limited in the ability to address the questions above by the repeated UI benefits extensions in their time frame.

We survey 6,877 unemployed workers in Germany for 18 weeks between November 2017 and November 2019. Throughout, the economic environment is stable, with the unemployment rate between 5% and 6%. To disentangle the survey responses from time or cohort effects, we stagger the start of interview over 20 months, and we randomize the time of contact during the spell, e.g., in months 2, 5, 8, 11, or 13. We contact groups with 5 different potential benefit durations (PBD): 6, 8, 10, 12, and 15 months. The variation in PBD of 6, 8, 10, or 12 months depends on the length of contributions to the UI system, while the difference between PBD of 12 or 15 months depends on an age discontinuity (as studied by Schmieder and Trenkle, 2020).

A novel design feature is that, instead of conducting a phone or web survey, we use SMS

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<sup>1</sup>For a recent survey on the effects of UI on job finding rates see Schmieder and von Wachter (2016).

messages, a survey method used to some extent in developing countries (e.g. Ballivian et al. 2015; Hoogeveen et al. 2014; Berkouwer and Dean 2019) and epidemiological research (e.g. Kuntsche and Robert 2009; Johansen and Wedderkopp 2010) but a novelty, as far as we know, in our context. This survey feature was chosen to limit exhaustion and attrition. We contact 86,673 unemployed workers with a letter letting them known of the upcoming text message; a few days later we send text messages asking for consent to participate in a survey. Among the 7,797 respondents who consent, the 6,877 workers who report still being unemployed constitute our main sample. The respondents receive text messages twice a week, on Tuesday and Thursday, with a question on search effort (translated from German): *“How many hours did you spend searching for a job yesterday? For example, looking for job-postings, sending out applications or designing a cv. Please reply with the number of hours, e.g. “0.5”, or “2”. If, for whatever reason, you did not look for a job simply respond with “0”.*

Our measure of search intensity is the answer to this question for the individuals who report still being unemployed. Before we turn to our main findings, we document four encouraging features of this measure. First, the average number of minutes of job search, 81 minutes per day, is comparable to the average search intensity in the KM survey (70 minutes on weekdays) and in the Survey of Consumer Expectations supplement (77 minutes, Faberman et al., 2017), and somewhat higher than in the American Time Use Survey (48 minutes, Krueger and Mueller, 2010). Second, the measure of search effort displays no obvious time trend and only limited seasonality, making the use of time controls of limited importance. Third, it responds strongly to plausible determinants of search intensity: the measure declines by 75 percent upon receiving a job offer, and by 30 percent on a holiday.

The fourth validation is the most critical for our design, since it enables us to focus on within-person search intensity. Compare two groups of survey participants who are unemployed in month 5 of potential duration; the first group was randomized to receive the invitation to participate on month 2, while the second group on month 5. We would like the two groups to have similar reported search intensity, so that when the survey *started*, conditional on month of unemployment and current unemployment status, is not material to the response. This property could fail because, for example, individuals start off over-reporting the number of hours search but become more truthful as the survey goes on. We document that in our sample there is no systematic difference in average search effort between the two groups, that is, the between-worker and within-worker estimates are comparable. This is a different pattern than in the KM survey. While we cannot tell for sure, the SMS format, making response easy and not time-consuming, likely contributed to this pattern in our survey.

Having established these desirable properties, we turn to three key pieces of evidence from

our survey. First, we provide evidence on the path of search effort in the initial months, far from exhaustion. The standard model predicts an increase, while other models predict a decrease, say due to discouragement or habituation. Second, we provide evidence on the path of search effort near exhaustion. The standard model predicts an increase up to exhaustion, with a constant effort thereafter. A reference-dependent model with backward-looking reference points (DellaVigna et al., 2017) also suggests an increase up to exhaustion, but a decrease thereafter. Third, we focus on the role of storable offers. Namely, we test whether individuals who report getting a job near benefit expiration seem to time the job start date to coincide with UI exhaustion. For each of these findings, we compare the results (as in DellaVigna and Pope, 2018 and DellaVigna et al. (2019)) to the average prediction of 35 experts on job search.

For the first finding, we consider the intensity of search effort from month 2 (as early as we could survey unemployed respondents) to month 6, excluding the group with 6-month PBD. On average, the experts expect a 20 percent decrease in search intensity over this period. Instead, the search intensity stays flat, from 87 minutes in month 2 to 88 minutes (s.e.=2.8 minutes) in month 6. This contrasts with a sharp decrease in the hazard rate from unemployment from 12 percent to 7 percent over the same unemployment length. This suggests that the decline in hazard rates is unlikely to be due to a discouragement effect.

For the second finding, we focus on search effort around the UI exhaustion. On average, the experts expect search effort to increase substantially in the months leading to UI exhaustion, as predicted by most models, other than a pure storable-offer model of the “spike”; interestingly, they also forecast a similar-sized decline in the 3 months past exhaustion, as predicted under reference dependence. We find evidence qualitatively consistent with this prediction: search effort increases by 7 minutes (s.e.: 2.0 minutes) up to expiration, and then decreases by 5.7 minutes (s.e.: 1.9 minutes). Thus the “spike” in hazard is matched by a similar “spike” in search intensity, even if, in percent terms, the increase in minutes searched is smaller.

The third finding concerns the storable-offer model. We compute the average number of days between the (reported) job offer and job start. The experts on average expect this offer-start gap to be 50 percent larger for individuals starting their job in the month of UI expiration, versus in other months. Instead, we find the gap to be about the same for the two groups, and no evidence of storable offers also using an alternative measure.

We then turn to whether a model of job search can quantitatively explain our findings on the path of search effort throughout the UI spell, as well as the observed reemployment hazard. We generate reemployment hazard rates using administrative data for a comparable population as the survey sample. Using both the search effort and hazard paths as target moments, we estimate via minimum distance a model with costly search effort and an optimal

consumption choice. As far as we know, this is the first estimate of a job search model with information on both the inputs (the search intensity) and the outputs (the hazards).

Building on [DellaVigna et al. \(2017\)](#), we compare a standard job search model with unobserved heterogeneity with a reference-dependent model which allows for loss aversion with respect to recent income. In the reference-dependent model, unemployed individuals search especially hard when current consumption lags recent income, for example at UI expiration, as loss aversion makes unemployment especially painful; over time, however, they get habituated as the reference point adapts, and thus the search intensity declines.

Overall, the reference-dependent model fits significantly better. The difference is not due to the hazard moments, which the two models fit similarly well, but to the search effort moments near UI expiration. The reference-dependent model fits well the increase and then decrease of effort near expiration, with the decrease explained by the reference-point adaptation. The standard model, instead, fits well the increase but cannot explain the subsequent decrease. Perhaps surprisingly, both models fit quite well the flatness of the search effort in the initial months. Importantly, while the findings on storable offers are not used in the estimation, the models match closely the spike at UI expiration, consistent with the data providing little support for storable offers in the German context.

We consider informally other models and factors that could affect our conclusions. A model of worker discouragement (perhaps because of perceived skill depreciation as in [Kroft et al., 2013](#)) could generate a decrease in search effort post expiration, but it would not seem to explain the flat search profile in the initial months, when discouragement would seem most likely. A model with a fixed pool of jobs (as discussed in [Faberman and Kudlyak, 2019](#)) to search could generate a decrease in search effort post expiration, as workers sampled most available jobs by the deadline; however, this model would predict a dip in search effort after expiration, rather than the observed smooth decrease. Temporary layoffs of workers who are later recalled (as in [Katz, 1986](#); [Katz and Meyer, 1990](#)) could explain the spike in hazards at expiration, but while such recalls appear important in other settings we show that they are relatively uncommon in Germany and do not affect the hazard rate.

The paper is related to other papers measuring search effort over the unemployment spell. As mentioned above, we build on the survey of unemployed workers in KM, but unlike in KM we are able to examine search effort at expiration. Two papers measure search effort with activity on online postings: [Marinescu and Skandalis \(2019\)](#) using data from activity on the web portal for unemployed workers in France documents a similar increase and decrease of search effort near expiration; [Faberman and Kudlyak \(2019\)](#) using activity on an online job search platform in the US cannot study search effort at expiration, but, like us, does not



find evidence of a decrease in search effort in the initial months. We view the two forms of evidence as highly complementary. The survey-based measure is based on a self report, unlike the administrative measure in the job portals, but has the advantage that it covers all forms of job search, not just a specific, and infrequent, job search activity.<sup>2</sup>

The paper is also related to papers bringing to bear evidence on job search models (e.g. Card et al., 2007; Nekoei and Weber, 2017; Kolsrud et al., 2018; Belot et al., 2019; Ganong and Noel, 2019) and the disincentive effects of UI (Rothstein, 2011; Lalive et al., 2015; Johnston and Mas, 2018; Leung and O’Leary, 2019; Le Barbanchon et al., 2019). The evidence from within-person search effort complements the traditional information on hazard rates from unemployment. Indeed, in our context using just the hazard rates we would be unable to distinguish between models. Our finding of a flat within-person profile in search effort is consistent with evidence from Mueller et al. (2018) suggesting that the decline in hazard is more likely due to unobserved heterogeneity than true duration dependence. Our finding of a spike in search effort around UI expiration is consistent with the reference-dependent explanation of evidence from a reform in Hungary (Della Vigna et al., 2017), with comparable degrees of loss-aversion, though a longer adaptation period.

The paper is also related to evidence on reference dependence using field data (e.g. Sydnor, 2010; Barseghyan et al., 2013; Allen et al., 2017; Rees-Jones, 2018; O’Donoghue and Sprenger, 2018; Barberis, 2018). The paper provides additional evidence pointing in the direction of backward-looking, adaptive reference points (e.g. Thakral and Tô, forthcoming), for example because of memory (Bordalo et al., forthcoming).

Finally, methodologically our paper also highlights the potential benefits of using SMS messages to run surveys. Respondents in our sample participated twice a week for 4 months, with relatively low attrition, and at a moderate cost. The trade-off relative to more traditional methods—phone and online surveys—is that SMS-based survey lend themselves more to cases with few, simple questions and answers, like ours.

## 2 Survey Design and Setting

The target group for the survey are prime-age recipients of UI benefits in Germany. The German UI system has been studied extensively (e.g. Fitzenberger and Wilke, 2010; Schmieder et al., 2012; Caliendo et al., 2013; Dlugosz et al., 2014; Schmieder et al., 2016; Altmann et al., Forthcoming). The key features are that individuals who become unemployed and have

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<sup>2</sup>Other related papers provide evidence on the intensity of search activities in response to various reforms, e.g., Lichter and Schiprowski (2020) and Arni and Schiprowski (2019).

worked at least 12 out of the 30 previous months are eligible to UI benefits at a replacement rate of 60 percent (67 percent for workers with children). UI claimants can receive benefits up to the potential benefit duration (PBD), which is determined by the prior work history. While on UI, unemployed workers regularly meet with caseworkers who provide support, monitor job search efforts, and may assign workers to active labor market programs (see [Schmieder and Trenkle, 2020](#), for more details). After UI benefits are exhausted workers may claim a second tier of benefits called “Unemployment benefits 2” which is a means tested program on the household level and generally substantially less generous than regular UI benefits.

The survey was funded and conducted by the **Institute of Employment Research (IAB)**, the research institute of the German Federal Employment Agency.<sup>3</sup> Since the UI system is overseen by the Federal Employment Agency, the IAB has direct access to the administrative data on UI claims and the work history of the claimants. Conducting the survey closely integrated with the administrative data provides three crucial advantages: a) the administrative data allows for a very targeted sample (workers with specific benefit durations – potentially with quasi random variation such as age discontinuities; workers close to UI exhaustion; etc.) and easy checks for the representativeness of the sample, b) the administrative data provides extensive and precise background information that does not have to be obtained via a survey instrument (demographics, past labor market history, UI eligibility, ...) and c) participants can be followed even after the survey has concluded.

The first wave of UI recipients was contacted in November 2017 (see Figure 2a for an illustration of the timing). Through the IAB, we were able to obtain the universe of UI recipients in each month of our survey with about a 3 week delay, i.e. at the beginning of November 2017 we could obtain a snapshot of all UI recipients as of October 15th, 2017, together with information on mobile phone numbers, demographics and potential UI benefit durations. Among the UI claimants with recorded cellphone numbers (about 80% of all claimants), we selected a (stratified) random sample of UI recipients for whom we then obtained addresses from the administrative UI data. The contacted individuals first received a letter and a flyer in the mail (see Online Appendix Figure A.1 and A.2) explaining the format of the survey, the anonymity of the responses, and the incentives we offer for participation (20 euro in form of Amazon gift vouchers for participating for the full survey duration).<sup>4</sup> After receiving the

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<sup>3</sup>The direct costs of conducting the survey was born by the IAB. Additional funding for researcher time and research assistance positions came from the Alfred P. Sloan Foundation, the German Science Foundation (DFG) and the US National Science Foundation (NSF).

<sup>4</sup>Once an individual consents, she receives a 5 Euro Amazon gift voucher (in form of a Code via SMS). If the individual keeps responding to questions, she receives another 5 Euro voucher after the first 2 months and a final 10 Euro voucher after completing the entire 18 weeks. About 60% of vouchers were redeemed as of December 2019, 2 months after the end of the survey (see Online Appendix Table A.1).

letter on a Thursday (approximately), the UI recipients are then contacted on the following Tuesday directly via SMS.<sup>5</sup> This initial SMS contact asks the UI recipients for their consent to participate in the survey and to allow us to link their responses to the administrative data. If the person consents to the survey, we then ask her the first question on job search effort. From then onwards for the next 18 weeks, we contact the participants each Tuesday and Thursday to ask about their job search activities.

The sample for this initial (and each subsequent) wave consisted of 2 distinct groups: a set of 'short-eligibility' workers, with potential benefit durations (PBD) of 6, 8 or 10 months, and a set of 'long-eligibility' workers, with either 12 or 15 months of PBD. The short-eligibility group consists of workers age 28 to 55 who have at least 12, but strictly less than 24 contribution months in the previous 5 years. In this group having at least 16 contribution months increases PBD from 6 to 8 months and having at least 20 contributions months increases PBD from 8 to 10 months. The long-eligibility group consists of workers between age 45 and 55 at the time of UI claim who had at least 30 months of UI contributions in the previous 5 years. Workers within this group who were younger than 50 at the time of UI claiming have 12 months of PBD while workers 50 or higher have 15 months of PBD.

The hazard rates for these groups (Figure 1a) display the familiar patterns with decreases in hazard from month 2 onward, and a spike near expiration. To show that these patterns are causal and not due to differences in sample composition, Figure 1b shows the regression discontinuity estimates of the hazard rate just before vs. just after the age cutoff that determines whether individuals have 12 or 15 months of PBD, displaying a sizable spike in the hazard rate near exhaustion. Regression discontinuity estimates comparing durations of 6 versus 8 month, and 8 versus 10 months display similar spikes (Online Appendix Figure A.3).

Recalls could explain the spike in the hazard at exhaustion if employers strategically choose recall dates to coincide with benefit expiration (Katz, 1986 and Katz and Meyer, 1990), and such recalls are important in settings such as the US (50% recall rate, Fujita and Moscarini, 2017) or Austria (35% recall rate, Nekoei and Weber, 2015). In contrast in our sample in Germany the share of UI recipients returning to their previous employer is only about 10-15% and the hazard rates excluding recalls are similar (Online Appendix Figure A.4).

In the survey, in addition to sampling by PBD strata, we also stratify the sample by elapsed nonemployment duration. For example, for the PBD=12 group, we contact some individuals at the end of the 2nd month after claiming UI, some at the end of the 5th months, and others at the end of the 8th, 11th and 13th month of unemployment duration. The weights are

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<sup>5</sup>The technical aspect of sending SMS messages and processing responses was run by Guilherme Lichand at the University of Zurich and his company 'MGov' (now 'Movva').

chosen to oversample individuals close to the UI exhaustion point. Online Appendix Table A.2 shows the exact weights for the different cells. We call each of the Wave  $\times$  PBD  $\times$  D cells a “Panel”. Figure 2b shows the 5 panels that start in November 2017 for the PBD=12 group, which each run for 4.5 months until March 2018.

In each of the following months until the start of the last wave in July 2019, we contacted new waves of workers following the same design. Thus, the same cohort of workers who had 2 months of unemployment duration in November of 2017 was contacted again in February 2018, now in the D=5 months panel. While we of course do not contact the same individual more than once, this **overlapping panel design** allows us to trace out search effort for a cohort of individuals for much longer than just the 18 survey weeks.

While the first 2 waves served as a pilot with only about 500 contacted individuals, we quickly increased this to first 3,000 and, starting in August 2018, to 5,000 contacted individuals per wave. Online Appendix Table A.3 provides more details for the contact dates and number of contacted individuals and participants for each of the 22 waves. With 5,000 individuals per wave we start to be constrained by the total number of individuals that are available in some of the strata. This is especially an issue in the PBD  $\times$  D cells close to the exhaustion point, since those are larger and many people find jobs before exhausting UI benefits. This is a key reason for splitting the survey in so many waves, but a welcome side effect of this split is that it allows us to explore the role of calendar effects and time trends.<sup>6</sup>

Table 1 shows an overview of our sample. Column 1 shows average characteristics for all individuals who received UI benefits during our survey period. Workers without prior UI spells are eligible to exactly 6, 8, 10, 12, or 15 months of UI benefits (or even more if they are older than 55) at the beginning of their UI spell. Different PBD durations are possible for workers with prior UI spells and unused UI eligibility that they can carry over, or if workers participate in job training programs. Since we are interested in how search effort evolves around the UI exhaustion point, we restrict our sample to UI claimants who, at the time of sampling, have these exact levels as PBD. We also restrict to individuals with a cellphone number and a valid address, that are neither sanctioned nor in a training program at time of data retrieval. In addition, we restrict to age 28 to 55 at time of UI start, and in fact age 45 to 55 for the 12 and 15 PBD groups. Column 2 shows individuals that satisfy these sampling requirements and column 3 shows the characteristics of the 86,673 individuals contacted with a letter and then SMS messages. The differences between column 3 and 2 are due to the weights different PBD  $\times$  D groups receive in our stratified sample.

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<sup>6</sup>In the KM survey individuals were all contacted in a single wave, so that the UI entry date and the unemployment duration at survey start are essentially collinear.

Of the individuals contacted, Column 4 shows that about 9 percent agreed to participate. Given that individuals may not have read the letter/flyer, may not understand who is contacting them (and how we have obtained their cellphone number), and that we are asking them for permission to link their responses to sensitive personal information, this response rate strikes us as reasonable. It is comparable to the initial response rate in the KM survey (reported in the bottom row in Table 1). Comparing columns 3 and 4 it is clear that participation is not random. While the age composition is similar, participants are much less likely to be of foreign nationality (16 percent vs. 27 percent among the contacted), more highly educated and more likely to be women. The response rate across the different PBD groups is relatively similar.<sup>7</sup> Thus, below we provide robustness results re-weighting by these observables.

Due to the delay of 3-4 weeks between the most recent snapshot of the UI data to the contact date, 11.5 percent of participants have already found a job at the time of contact. We were concerned that participants might respond that they stopped looking for a job / found a job in order to cut the survey short. For that reason we make it clear that the survey continues whether or not the participants are employed and we keep everyone in the survey for the entire 18 weeks. Since we focus on the job search of the unemployed, column 5 shows the analysis sample of 6,877 participants who are unemployed at the beginning of the survey and respond to at least one question on job search. Conditional on participating in the first week, attrition is low: almost 70 percent (4,797) of the participants stay in the survey until week 18 and of those who stay about 61 percent are still unemployed (see column 5).<sup>8</sup> Furthermore the characteristics of individuals who participate initially are very similar to the participants who still participate at the end of the survey.

In addition to the biweekly questions on minutes spend on job search, we also ask one additional question each Tuesday, rotating between 4 questions:

1. **Target wage:** Please recall the last job you applied for. What do you think is the typical monthly wage for such a job in Euros?
2. **Life satisfaction:** Taken all together, how satisfied are you with your life? Please reply with a number between 1 (not satisfied at all) and 5 (very satisfied).
3. **Search intensity:** How hard did you search for a job over the last week? Please reply

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<sup>7</sup>Online Appendix Table A.4 directly compares participants with non-participants and provides tests for equality. Due to sample sizes almost all differences are statistically significant.

<sup>8</sup>Online Appendix Figure A.5 shows that the attrition rate in our SMS based survey is substantially lower than in the KM study (about 50 percent by week 12). Furthermore, while KM report that respondents completed around 40 percent of the weekly interviews, in our data participants responded to around 78 percent of weekly job search questions, a likely benefit of using SMS messages as opposed to online questionnaires.

with a number from 1 (no search) to 10 (very hard search).

4. **Job Found:** We would like to know if your job search was successful. Please reply with 1 if you found a job and 2 if you are still searching for a job.

If a participant responds to the last question with “1”, we ask 3 follow up questions: a) what is the start date of the new job; b) what date was the offer received; and c) what date was the job accepted. Figure A.6 in the Online Appendix displays the sequence of the questions, while Table A.5 shows the complete text of all questions in German with English translation.

### 3 Validating the Survey Responses

#### 3.1 Basic Patterns of Search Effort Responses

We now describe the basic pattern of responses to our main question on job search effort and provide suggestive evidence that the responses are meaningful and valid.

The question on job search effort, asked each Tuesday and Thursday for 18 weeks, is:

How many hours did you spend searching for a job yesterday? For example, looking for job-postings, sending out applications or designing a cv. Please reply with the number of hours, e.g. “0.5”, or “2”. If, for whatever reason, you did not look for a job simply respond with “0”.

To deal with outliers (which may stem from mistyping a response), we drop all answers of job search above 15 hours (0.1 percent of observations) and winsorize the responses between 6 and 15 hours (2 percent of observations) to 6 hours. Figure 3a shows a histogram of all valid responses for unemployed job seekers transformed to minutes of job search. About 30 percent of the responses indicate no job search on the previous day. Given the phrasing of the question, almost all responses are at multiples of 30 minutes with bunching at full hours. Conditional on searching, the most common response is “1 hour”, but many people also report search effort between 30 minutes and 3 hours.

Figure 3b shows that the average search effort by day over the duration of our survey displays no obvious time trend and only limited seasonality.<sup>9</sup> Encouragingly, the mean time spent searching in our sample of 83 minutes is comparable to the average search intensity in the KM survey (70 minutes on weekdays), in the Survey of Consumer Expectations supplement

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<sup>9</sup>If a person responds to a question the following day, we still code the response for the day that we originally asked about (for example Monday if the question was sent out on Tuesday but answered on Wednesday).

(77 minutes, [Faberman et al., 2017](#)) and is somewhat higher than in the American Time Use Survey (48 minutes, [Krueger and Mueller, 2010](#)).<sup>10</sup>

As a first validation check we investigate how search effort changes on public holidays, where we expect people to search less either because of holiday activities or since employers may not be reachable. While we paused the survey during the 2 weeks of Christmas / New Year in each year, we did ask questions on several days where the previous day was a national holiday, such as Easter Monday or Labor Day (May 1st). On these days, indicated in Figure 3b with dashed vertical lines, there is a clear dip in search effort. An event-study analysis (Figure 4a) shows a dip of around 30 minutes in search effort on a holiday.<sup>11</sup>

For a second validation check we use the fact that 1,858 respondents report finding a job during the survey period and provide job acceptance dates. Figure 4b shows that, while search effort is stable before job acceptance, it falls sharply to about 25 minutes after job acceptance. These 25 minutes are somewhat higher than the reported search intensity of employed workers in [Faberman et al. \(2017\)](#) of about 10 minutes, but this may be explained by the fact that accepted jobs in our sample could involve unattractive jobs, such as part-time jobs.

As a further check, Figure 4c shows how search effort evolves before and after the start of a job, splitting by the gap in days between the job offer and the job start. Workers who receive an offer and start a job shortly after (within less than 9 days) have the sharpest drop in search with search effort. If workers received an offer more than 26 days before the job start, search effort falls already around 2 months prior to the job start.<sup>12</sup>

Overall, search effort responds in sensible and intuitive ways to exogenous events like holidays and endogenous events like job acceptances and job offers.

### 3.2 Systematic Reporting Bias

A different challenge for a survey measure of search effort is that there could be systematic reporting bias over the course of the survey. For example, respondents might be embarrassed to admit not searching for a job but this 'social desirability bias' may decline over time as respondents get used to the survey. Respondents might also develop survey fatigue and default to answer '0' (or something else) as the survey goes on.

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<sup>10</sup>[Krueger and Mueller \(2012\)](#) using time use data report much less time spent on job search in European countries (5-16 minutes). However these numbers do not condition on UI eligibility and likely include many long-term unemployed that make these less comparable to our sample.

<sup>11</sup>Online Appendix Table A.6 shows that search effort drops less for less important holidays, by around 17 minutes on regional holidays and by about 5 minutes during school vacations.

<sup>12</sup>Online Appendix Figure A.7 shows the distribution of the offer-start gap. It also shows that most of this gap comes from a gap between the job acceptance date and the job-start date and only to small degree from a gap between the job-offer date and the job-acceptance date.



We now consider this issue, with additional detail in Online Appendix D. Table 2 presents regressions of search effort (while unemployed) on the number of months of unemployment. The first columns (“between”) use only the first response of each individual and the variation in unemployment duration is thus entirely cross-sectional, with controls added in Column 2. Column 3 (“within”) uses all the responses but controls for individual fixed effects, thus presenting a within-person estimate. The point estimate for the between estimators is -0.44 minutes per month of job search, -0.51 with controls. The within estimate in column 3 is very similar, with a point estimate of -0.24, not statistically significantly different from the between estimate.

These findings are in sharp contrast to the corresponding specifications in KM which we replicated with the publicly available data in Columns 4-6.<sup>13</sup> While the between estimates in KM show a slight increase in column 4 (0.83 minutes per month), the within estimate in Column 6 implies a 10.78 minute decline per month. This discrepancy in within and between estimates shows up as a seesaw like pattern in KM Figure 3 (reproduced in Online Appendix Figure A.8), where each cohort starts with high search effort which subsequently declines until the start of the next cohort. This discrepancy makes it hard to draw clear conclusions whether search effort is in fact declining or flat throughout the unemployment spell. While within-person estimates have the advantage that the evolution of effort over time is not affected by changes in the sample, this advantage is negated in the presence of systematic reporting bias.

The corresponding figure in our data, Figure 5, shows that subsequent cohorts largely line up, i.e. the next cohort on average starts at a level of job search where the previous one ended. While there are some differences due to sampling error, they do not appear to be systematic.

We can also conduct a direct test of reporting bias based on the following intuition. Within a cohort of individuals who become unemployed at the same time and with the same PBD, it is random whether the person was sampled in an early or later strata of our survey. Suppose we observe two individuals with the same UI entry date  $T^{UI}$ , the same PBD  $P$  at a time  $t$ , but who were sampled at a different time (indicated by the survey contact date  $T^{contact}$ ). In the absence of a survey reporting bias, how long an individual has been on the survey  $t - T^{contact}$  should not be correlated with search effort  $s_t$ :  $Cov(s_t, t - T^{contact} | t, T^{UI}, P) = 0$ . We test this in Panel B of Table 2. We estimate a relatively small and statistically insignificant impact of the number of months in the survey on the reported search effort and the resulting point estimate is indeed very close to 0 and, despite small standard errors, statistically insignificant.<sup>14</sup>

<sup>13</sup>This corresponds to Table 2 in KM. In the paper the regressions add some controls from administrative data that are not publicly available which yields small differences to our results.

<sup>14</sup>Since KM had a single contact date, there is no variation in  $t - T^{contact}$  conditional on  $t$  and  $T^{UI}$  and the test cannot be performed directly in their data.



We believe that the simplicity of the SMS method that was designed to make responding as easy and painless as possible and minimized the (true or perceived) incentives to simply respond with “0”, largely avoids systematic reporting bias. While we cannot rule out that there is systematic bias in levels (e.g. search effort might always be overstated by 20 percent), any such bias does not appear to vary systematically over the course of the interview. Thus, in the next section we use the within-person response to search effort questions over time to examine how search effort varies throughout the unemployment spell and around UI exhaustion.

While the mean search effort is our key measure of search effort, we also present results on additional job search variables, namely different quantiles of the search effort measure, as well as the impact on three additional search variables which we ask once a month. Online Appendix Table A.7 presents the same test as in Table 2, Panel B for these additional variables. After replicating the test for our main variable in Panel A, in Panel B we present the result for a qualitative measure of job search, for the log monthly target wage, and for a life satisfaction measure. Unlike for our main measure, the qualitative search intensity measure displays a decrease over the survey, with some evidence of a decrease also for the life satisfaction variable. Panel C also shows that, while the average search effort displays no seesaw pattern, there is some pattern for some of the quantiles (such as whether the person searched at least 240 minutes). Thus, when we present these robustness results, we present also results adjusted, to a first approximation, for this survey trend.

## 4 Job Search over the Unemployment Spell

We now turn to three key pieces of evidence. First, we document the path of search effort in the initial months, far from exhaustion. The standard model predicts an increase, while other models predict a decrease, say due to discouragement or habituation. Second, we provide evidence on the path of search effort near exhaustion. The standard model predicts an increase up to exhaustion, with a constant effort thereafter. A reference-dependent model with a backward-looking reference point (DellaVigna et al., 2017) also suggests an increase up to exhaustion, but a decrease thereafter. For these analyses, we use the search effort responses, excluding individuals after the date at which they report having accepted a job offer.

Third, we focus on a test for the role of storable offers. Namely, we test whether individuals who report getting a job near benefit expiration are more likely to have lower search effort in the weeks beforehand. In the same spirit we test whether individual who receive job offers before UI exhaustion delay the job start date to the exhaustion point.

## 4.1 Job search at the beginning of the unemployment spell

For the first finding, we consider the intensity of search effort from month 2 (as early as we could survey unemployed respondents) to month 6, excluding the group with UI expiration at month 6. Figure 5 presents the disaggregated evidence separately for each of the five different PBD groups (6, 8, 10, 12, and 15 months), for each of the different sampling schemes. In all five PBD groups, the unemployment duration in the initial months is fairly flat, with a slight decrease for PBD of 8 and 15 months and a slight increase for PBD of 12 months.

In Table 3 we aggregate across all the PBD durations, except for PBD of 6 months, in which case it is difficult to separate the initial patterns in search effort versus the response to the upcoming expiration. We compare the search intensity in months 3, 4, 5, and 6, with search intensity in month 2 (the omitted category). Columns 1 and 2 display the estimates from a cross-sectional regression, combining within-person and between-person variation, with demographic controls added in Column 2. Both specifications indicate a flat profile of search effort. In Column 3 we add person fixed effects, thus focusing on within-person search effort. Finally, Column 4, our benchmark specification (reproduced in Figure 6a), also adds some basic time controls—fixed effects for question asked on Thursday versus Tuesday and calendar month fixed effects.<sup>15</sup> These specifications confirm the finding from the cross-sectional specification of a precisely-estimated flat search profile: we can reject a 5 percent (4.3 minutes) decrease in search intensity by month 6 relative to the search intensity in month 2.

How do these patterns compare with the patterns in the hazard from unemployment? Figure 6c displays a weighted hazard rate over PBD groups, matching the share of PBD groups in Figure 6a. Given the timing evidence in Figure 4b-c, we compare the patterns of job search to patterns in the hazard one month later. The flat path in search effort contrasts with a sharp decrease in the hazard rate from 12 to 7 percent over the same unemployment length. This suggests that the decline in hazard rates is unlikely to be due to a discouragement effect and may be due to unobserved heterogeneity.

## 4.2 Job search around UI exhaustion

For the second finding, we focus on search effort in the 4 months around the UI exhaustion. Most models, other than a pure storable-offer model, predict an increase in search effort up to expiration due to the (waning) option value of unemployment. Following expiration, the standard model predicts a flat profile of search intensity, or an increasing profile, to the

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<sup>15</sup>Notice that we cannot add a full vector of date fixed effects, given the presence of individual fixed effects in the regression, for the usual inability to non-parametrically separate out cohort-time-age fixed effects.

extent that the workers are further depleting their assets. A model with reference dependence, instead, predicts a decrease in search intensity post expiration.

The disaggregated raw data on search intensity in Figure 5 shows evidence of an increase in search intensity up to expiration (captured as month T-1) for the PBD group 10, 12, and 15 months, with a flat pattern for 6 and 8 months. Following benefit expiration, search intensity declines for for PBD group 6, 10 and 12 months, and is flat for the other groups.

Table 4 presents the evidence for search intensity, compared to month T-1, the last month of receiving benefits, for cross-sectional specifications (Columns 1 and 2) and within-person specifications (Columns 3 and 4). These estimates yield similar results, provided we control at least for the basic demographic controls (Column 2). In the benchmark specification (Column 4), search effort increases by 7.3 minutes (s.e.=2.0 minutes) in the 3 months leading up to expiration, and then decreases by 5.8 minutes (s.e.=1.9 minutes) in the ensuing 3 months.

Figure 6b displays the point estimates from Column 4, comparing them to the parallel estimates on the time path of the hazard rate (Figure 6d). The “spike” in hazard is matched by a similar “spike” in search intensity, even if, in percent terms, the increase in minutes searched is clearly smaller. Unlike our conclusions in the previous section, this suggests that the hazard patterns at expiration *can* be accounted for by shifts in search effort, a point we return to in the section on estimates of job search models.

### 4.3 Robustness

We present a battery of robustness checks in Tables 5 and 6 for our two key results on search effort. All estimates include person fixed effect and time controls, as in our benchmark.

**Sample Inclusion.** The first two robustness checks address alternative ways to define who remains in the sample as the survey progresses. In Column 2 we restrict to “full participants” who respond (and stay unemployed) for the full 18 weeks. Next, we present a narrower definition of non-employment. It is important to exclude from the search measure individuals who found a job, and there may be some slippage in how we record this. In Column 3 we require that individuals actively report not having found a job. That is, while in our benchmark measure we presume that individuals are employed if they do not respond to the question on whether they are employed, in this sample we exclude those responses. The results from both samples (also in Online Appendix Figure A.9) are similar to the baseline ones.

**Coding of Search Measure.** In the benchmark, each observation is a survey response. In Column 4, we average all the responses of a respondent within a 2-week period and run the regressions at this bi-weekly level, effectively under-weighting responses by frequent responders. Next, in Column 5 we return to the response-level sampling, but aim to address

the role of non-response, by coding as zero cases in which the individuals do not respond to a survey, provided that they give later responses, and that they confirm that they are still non-employed. In Columns 6 and 7 we vary the top-coding of the survey response to a lower threshold at 240 minutes (Column 6) or to a higher threshold (Column 7). In all four of these specifications, the results are similar to the baseline ones.

**Extra Control.** Another concern may be that since we cannot control for a full vector of time fixed effects (due to the inability of separately identifying a linear time and duration trend), the results may be partly driven by changes in labor market conditions over time. In Column 8, we thus estimate our baseline regressions also controlling for the county level monthly unemployment rate, yielding very similar results.

**Representativeness of Sample.** Table 1 showed that participants tend to have more education, are more likely to be German citizens and somewhat more likely to be female, compared to non-participants. Thus, we reproduce our results reweighting our sample to match the composition of the sample frame (Column 9) and of the overall pool of unemployed (Column 10). We find similar results, with a stronger increase in search effort up to expiration and a smaller (though still clear) decline in search effort after expiration. In Online Appendix Tables A.8 and A.9 (with results reproduced in Online Appendix Figures A.10 and A.11) we present the results split by different demographics. We find the same qualitative patterns across the groups, though some groups display more evidence of an increase up to exhaustion, while other more evidence of a decrease ex post.

**Different PBD Groups.** A legitimate question is whether a single PBD group is responsible for the estimated search effort patterns. In Online Appendix Table A.10, we estimate the patterns for search intensity around expiration for the 5 groups. We detect a clear increase in search effort leading up to the expiration for 3 out of the 5 groups (and a flat pattern for the other 2). Similarly, we observe a decrease in search effort post expiration for 4 out of the 5 groups, with an increase just for the 15-month PBD group. As Figure 5 shows, the pattern of flat search effort over the initial month holds for 4 out of the 5 groups. Thus, while we pool the PBDs for statistical power, the results are not reliant on any one group.

**Distribution of Search Effort.** So far we have considered our main envisioned measure, the average reported search effort in minutes. It is valuable, though, to also consider shifts at different quantiles of the distribution, such as the share of workers reporting positive search, the share reporting search for at least 240 minutes, and so on. Online Appendix Figure A.12 and A.13 display the disaggregate plot of the share of such searches. Unlike for our main measure, these figures provide evidence of apparent survey bias, in that the share reporting positive search declines within a cohort more than it does between cohorts, with the opposite

for the share reporting search above 240 minutes.<sup>16</sup> Panel B in Online Appendix Table A.7 indeed estimates a significant within-person impact of survey duration, negative for any search and positive for search above 120 minutes. Thus, in Online Appendix Tables A.11 and A.12 which replicate the key tables on initial search effort and effort around expiration for these quantile variables, we display in Panel B the estimates with a linear correction for the survey bias. While the unadjusted estimates display quite different patterns across the different quantiles, after adjustment for the survey bias in Panel B, the results are consistent with the main ones: in the initial months of unemployment the search intensity is flat, or slightly decreasing (Table A.11). Around expiration, search intensity increases up to expiration (weakly for the any-search measure) and decreases following expiration (Table A.12).

**Additional Search Measures.** While the focus of the survey is on the measure of minutes of job search, the question we ask twice a week, we also rotate 3 additional questions related to job search, each of which is asked every 4 weeks: a qualitative 1-10 measure of search intensity, a measure of target wage (which we transform in logs), and a measure of life satisfaction. Online Appendix Figures A.15, A.16 and A.17 display the raw patterns for these three variables, showing for the qualitative search intensity variable a clear within-survey downward trend. Indeed, Panel C of Online Appendix Table A.7 confirms that this is the case for two of the three measures, including the qualitative search measure.<sup>17</sup> In Online Appendix Table A.13 and A.14 we provide the within-person results for these measures in the initial months and near expiration. An important caveat is that these measures are significantly more noisy, given that each individual gives at most 4 responses in the sample. After controlling for the survey response bias (Panel B), the results for the qualitative search effort measure are consistent with the main ones: the search effort is quite flat in the initial months, and it is increasing up to expiration and (weakly) decreasing thereafter. The log target wage is fairly flat in the initial month, consistent with the findings in Krueger and Mueller (2016), it decreases slightly up to expiration, as predicted, and then it slightly decreases further. Life satisfaction appears to decrease in the initial months, though the pattern is not obvious with the survey correction (Panel B). Overall, these results are less clear than the benchmark ones, but this is to be expected given the infrequency of these questions in our sampling, as well as the evidence of some survey response bias (unlike for our main measure).

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<sup>16</sup>Online Appendix Figure A.14 validates these measures, showing that they respond to job acceptance.

<sup>17</sup>Online Appendix Figure A.18 shows that the qualitative search measure and the life satisfaction measure respond as expected to job acceptance, while, surprisingly, we detect no response for the log target wage.

#### 4.4 Do job seekers time the start date of a job with the exhaustion of benefits?

We then turn to our third key finding on storable offers: the spike in the hazard at expiration may be mostly due to unemployed workers who received an offer earlier on in the spell, but opted to delay the start of work until the end of the UI benefit period. As far as we know, while this explanation has been put forward often, there is little direct evidence to it.

As a first piece of evidence on this explanation, we use as measure of storable offers the distance in days between the date a job offer was received and when the job started, as reported to us by the workers, censoring this measure at 180 days. To the extent that storable offers explain the spike, this delay in starting a job should be larger for individuals who start a job at UI exhaustion, versus individuals who start a job before exhaustion, or after exhaustion. Figure 7 and Online Appendix Table A.15 show the evidence in this regard. The average delay between job offer and job start varies mostly between 25 and 30 days for individuals taking jobs in month -4 to -1 before expiration, and 1 to 2 months after expiration. For the 251 individuals who start a job in the month of UI expiration, this delay is in this range, at 28.4 days. This evidence suggests that delay of job start due to storable offers, if any, is limited to a small share of workers, or would have to be very limited temporally.

As a complementary piece of evidence, in Figure 7b we examine the timing of the search effort intensity in the months leading up to the job start for individuals who start a job at expiration, versus individuals who start a job before, or after, UI expiration. To the extent that storable offers are common for the group starting a job at UI expiration, we should see their search effort taper off sooner. Instead, Figure 7b shows that the patterns of decrease of search effort leading up to job start are very similar, independent of when the job start falls. Thus, under either measure we do not find evidence supporting a quantitatively important role for storable offer models in explaining the spike at expiration.

#### 4.5 Contrasting the results with expert forecasts

How do these results line up with the expectations of job search experts? What role did experts anticipate for storable offers, discouragement, and other models in search effort? Along the lines proposed by DellaVigna and Pope (2018) and DellaVigna et al. (2019), we elicit expectations for the three key findings above. We identified 48 job search experts from papers in the area in high-impact journals in the last few years, or more junior researchers working in the area. We then contacted these researchers asking whether they would be willing to answer a prediction survey taking 10-15 minutes on our job search findings. We are grateful to the 35 experts who completed the survey, for a 74 percent participation rate.

The survey presented the set up with some key summary statistics, and then asked for prediction for 4 key numbers, corresponding to the 3 key findings. First, we provided the average search effort in month 2 of unemployment, and asked for a prediction for month 6 (our first finding). Second, we provided the search effort for the month before expiration and we asked for the search effort in month -4 (to measure the expected increase in search effort up to expiration, if any), and in month +2 (to capture an possible decrease of search effort post expiration). Finally, for the storable offer finding, we presented Figure 7a without showing the observation for individuals who find a job in month 0, and asked for a prediction for that.<sup>18</sup>

Figures 8a-c present the average forecast, compared to the findings, with additional information in Appendix Table A.16 and the full distribution of forecasts in Online Appendix Figure A.19. The experts on average expect a 20 percent decrease in search effort from month 2 to 6, well outside the confidence interval of the actual findings (Figure 8a). Thus, they expected either a larger role for discouragement or for reference dependence, than we observe.

The experts also expect a sizable increase in search effort leading up to expiration, as predicted by most models except for a pure storable-offer model (Figure 8b). Thus, the experts do not believe that the “spike” is purely due to storable offers. The expert also expect a similar-sized decrease in search effort post expiration, as predicted under reference dependence, but not under the standard model. These predictions are directionally in line with the data, even though the experts overestimate the extent of the spike in search effort.

Finally, the experts on average expect an offer-start gap over 50% larger for individuals who start a job at UI expiration, compared to in other periods (Figure 8c). Thus, the experts expect a larger incidence of storable offers than we observe in the data.

## 5 Reconciling the Survey Results with Job Search Models

To interpret the findings, we estimate a non-stationary job search model (van den Berg, 1990) using as moments both the search effort and the hazard patterns. The model builds on DellaVigna et al. (2017) allowing for reference dependence and present bias, but spells out separately the cost of effort and the productivity of effort. The model has a search effort margin and an optimal consumption choice, but no reservation wage choice. It allows for unobserved heterogeneity in the effort cost and in the search productivity functions.

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<sup>18</sup>The figures and numbers presented to the experts were not exactly identical to the ones in the paper due to some further data cleaning that occurred after the survey. However, the differences are minor.

## 5.1 The job search model

**Model Setup.** We make several simplifying assumptions. First, jobs last indefinitely once found. Second, wages are fixed, eliminating reservation-wage choices. In each period  $t$  an unemployed worker sets the optimal effort  $e_t$  (e.g. minutes of job search per day). The effort is linked to a probability of obtaining a job offer in period  $t$  by the function  $f(e_t)$ . That is, with probability  $f(e_t)$  the individual obtains a job paying a re-employment wage  $w$ . If the individual accepts the job offer, the job starts in period  $t + 1$ . Search effort is costly, with a cost of effort  $c(e_t)$ . We assume  $c(0) = f(0) = 0, c'(e) > 0, f'(e) > 0, c''(e) > 0$ .

In each period, individuals receive income  $y_t$ , either UI benefits  $b_t$  or wage  $w_t$ , and consume  $c_t$ . Consumers can accumulate (or run down) assets  $A_t$  with a borrowing constraint  $A_t \geq -L$ . Assets earn a return  $R$  so consumers face a budget constraint  $\frac{A_{t+1}}{1+R} = A_t + y_t - c_t$ . The UI benefits  $b_t$  equal  $b_t = b$  for  $t \leq P$  and  $b_t = \underline{b}$  for  $t > P$ . In each period  $t$  individuals choose not only the search effort but also the optimal consumption  $c_t$ , yielding utility  $u(c_t)$ .

The utility from consumption is potentially reference-dependent:

$$u(c_t|r_t) = \begin{cases} v(c_t) + \eta[v(c_t) - v(r_t)] & \text{if } c_t \geq r_t \\ v(c_t) + \eta\lambda[v(c_t) - v(r_t)] & \text{if } c_t < r_t \end{cases} \quad (1)$$

where  $r_t$  is the reference point. The utility consists of consumption utility  $v(c_t)$  and gain-loss utility  $v(c_t) - v(r_t)$ . When consumption is above the reference point ( $c_t \geq r_t$ ), the individual derives gain utility  $v(c_t) - v(r_t) > 0$ , which receives weight  $\eta$ , set to 1. When consumption is below the reference point ( $c_t < r_t$ ), the individual derives loss utility  $v(c_t) - v(r_t) < 0$ , with weight  $\lambda\eta$ . The parameter  $\lambda \geq 1$  captures loss aversion: the marginal utility is higher for losses than for gains. The standard search model is nested in this model for  $\eta = 0$ .

As in [DellaVigna et al. \(2017\)](#), the reference point is the average income over the  $N \geq 1$  previous periods:

$$r_t = \frac{1}{N} \sum_{k=t-N}^{t-1} y_k.$$

The parameter  $N$  captures the length of adaption: the longer the  $N$ , the more an unemployed worker feels the loss utility from being unemployed relative to the earlier paychecks (with  $w > b$ ) or, after the end of the UI benefit period, relative to the UI benefit checks.<sup>19</sup>

**Value Functions.** The unemployed choose search effort  $e_t$  and consumption  $c_t$  in each

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<sup>19</sup>There are alternative assumptions for the reference point, in terms of past consumption or forward looking as in [Kőszegi and Rabin \(2006\)](#). [DellaVigna et al. \(2017\)](#) discuss these alternatives. A key advantage of our assumption of an income-based reference point is that it is computationally simpler, given that its path is exogenous, while capturing the key memory-salience motivation for backward looking reference points.



period and (assuming for now an exponential discount factor  $\delta$ ) face the value function:

$$V_t^U(A_t) = \max_{e_t; A_{t+1}} u(c_t|r_t) - c(e_t) + \delta \left[ f(e_t)V_{t+1|t+1}^E(A_{t+1}) + (1 - f(e_t))V_{t+1}^U(A_{t+1}) \right] \quad (2)$$

subject to:  $c_t = A_t + y_t - \frac{A_{t+1}}{1 + R}$ .

For the unemployed, the value function depends only on assets  $A_t$ , since the reference point is fully determined by  $t$  and thus is not an explicit state variable:  $V_t^U(A_t)$ .

For the employed, the value function is  $V_{t|j}^E(A_t)$  for an individual employed in period  $t$  and who found a job in period  $j$ , where the combination of  $t$  and  $j$  determines the reference point:

$$V_{t|j}^E(A_t) = \max_{c_t > 0} u(c_t|r_t) + \delta V_{t+1|j}^E(A_{t+1}). \quad (3)$$

Given Equation (2) the first order condition for the optimal level of search effort  $e_t^*$  in the case of an interior solution can be written as:

$$c'(e_t^*(A_{t+1})) = \delta f'(e_t) \left[ V_{t+1|t+1}^E(A_{t+1}) - V_{t+1}^U(A_{t+1}) \right]. \quad (4)$$

The optimal level equates the marginal cost of effort with the marginal value of effort, which in turn is equal to the marginal productivity of effort, times the difference between the value function of being employed, versus unemployed. Notice that the reference dependence affects the optimal effort though its impact on  $V_{t+1|t+1}^E$  and  $V_{t+1}^U$ .

Given that the function  $f(e)$  is monotonic, we can rewrite problem (2) as

$$\max_{s_t; A_{t+1}} u(c_t|r_t) - \tilde{c}(s_t) + \delta \left[ s_t V_{t+1|t+1}^E(A_{t+1}) + (1 - s_t) V_{t+1}^U(A_{t+1}) \right] \quad (5)$$

where  $\tilde{c}(s_t)$  is the composite of the actual cost of effort and the inverse of the production function:  $\tilde{c}(s_t) = c(f^{-1}(s_t))$ . This reformulation implies that the problem can be solved as if the optimization is with respect to the probability of exiting unemployment,  $s_t$ , as in [DellaVigna et al. \(2017\)](#). This also makes it clear that with just data on the hazard rate from unemployment  $s_t$ , one could not possibly separate out the function  $c(e)$  and  $f(e)$ , as one instead estimates a composite function  $c(f^{-1}(s_t))$ . Finally, this clarifies that, in order to find an interior solution to (5), we need to assume  $\tilde{c}''(s_t) > 0$ , in addition to the previous assumptions (which guarantee  $\tilde{c}'(s_t) > 0$ ).

We extend the model to allow for present-bias, with an additional discount factor  $\beta \leq 1$  between the current period and the future. Following [DellaVigna et al. \(2017\)](#) and [Ganong and Noel \(2019\)](#), we assume naivet  : the workers (wrongly) assume that in the future they

will make decisions based on regular discounting  $\delta$ . This assumption simplifies the problem, since we can use the value functions of the exponential agent (given that the naive worker believes she will be exponential from next period). In addition, the evidence on present bias is largely consistent with naivete' (DellaVigna, 2009; Augenblick and Rabin, 2019). The naive present-biased individual solves the following value functions:

$$V_t^{U,n}(A_t) = \max_{s_t \in [0,1]; A_{t+1}} u(c_t|r_t) - \tilde{c}(s_t) + \beta\delta \left[ s_t V_{t+1|t+1}^E(A_{t+1}) + (1-s_t) V_{t+1}^U(A_{t+1}) \right] \quad (6)$$

subject to:  $c_t = A_t + y_t - \frac{A_{t+1}}{1+R}$ ,

where the functions  $V_{t+1}^U$  and  $V_{t+1|t+1}^E$  are given by equations (2) and (3) above for the exponential discounters. We thus first solve for all possible values of  $V_{t+1}^U$  and  $V_{t+1|t+1}^E$  and then we solve for consumption and search paths given  $V_{t+1}^{U,n}$ .

## 5.2 Estimation

**Parametric Assumptions.** To bring the model to the data, we introduce a set of additional assumptions. First, we assume log utility,  $v(c) = \ln(c)$ . Second, we assume a search cost function of power form:  $c(e) = ke^{1+\gamma}/(1+\gamma)$ , with  $\gamma > 0$  so the function is increasing and convex. Third, similarly we assume that the productivity of effort takes a power form  $f(e_t) = \min \left[ 1, Ee^{1+\zeta}/(1+\zeta) \right]$ , with  $\zeta > -1$  so that the function is increasing. This implies that the composite cost function  $\tilde{c}(s_t)$  equals  $\tilde{c}(s_t) = \frac{\tilde{k}}{1+\tilde{\gamma}} (s)^{(1+\tilde{\gamma})}$  with  $\tilde{\gamma} = \frac{\gamma-\zeta}{1+\zeta}$  and  $\tilde{k} = \frac{k}{E} \left( \frac{1+\zeta}{E} \right)^{\frac{\gamma-\zeta}{1+\zeta}}$ . To guarantee an interior solution, we need  $\tilde{c}''(s_t) > 0$  and thus  $\gamma > \zeta$ , that is, the search cost function is more concave than the productivity of effort function.

Fourth, we model heterogeneity across workers as heterogeneity in both the cost of search  $k$  and the productivity parameter  $E$ . For example, when allowing for two types, we assume type 1 has parameters  $(k_1, E_1)$  while type 2 has parameters  $(k_2, E_2)$ .

Fifth, we make the following assumption about the wages and unemployment benefits. We take the pre-unemployment wage  $w$  to equal the average wage for each of the different PBD groups.<sup>20</sup> We assume that the re-employment wage equals  $0.9w$ , building on evidence in Schmieder et al. (2016). We assume that UI benefits equal  $0.635w$ , and that following expiration of the UI system, workers receive welfare benefits equal to 400 euros. Sixth, we assume that individuals start with zero assets, that they cannot borrow against their future income, and that they earn no interest on savings (given the low-interest rate environment).

<sup>20</sup>For our baseline estimates with PBD=12 and 15 we assume a pre-unemployment wage of 1610 Euro per month. For the PBD=8 and 10 robustness check we assume a wage of 1265 Euro.

The vector of parameters  $\xi$  for the standard model are: (i) the three levels of search cost  $k_{high}$ ,  $k_{med}$ , and  $k_{low}$ , with  $k_{high} \geq k_{med} \geq k_{low}$ , three levels of productivity of effort  $E_{high}$ ,  $E_{med}$ , and  $E_{low}$ , and two probability weights  $p_{low}$  and  $p_{med}$ ; (ii) the search cost curvature  $\gamma$ ; (iii) the productivity curvature  $\zeta$ ; (iv) the time preference parameters  $\delta$  and  $\beta$ . For the reference-dependent model, we estimate in addition: (v) the loss aversion parameter  $\lambda$ ; and (vi) the number of (1-month) periods  $N$  over which the backward-looking reference point is formed.<sup>21</sup> For the reference-dependent model we estimate a model with 3 types of heterogeneity, and a model with only 2 types of heterogeneity, in which case we remove parameters  $k_{high}$ ,  $E_{high}$ , and  $p_{med}$ . The weight  $\eta$  on gain-loss utility is set to 1 rather than being estimated; thus, the loss-aversion parameter  $\lambda$  can be interpreted also as the overall weight on loss utility.

**Estimation.** Denote by  $m(\xi)$  the vector of moments predicted by the theory as a function of the parameters  $\xi$ , and by  $\hat{m}$  the vector of observed moments. The moments  $m(\xi)$  combine the information on average search intensity in minutes from our survey, as well as the administrative information on the hazard rates. For the search intensity, we use the key findings on the within-person search effort path in months 2-6 (Figure 6a) as well as the within-person path around UI expiration (Figure 6b). In addition, in order to pin down the level of the productivity of effort across groups ( $E_j$ ), we also add the average cross-sectional search effort in month 2 and at expiration (T).<sup>22</sup> For the hazards, we use the monthly hazard rates from month 2 to month 19 for the PBD group 12 and 15, computed using a standard regression discontinuity design exploiting the age discontinuity in PBD around age 50 (Figure 1b).

The estimator chooses the  $\hat{\xi}$  to minimize the distance  $(m(\xi) - \hat{m})' W (m(\xi) - \hat{m})$ . As weighting matrix  $W$ , we weight the hazard moments with the diagonal of the estimated variance of the hazard moments; we weight the search effort moments with inverse of the variance-covariance matrix. We upweight the weight of the search effort minutes by a factor of 10, to recognize the focus of the estimation on the novel evidence on minutes, as well as the potential mis-specification of the hazard model with respect to the forms of heterogeneity.<sup>23</sup>

To calculate the theoretical moments, we use backward induction. First we numerically compute the steady-state search and value of unemployment. Then we solve for the optimal search and consumption path in each period as a function of the asset level. Finally, we use the initial asset level as a starting value to determine the actual consumption path and search intensity in each period.

<sup>21</sup>In the tables we report the speed of adjustment in days, that is,  $N \times 30$ .

<sup>22</sup>These moments do not affect the fit of the different models, as both standard and referent-dependent models fit them perfectly. They are, however, important to pin down the parameters for the different types, as they document the extent of unobserved heterogeneity in search effort over time.

<sup>23</sup>This is similar in spirit to [Armstrong and Kolesár \(2019\)](#).

Under standard conditions, the minimum-distance estimator using weighting matrix  $W$  achieves asymptotic normality, with estimated variance  $(\hat{G}'W\hat{G})^{-1}(\hat{G}'W\hat{\Lambda}W\hat{G})(\hat{G}'W\hat{G})^{-1}/N$ , where  $\hat{G} \equiv N^{-1} \sum_{i=1}^N \nabla_{\xi} m_i(\hat{\xi})$  and  $\hat{\Lambda} \equiv Var[m(\hat{\xi})]$ .

### 5.3 Estimates

**Benchmark Estimates.** In Table 7, we present estimates for a 3-type standard model with no reference dependence ( $\eta = 0$ ) in Columns 1 and 4, for a 2-type reference-dependent model in Columns 2 and 5, and for a 3-type reference-dependent model in Columns 3 and 6. For each of these models, we assume exponential discounting ( $\beta = 1$ ) in Columns 1-3 and allow for present bias, fixing the long-term monthly discount factor to  $\delta = 0.995$  (equivalent to an annual 6% discount rate), in Columns 4-6.

The estimates for the standard model present similar patterns. We estimate a high degree of impatience, especially for the exponential discounting case, with a monthly discount factor  $\hat{\delta} = 0.639$ , a fairly convex effort productivity function and an even more convex cost of effort function; the three types differ substantially in the cost of effort and productivity levels.

The estimates for the reference-dependent models similarly point to a convex effort productivity function and an even more convex cost of effort function, and also high impatience, with a monthly discount factor  $\hat{\delta} = 0.897$  in Column 3 and a present-bias parameter  $\hat{\beta} = 0.473$  in Column 6 (similar to the estimates in [Paserman, 2008](#) and one of the types in [Ganong and Noel, 2019](#)). For both the 2-type and the 3-type reference dependent model, the estimates allowing for present-bias have a significantly better fit, in addition to more reasonable estimates for the discount parameters. Thus, we take the estimates in columns 5 and 6 to be our benchmarks. We estimate loss-aversion parameters  $\hat{\lambda} = 3.18$  and  $\hat{\lambda} = 2.66$ , in the range of estimates in the literature.<sup>24</sup> The estimated parameters  $\hat{N} = 298$  and  $\hat{N} = 338$  (in days) indicate slow adaptation; this parameter is estimated to be about twice as long as in the Hungarian context ([DellaVigna et al., 2017](#)).

Figure 9 compares the fit of the 3-type standard model and the 3-type reference-dependent model, for the present-bias case (Columns 4 and 6). Interestingly, both models fit the path of the hazard very well, in particular capturing all the spike in hazard at UI expiration (Figures 9c-d). Thus, the two models would be hardly distinguishable based on the hazard alone. Turning to the search effort moments, both models fit quite well the path of the search effort

<sup>24</sup>Online Appendix Figure A.20 shows a clear improvement in fit as measured by SSE for the specification in Column 6 as  $\lambda$  increases from 1.5 to 2, and a flatter slope for higher  $\lambda$ . The figure also shows the SSE for the specification with exponential discounting in Column 3, which estimates a large  $\hat{\lambda} = 12.6$ . The figure shows that the fit is fairly comparable for  $\lambda = 4$ .

in the initial months of unemployment (Figure 9a). This may be surprising, since one may have expected the within-person search intensity to increase significantly in the standard model, and conversely to decrease in the reference-dependent model, reflecting the adaptation to the losses. In the standard model, though, the increase of search effort is convex and slow initially, especially given the high discounting. For the reference-dependent model, the flat initial path reflects the countervailing forces of a decrease in effort due to the initial (slow) adaptation, but also an increase due to the envisioned upcoming loss at UI expiration.

The key difference between the two models is in with regards to the search effort at expiration (Figure 9b). The standard model fits well the increase in search effort up to expiration, but cannot capture the decrease post-expiration. In fact, notice that to the extent that the agents smooth consumption and thus still have some assets at expiration, the within-person search effort would keep *increasing* post expiration, as the individuals deplete the remaining assets. This contributes to the estimated high impatience in the standard model.

In contrast, the reference-dependent model fits well not just the increase in search up to expiration—due not just to the usual option value but also to the anticipated loss utility due to loss in benefits—, but also the observed decrease in effort part expiration. In the months following the UI exhaustion, the habituation moderates the loss utility due to the cut in benefits, accounting thus for the lower search intensity. Importantly, the model fits the observed decrease in search effort for a reasonable (if sizable) degree of loss aversion.

Online Appendix Figures A.21 and A.22 display the fit for some of the other models in Table 7. The 3-type models assuming exponential discounting (Figure A.21) display similar qualitative features, though the fit of the hazard moment is not quite as good as under the present-bias assumption. The estimates with present-bias but assuming just 2 types for the reference-dependent model (Figure A.22) do not fit the hazard spike or the decline in search effort post UI expiration quite as well as in the benchmark, but overall already provide a better qualitative fit than the 3-type standard model, despite having fewer parameters.

**Robustness.** In Table 8 we present a number of alternative specifications, taking as benchmarks the 3-type standard model with present bias (Column 4 of Table 7) and the 3-type reference-dependent model with present bias (Column 6 of Table 7). We first vary key model assumptions. In Column 1, we estimate both  $\beta$  and  $\delta$ : we cannot reject a  $\delta = 0.995$  (as assumed earlier) and do not obtain a better fit of the data compared to the benchmarks. In Column 2, we estimate the gain utility parameter  $\eta$  instead of fixing it to 1, as typical in the literature. We estimate a larger  $\hat{\eta} = 4.24$ , with a correspondingly smaller  $\lambda$ , not surprisingly since the extent of loss aversion is essentially  $\eta * (\lambda - 1)$ . Since the fit for this model is only slightly better than for our benchmark, we maintain the assumption  $\eta = 1$ .

In Column 3, conversely we present estimates from a linear reference-dependent model, with  $\eta > 0$  but no loss aversion ( $\lambda = 1$ ). Even without loss aversion, reference dependence still has an impact on job search because a high reference point increases differentially the value of employment relative to the value of unemployment. The fit of this model, while clearly superior to the standard model, is not as good as with loss aversion (SSE=140.7 versus 129.2), and in particular it does not fit the decline in search effort after UI expiration very well (Online Appendix Figure A.23). In Column 4, we remove the assumption of 0 initial wealth (consistently with the high estimated impatience) and assume assets equal to one month of pre-unemployment income. The qualitative features of the estimates are unchanged, with a slightly worse fit for both the standard model and the reference-dependent model.

In the next three specifications, we vary the moments used. In Column 5, we use the same moments, but we do not upweight the search effort moments, using instead (the diagonal of) the optimal weighting matrix, thus giving much more weight to the hazard moments (estimated on much larger administrative data). The qualitative patterns are similar, with a better fit for the reference-dependent model (SSE=69.7 versus 106.8), which however now fits only partially the decline in search effort post expiration. In Column 6, we revert to the benchmark weighting, but we exclude from the estimation the search effort moments for the months past UI expiration. Without these moments, we cannot reject the null of no loss aversion ( $\lambda = 1$ ), indicating the importance of the expiration moments for the identification of reference dependence. Finally, in Column 7 we use the benchmark search effort moments but instead of using the hazard moments for the 12 vs. 15 month PBD, we use the hazards for the 8 versus 10 month PBD. As Online Appendix Figure A.24 also shows, the reference-dependent model has a clearly better fit than the standard model (SSE=197.0 vs. 340.6).

## 6 Discussion and Conclusion

In this paper, we present novel evidence on the search effort of unemployed workers from an SMS-based survey of unemployed workers in Germany. We present three key findings on within-person search effort over the spell. First, the intensity of job search is flat in the initial months of unemployment, from month 2 to month 6. Second, in the months surrounding UI expiration search effort first increases up to expiration and then decreases thereafter. Third, we do not find evidence that workers starting a new job at UI expiration had an offer earlier, or stopped searching earlier, as hypothesized under a storable-offer model.

We estimate a model that allows for unobserved heterogeneity in both the cost of search and in the productivity of search effort, using as moments evidence from the survey and on the

hazard into employment from matched administrative data. We allow for reference dependence with respect to recent income, to capture a form of backward-looking reference dependence. While both a standard model and a reference-dependent model fit well the path of the hazard and the flat pattern of search effort in the initial months, only the reference-dependent model can explain the increasing and then decreasing pattern of search effort around UI expiration.

The model that we estimate focuses on a comparison of a standard model with unobserved heterogeneity with a reference-dependent model. Yet, a variety of other models have been proposed in the literature to understand observed patterns in job search. A first set of models aims to explain the spike at expiration with storable offers; as we discussed above, we do not find evidence supporting this model in the German context, and our structural estimates can explain the full extent of the spike, without resorting to storable offers. We should notice that this may differ in other contexts. In the Hungary context ([DellaVigna et al., 2017](#)), for example, neither the standard model nor the reference-dependent model fit well the spike in hazard at UI expiration. It remains an open question whether storable offers may be more common in a different institutional context such as in Hungary.

A second explanation for the spike at expiration involves recalled workers going back to their jobs. In our context, though, recalls are not common, and we show that the hazard patterns are similar if we exclude recalls.

A third explanation for the search effort patterns is that there may be only a fixed set of jobs to search for and that, after an unemployed worker has gone through them, the worker does not have much scope for additional job search. This could in principle explain why after UI expiration, when presumably workers are search especially intensely, search intensity may decline. Yet, this explanation would predict a temporary decrease in search effort right after UI expiration, not a continuous decrease. Furthermore, if such lumpy nature of search effort were of first-order importance, it likely would manifest itself also in a decrease in search effort over the initial months. We stress that such lumpy search effort patterns may be more of a first-order issue for methods that measure only one type of search effort, such as possibly online postings, than for a measure that aims to capture all margins of search effort, like ours.

A fourth explanation is worker discouragement, perhaps because of a decline in the call back rate over the spell. This could explain the decrease in search effort after expiration. However, to the extent that there is a discouragement effect, one would expect it to be stronger in the initial months (as in [Kroft et al., 2013](#)), when instead search intensity is flat.

Of course, it is possible that a combination of such explanations is at play, in a way that would explain the overall findings. In any case, we hope that the additional evidence on within-person search intensity will prove useful in providing additional facts to tease alternative

models apart. As we stressed in the paper, the fact that we can consider within-person patterns enables us to largely side-steps concerns about unobserved heterogeneity that plays a key role in understanding the patterns in hazard rates from unemployment.

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Table 1: Summary Table

	(1)	(2)	(3)	(4)	(5)	(6)
	All UI Recipients	Sample Frame	Contacted	Participants Month 1	Participants Month 1 Unemployed	Participants Month 4 Unempl. Month 1
<b>Demographics</b>						
Female = 1	0.45	0.46	0.45	0.50	0.50	0.50
Age	42.03	44.42	43.28	43.06	43.22	43.44
Non-German Nat.= 1	0.18	0.22	0.27	0.16	0.17	0.13
Education Missing	0.30	0.31	0.36	0.23	0.24	0.21
Low Education	0.56	0.54	0.49	0.50	0.50	0.51
High Education	0.13	0.15	0.15	0.26	0.25	0.27
cellphone == 1	0.79	0.99	1.00	1.00	1.00	1.00
<b>UI Characteristics</b>						
P at UI start = 6 months	0.04	0.16	0.24	0.23	0.22	0.22
P at UI start = 8 months	0.03	0.13	0.21	0.20	0.19	0.19
P at UI start = 10 months	0.03	0.11	0.17	0.18	0.18	0.17
P at UI start = 12 months	0.24	0.36	0.21	0.22	0.22	0.23
P at UI start = 15 months	0.05	0.24	0.17	0.17	0.18	0.19
P at UI start = 18 months	0.03	0.00	0.00	0.00	0.00	0.00
P at UI start = 24 months	0.07	0.00	0.00	0.00	0.00	0.00
P at UI start = other	0.52	0.00	0.00	0.00	0.00	0.00
Nonemp. Duration in months (at last contact)	6.23	5.91	6.62	6.41	6.49	6.56
<b>Survey Outcomes</b>						
Min. Searched Yesterday				76.00	81.43	65.09
Reported Life Satisfaction (Scale 1 to 5)				3.22	3.15	3.21
Censored Reservation Wage				2758.84	2727.92	2747.34
Search Intensity (Scale 1 to 10)				4.88	5.25	4.14
Unemployed = 1				0.88	1.00	0.61
N	2982951	377015	86673	7797	6877	4780
Krueger-Mueller Data*	362292	63813	63813	6025		

**Notes:** This table summarizes characteristics of the stock of UI recipients at different stages of the sampling process. Column (1) shows all UI recipients for all waves the survey was running. Column (2) shows all individuals that fulfill the basic sampling requirements. Column (3) represent the actually contacted individuals, which are a stratified random sample based on PxID cells. Column (4) contains all individuals that participated initially in the survey, column (5) shows participants that were also unemployed and column (6) shows individuals that were initially unemployed and still participated in the last month of the survey. Survey outcomes (except job search) contain first (columns 4 and 5) and last (column 6) observation of each participant.

\*Numbers retrieved from tables and text in Krueger and Mueller (2011).

Table 2: Tests for Survey Response Bias

	(1)	(2)	(3)	(4)	(5)	(6)
	German SMS Data			Krueger-Mueller Diary Data		
<b>Panel A: Test for Survey Response Bias in SMS and KM-Data</b>						
	First Survey Response		All Responses	First Survey Response		All Responses
	Between	Between w/ controls	Within	Between	Between w/ controls	Within
Months Unemployed	-0.440	-0.515*	-0.239	0.826*	0.502	-10.778***
	[0.296]	[0.311]	[0.297]	[0.458]	[0.429]	[0.960]
<i>Adj.R</i> <sup>2</sup>	0.00	0.03	0.49	0.07	0.11	0.67
Mean Job Search	79.11	79.11	84.74	102.11	101.74	64.71
N Individuals	6733	6733	6733	4202	4124	4813
N	6733	6733	119409	4202	4124	25658
p-Val. Col. (2) vs. (3) /(5) vs. (6)			0.471			0.000
Individual Controls		X			X	
Individual FE			X			X
<b>Panel B: Direct Estimate for Survey Response Bias</b>						
Survey Duration in Months	0.814	1.053	0.943			
	[0.661]	[0.712]	[0.688]			
Adj. R <sup>2</sup>	0.002	0.007	0.040			
Mean Dep. Var	84.896	84.896	84.896			
N Individuals	6877	6877	6877			
N	121405	121405	121405			
P-Group x Unemp. Dur. FE	X	X	X			
Time (running week) FE		X	X			
Individual Controls			X			

Panel A performs the test for survey response bias as outlined in Krueger-Mueller (2011), applied to the German SMS-data (columns (1) to (3)) as well as to the original K&M data (columns (4)-(6)). In column (1)-(2) and (4)-(5) of Panel A, we only use the first response to the job-search question, conditional on that this response happens within the first week after survey start. Unemployment duration is the difference between UI-entry and the day of the interview (scaled to months). Standard errors clustered at the level of individuals. Panel B performs a refined survey test, that makes use of the repeated wave structure in the German SMS data. Significance levels: \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Table 3: Search Effort Since Start of UI Spell

	(1)	(2)	(3)	(4)
[2, 3] months (omitted category)	0.00	0.00	0.00	0.00
	[.]	[.]	[.]	[.]
on UI since [3, 4] months	2.35	0.99	-1.14	-1.23
	[1.95]	[1.91]	[1.69]	[1.72]
on UI since [4, 5] months	0.39	-1.29	-0.15	0.87
	[2.59]	[2.51]	[2.16]	[2.20]
on UI since [5, 6] months	-2.01	-3.33	-0.45	1.11
	[2.34]	[2.80]	[2.29]	[2.41]
on UI since [6, 7] months	1.24	-1.20	-0.08	1.67
	[3.03]	[3.18]	[2.69]	[2.83]
Adj. R <sup>2</sup>	0.000	0.046	0.470	0.471
Mean Dep. Var	86.578	86.578	86.578	86.578
N Observations	29536	29536	29536	29536
N Individuals	2022	2022	2022	2022
Individual Controls	X			
Individual FE			X	X
Time FE				X

This table shows estimates of job-search in minutes on time on UI. Included are all job-search responses at time of nonemployment in the examined range of UI duration of individuals with  $P \geq 8$ . SE (in brackets) are clustered on the individual level. Controls include dummies for gender, German nationality, wave, initial eligibility and UI duration, educational groups and age in years. Time-FE control for calendar months and weekday of survey. P-Values report the  $H_0$  of the performed test. Hypotheses are formulated such that  $H_1$  is consistent with the ref-dependent model. \*, \*\* and \*\*\* denote significance on 10%, 5% and 1% significance level, respectively.

Table 4: Search Effort Around UI Exhaustion

	(1)	(2)	(3)	(4)
$[-4, -3]$ months since UI exhaustion	-3.28 [2.13]	-7.56*** [2.44]	-6.62*** [1.97]	-7.27*** [1.99]
$[-3, -2]$ months since UI exhaustion	0.11 [1.92]	-3.63* [2.09]	-3.65** [1.81]	-4.27** [1.83]
$[-2, -1]$ months since UI exhaustion	1.82 [1.97]	-1.91 [1.90]	-3.43** [1.56]	-3.76** [1.56]
$[-1, 0]$ months since UI exhaustion (omitted cat.)	0.00 [.]	0.00 [.]	0.00 [.]	0.00 [.]
$[0, 1]$ months since UI exhaustion	-0.95 [1.27]	-0.85 [1.25]	-2.07* [1.09]	-1.96* [1.10]
$[1, 2]$ months since UI exhaustion	-3.45** [1.67]	-2.32 [1.68]	-3.43** [1.48]	-2.75* [1.48]
$[2, 3]$ months since UI exhaustion	-6.17*** [1.97]	-4.41** [1.93]	-5.04*** [1.65]	-4.16** [1.65]
$[3, 4]$ months since UI exhaustion	-10.17*** [2.34]	-7.75*** [2.22]	-7.25*** [1.85]	-5.81*** [1.87]
Adj. $R^2$	0.001	0.043	0.498	0.499
Mean Dep. Var	84.271	84.271	84.271	84.271
N Observations	89876	89876	89876	89876
N Individuals	5530	5530	5530	5530
Individual Controls	X			
Individual FE			X	X
Time FE				X

This table shows estimates of job-search in minutes on time since UI exhaustion. SE (in brackets) are clustered on the individual level. P-Values report the  $H_0$  of the performed test. Hypotheses are formulated such that  $H_1$  is consistent with the ref-dependent model. \*, \*\* and \*\*\* denote significance on 10%, 5% and 1% significance level, respectively.



Table 5: Search Effort Since Start of UI Spell - Robustness

	Baseline	Full	Narrow	Bi-weekly	Non resp.	Cap at	Cap at	Controlling for	Re-weighted to Match	
		Participants	Nonemp.	Level	as zero.	240 min	480 min	Local UR	Contacted	UI-Population
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
[2, 3] months (omitted category)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	[.]	[.]	[.]	[.]	[.]	[.]	[.]	[.]	[.]	[.]
on UI since [3, 4] months	-1.23	-1.26	-0.71	-0.28	-2.65	-2.02	-0.58	-1.13	-0.36	-1.00
	[1.72]	[1.99]	[1.77]	[1.97]	[1.65]	[1.42]	[1.87]	[1.72]	[1.73]	[1.74]
on UI since [4, 5] months	0.87	1.41	1.26	1.63	-1.62	-1.29	2.29	1.16	1.32	1.80
	[2.20]	[2.50]	[2.31]	[2.60]	[2.08]	[1.80]	[2.42]	[2.22]	[2.23]	[2.35]
on UI since [5, 6] months	1.11	0.45	1.51	2.14	-1.08	-0.82	2.23	1.55	2.14	2.28
	[2.41]	[2.60]	[2.74]	[3.17]	[2.26]	[1.97]	[2.59]	[2.47]	[2.28]	[2.39]
on UI since [6, 7] months	1.67	3.08	0.77	0.90	-0.26	-1.08	2.99	2.19	3.16	3.47
	[2.83]	[3.07]	[3.44]	[4.01]	[2.68]	[2.26]	[3.09]	[2.90]	[2.71]	[2.79]
Adj. R <sup>2</sup>	0.471	0.489	0.479	0.674	0.429	0.452	0.473	0.471	0.470	0.471
Mean Dep. Var	86.578	84.599	86.709	85.685	77.606	79.893	88.866	86.578	86.578	86.578
N Observations	29536	20618	26244	7843	32951	29536	29536	29536	29536	29536
N Individuals	2022	1047	2022	1970	2024	2022	2022	2022	2022	2022
Individual FE	X	X	X	X	X	X	X	X	X	X
Time FE	X	X	X	X	X	X	X	X	X	X
Monthly Local UR								X		

This table shows estimates of job-search in minutes on time since the start of the UI spell for alternative specifications, where column (1) is the baseline specification. Column (2) includes only "full participants", that are still non-employed and who still participate in the survey after 4 months since survey start. Column (3) applies a stricter non-employment definition by including only observations for which individuals report at the same or a later date to still be nonemployed. Column (4) aggregates to the bi-weekly level and repeats the baseline estimate on that level. Column (5) replaces non-responses with zeros, if for the individual at least one later actual response is observed. Column (6) and (7) change the threshold above which responses are winsorized. Column (8) controls for the county x month unemployment rate at time of survey. Column (9) and (10) re-weight observations based on a variety of observed characteristics in order to match the average characteristics observed among all contacted individuals (column (9)) and the universe of UI recipients during the time of the survey (column (10)). SE (in brackets) are clustered on the individual level. \*, \*\* and \*\*\* denote significance on 10%, 5% and 1% significance level, respectively.

Table 6: Search Effort Around UI Exhaustion - Robustness

	Baseline	Full	Narrow	Bi-weekly	Non resp.	Cap at	Cap at	Controlling for	Re-weighted to Match	
		Participants	Nonemp.	Level	as zero.	240 min	480 min	Local UR	Contacted	UI-Population
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
[-4, -3] months since UI exhaustion	-7.27*** [1.99]	-7.90*** [2.14]	-6.78*** [2.18]	-7.46*** [2.23]	-5.81*** [2.10]	-5.26*** [1.64]	-8.49*** [2.18]	-7.66*** [2.02]	-8.56*** [2.01]	-8.36*** [1.99]
[-3, -2] months since UI exhaustion	-4.27** [1.83]	-5.91*** [1.97]	-4.27** [2.01]	-4.04** [2.04]	-3.88** [1.94]	-3.03** [1.49]	-5.11** [1.99]	-4.55** [1.84]	-5.75*** [1.88]	-5.20*** [1.83]
[-2, -1] months since UI exhaustion	-3.76** [1.56]	-4.23** [1.69]	-3.27* [1.73]	-3.71** [1.78]	-3.93** [1.70]	-3.15** [1.28]	-4.03** [1.70]	-3.89** [1.56]	-5.13*** [1.64]	-5.00*** [1.60]
[-1, 0] months since UI exhaustion (omitted cat.)	0.00 [.]	0.00 [.]	0.00 [.]	0.00 [.]	0.00 [.]	0.00 [.]	0.00 [.]	0.00 [.]	0.00 [.]	0.00 [.]
[0, 1] months since UI exhaustion	-1.96* [1.10]	-1.79 [1.23]	-1.79 [1.24]	-1.77 [1.24]	-2.81** [1.20]	-2.39*** [0.91]	-1.80 [1.19]	-1.86* [1.10]	-2.00* [1.14]	-1.90* [1.12]
[1, 2] months since UI exhaustion	-2.75* [1.48]	-3.88** [1.58]	-1.95 [1.67]	-3.28** [1.63]	-3.44** [1.59]	-2.95** [1.24]	-2.58 [1.61]	-2.49* [1.50]	-2.38 [1.57]	-2.55* [1.53]
[2, 3] months since UI exhaustion	-4.16** [1.65]	-4.59*** [1.75]	-3.50* [1.86]	-4.25** [1.84]	-5.23*** [1.76]	-4.09*** [1.37]	-3.95** [1.81]	-3.76** [1.68]	-3.81** [1.75]	-3.79** [1.66]
[3, 4] months since UI exhaustion	-5.81*** [1.87]	-6.11*** [1.96]	-5.65** [2.36]	-6.33*** [2.08]	-7.09*** [2.25]	-5.76*** [1.59]	-5.48*** [2.01]	-5.29*** [1.90]	-4.93** [1.99]	-4.58** [1.90]
Adj. R <sup>2</sup>	0.499	0.513	0.505	0.669	0.455	0.480	0.501	0.499	0.489	0.497
Mean Dep. Var	84.271	81.893	84.313	83.945	75.035	77.613	86.706	87.732	84.271	84.271
N Observations	89876	65472	77847	27200	87472	89876	89876	89876	89876	89876
N Individuals	5530	3126	5342	5400	5345	5530	5530	5530	5530	5530
Individual FE	X	X	X	X	X	X	X	X	X	X
Time FE	X	X	X	X	X	X	X	X	X	X
Monthly Local UR								X		

This table shows estimates of job-search in minutes on time since UI exhaustion for alternative specifications, where column (1) is the baseline specification. Column (2) includes only "full participants", that are still non-employed and who still participate in the survey after 4 months since survey start. Column (3) applies a stricter non-employment definition by including only observations for which individuals report at the same or a later date to still be nonemployed. Column (4) aggregates to the bi-weekly level and repeats the baseline estimate on that level. Column (5) replaces non-responses with zeros, if for the individual at least one later actual response is observed. Column (6) and (7) change the threshold above which responses are winsorized. Column (8) controls for the county x month unemployment rate at time of survey. Column (9) and (10) re-weight observations based on a variety of observed characteristics in order to match the average characteristics observed among all contacted individuals (column (9)) and the universe of UI recipients during the time of the survey (column (10)). SE (in brackets) are clustered on the individual level. \*, \*\* and \*\*\* denote significance on 10%, 5% and 1% significance level, respectively.

Table 7: Structural Estimates of Job Search Models

	(1)	(2)	(3)	(4)	(5)	(6)
		$\delta$ -discounting			$\beta\delta$ -discounting	
	Standard 3 type	Ref. Dep. 2 type	Ref. Dep. 3 type	Standard 3 type	Ref. Dep. 2 type	Ref. Dep. 3 type
<b>Parameters of Utility Function</b>						
Loss aversion $\lambda$	.	5.96	12.6	.	3.18	2.66
		[0.68]	[1.97]		[1.32]	[0.63]
Adjustment speed of ref. point N	.	403.7	451.3	.	297.9	338.4
		[27.8]	[32.7]		[22.7]	[32.6]
Discount factor (30 days) $\delta$	0.639	0.931	0.915	0.995	0.995	0.995
	[0.0658]	[0.00876]	[0.0184]	[0]	[0]	[0]
Discount factor $\beta$	1	1	1	0.918	0.475	0.473
	[0]	[0]	[0]	[0.00874]	[0.127]	[0.0943]
<b>Parameters of Search Cost and Productivity</b>						
Curvature of search cost $\gamma$	18.7	3.16	5.58	1.88	4.59	1.68
	[0.42]	[0.031]	[0.058]	[0.068]	[1.39]	[0.26]
Curvature of search effort productivity $\zeta$	8.21	1.65	3.06	1.51	1.77	0.39
	[0.20]	[0.010]	[0.021]	[0.061]	[0.62]	[0.061]
Composite curvature $\tilde{\gamma} = \frac{\gamma-\zeta}{1+\zeta}$	1.13	0.57	0.62	0.15	1.02	0.93
Search Cost for Type 1 (ln(k1))	-56.3	-17.0	-26.7	-3.96	-23.9	-7.71
	[233.6]	[0.12]	[9.13]		[6.12]	[3.88]
Type 1 (ln(E1))	-25.5	-14.0	-18.4	-24.7	-14.8	-5.02
	[109.5]	[0.060]	[5.64]	[0.28]	[2.53]	[2.18]
Search Cost for Type 2 (ln(k2))	-86.7	-17.4	-26.7	-6.57	-25.3	-12.3
	[49.7]	[0.28]	[0.48]	[0.17]	[6.10]	[1.64]
Type 1 (ln(E2))	-41.8	-12.9	-19.8	-8.81	-13.2	-9.80
	[23.3]	[0.15]	[0.31]	[0.13]	[2.56]	[0.31]
Search Cost for Type 3 (ln(k3))	-94.9	.	-58.7	-12.9	.	-30.3
	[16.3]		[93.4]	[0.36]		[15.0]
Type 1 (ln(E3))	-44.0	.	-36.9	-12.8	.	-15.2
	[7.66]		[57.5]	[0.32]		[7.60]
Share of Highest Cost Type p1	0.17	0.49	0.50	0.24	0.44	0.58
	[0.11]	[0.013]	[0.027]	[0.012]	[0.026]	[0.025]
Share of Highest Cost Type p2	0.37	.	0.49	0.31	.	0.41
	[0.021]		[0.029]	[0.014]		[0.026]
<b>Model Fit</b>						
Number of Moments Used	49	49	49	49	49	49
Number of Estimated Parameters	11	10	13	11	10	13
SSE for Hazard	127.4	156.6	118.8	91.2	117.6	92.1
SSE for Initial Effort	14.2	17.2	17.4	14.2	28.4	13.4
SSE for Effort around Exhaustion	139.8	33.9	30.8	144.2	40.5	23.7
Goodness of Fit (SSE)	281.6	208.4	167.0	249.6	186.9	129.2

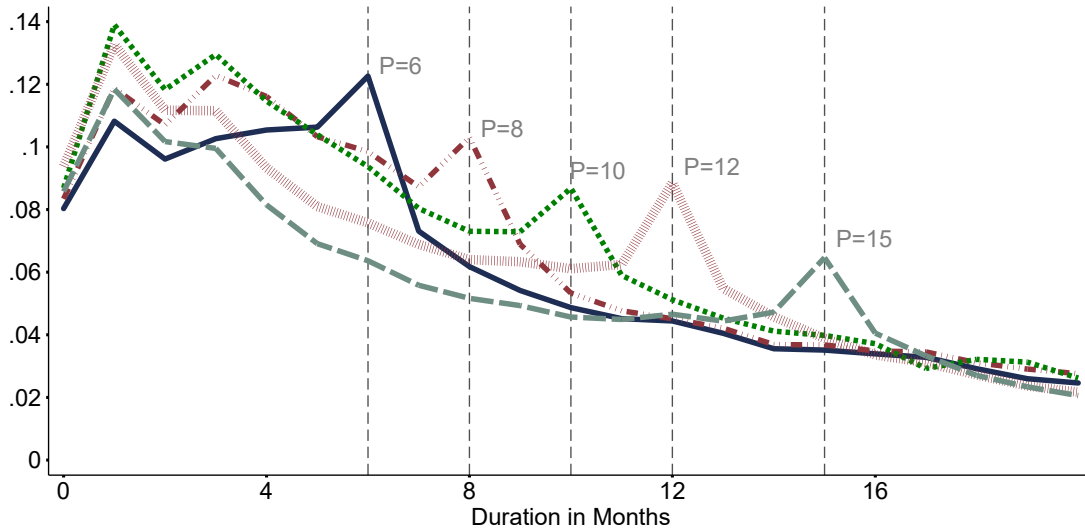
**Notes:** The table shows parameter estimates for the standard and the reference-dependent search models. Estimation is based on minimum distance estimation. The targeted moments are 1) the within-person estimates of the evolution of search effort at the beginning of the spell, 2) the evolution of effort at UI exhaustion, and 3) the empirical hazards for the P=8 and P=10 month groups, that are estimated using a regression discontinuity design at the cutoff, to keep the composition between the two groups identical. Standard errors for estimated parameters in parentheses.

Table 8: Robustness Table for Structural Estimation

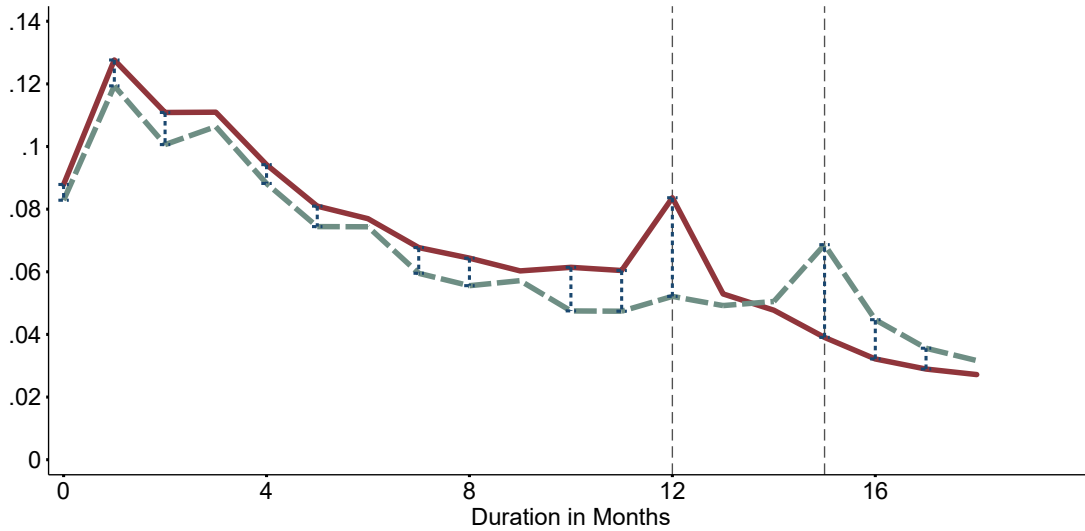
	(1) Estimate $\beta$ and $\delta$	(2) Estimate $\eta$	(3) Estimate $\eta$ ; fix $\lambda$	(4) Pos. initial Assets	(5) Effort upweighted $\times 1$	(6) No Decline FE	(7) Estimate using P=8/10 Group
<b>Standard Model - 3 Types</b>							
Discount factor (30 days) $\delta$	0.911 [0.123]	0.995 [0]	0.995 [0]	0.995 [0]	0.995 [0]	0.995 [0]	0.995 [0]
Discount factor $\beta$	0.646 [0.0188]	0.919 [0.00865]	0.918 [0.00874]	0.484 [0.0258]	0.920 [0.0203]	0.917 [0.0109]	0.717 [0.0307]
Curvature of search cost $\gamma$	10.1 [0.12]	1.88 [0.065]	1.88 [0.068]	8.42 [0.077]	1.88 [0.068]	3.45 [0.026]	3.40 [0.24]
Curvature of search effort productivity $\zeta$	5.65 [0.059]	1.51 [0.059]	1.51 [0.061]	4.62 [0.070]	1.52 [0.057]	2.88 [0.027]	1.80 [0.16]
Composite curvature $\tilde{\gamma} = \frac{\gamma-\zeta}{1+\zeta}$	0.68	0.15	0.15	0.68	0.14	0.15	0.57
Number of Moments Used	49	49	49	49	49	45	49
Number of Estimated Parameters	12	11	11	11	11	11	11
SSE for Hazard	105.2	91.2	91.2	127.6	90.9	90.9	194.5
SSE for Initial Effort	12.6	14.1	14.2	13.0	1.42	12.6	13.7
SSE for Effort around Exhaustion	131.3	144.3	144.2	125.7	14.5	168.4	132.4
Goodness of Fit (SSE)	249.1	249.6	249.6	266.4	106.8	118.8	340.6
<b>Reference Dependent Model - 3 Types</b>							
Loss aversion $\lambda$	2.81 [1.29]	1.28 [1.12]	1 [0]	4.92 [0.80]	5.70 [0.60]	0.95 [0.056]	3.88 [1.18]
Eta	1	4.24 [0.13]	3.35 [1.76]	1	1	1	1
Adjustment speed of ref. point N	330.4 [54.6]	357.2 [44.3]	66.0 [2.81]	306.3 [28.1]	412.1 [12.3]	76.8 [6.23]	568.8 [62.1]
Discount factor (30 days) $\delta$	0.967 [0.111]	0.995 [0]	0.995 [0]	0.995 [0]	0.995 [0]	0.995 [0]	0.995 [0]
Discount factor $\beta$	0.475 [0.0477]	0.473 [0.123]	0.511 [0.204]	0.350 [0.0403]	0.896 [0.00786]	0.821 [0.0689]	0.763 [0.0230]
Curvature of search cost $\gamma$	3.26 [1.92]	2.46 [0.34]	8.17 [7.99]	3.06 [0.022]	1.92 [0.0099]	3.02 [1.95]	3.01 [0.045]
Curvature of search effort productivity $\zeta$	1.12 [0.89]	0.75 [0.030]	4.02 [4.32]	0.76 [0.0099]	1.38 [0.0088]	2.11 [1.48]	1.74 [0.019]
Composite curvature $\tilde{\gamma} = \frac{\gamma-\zeta}{1+\zeta}$	1.01	0.98	0.83	1.30	0.23	0.29	0.47
Number of Moments Used	49	49	49	49	49	45	49
Number of Estimated Parameters	14	14	13	13	13	13	13
SSE for Hazard	93.0	87.6	65.8	86.7	62.6	52.4	137.2
SSE for Initial Effort	12.8	12.5	9.36	20.9	2.75	6.84	23.1
SSE for Effort around Exhaustion	23.2	23.2	65.4	25.4	4.39	160.8	36.7
Goodness of Fit (SSE)	129.0	123.4	140.7	133.0	69.7	76.4	197.0

**Notes:** The table shows parameter estimates for the standard and the reference-dependent search models. Estimation is based on minimum distance estimation. The targeted moments are 1) the within-person estimates of the evolution of search effort at the beginning of the spell, 2) the evolution of effort at UI exhaustion, and 3) the empirical hazards for the P=8 and P=10 month groups, that are estimated using a regression discontinuity design at the cutoff, to keep the composition between the two groups identical. Standard errors for estimated parameters in parentheses. [.] indicates that the parameter estimate is on the boundary and thus the standard error is not well identified.

Figure 1: Re-employment Hazard Using Administrative Data



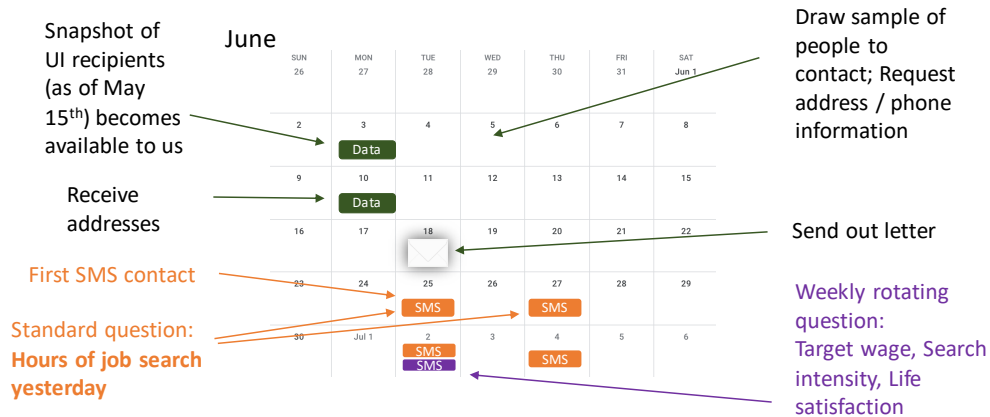
(a) All Eligibility Categories



(b) Regression Discontinuity at Age 50

**Notes:** This figure shows reemployment hazards by PBD groups based on administrative data between January 2013 and June 2016. Panel (a) shows hazard rates for all 5 PBD-groups, whereas figure (b) provides RD-estimates of the 12 vs. 15 month eligibility group around the discontinuity at age 50. The sample consists of individuals aged between 28 and 60 at time of UI entry and have exactly 6, 8, 10, 12 or 15 months of PBD at UI entry. For PBD=12 and PBD=15, we additionally restrict to age between 45 and 55 at time of UI entry and on qualifying for long UI eligibility based on working history. We also restrict to immediate UI take-up after job-loss (<2 days). Numbers of observations for panel are for P=6: 113568, for P=8: 80809, for P=10: 59967, for P=12: 258954 and for P=15: 216307.

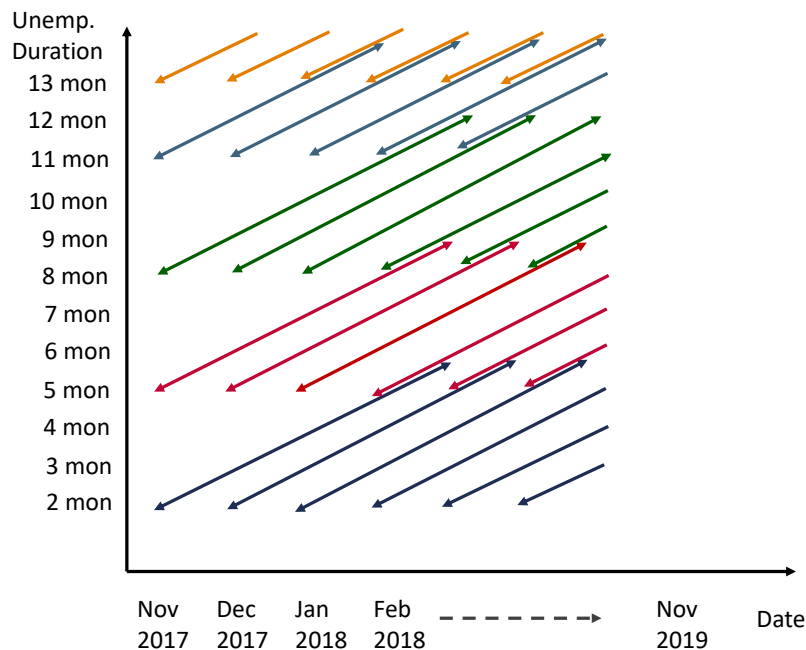
Figure 2: Survey Design



Full Q: „How many hours did you spend searching for a job yesterday? For example, looking for job-postings, sending out applications or designing a cv. Please reply with the number of hours, e.g. "0.5", or "2". If, for whatever reason, you did not look for a job simply respond with "0"<sup>ca</sup>

German: „Wie viele Stunden haben Sie gestern mit Arbeitssuche verbracht?“

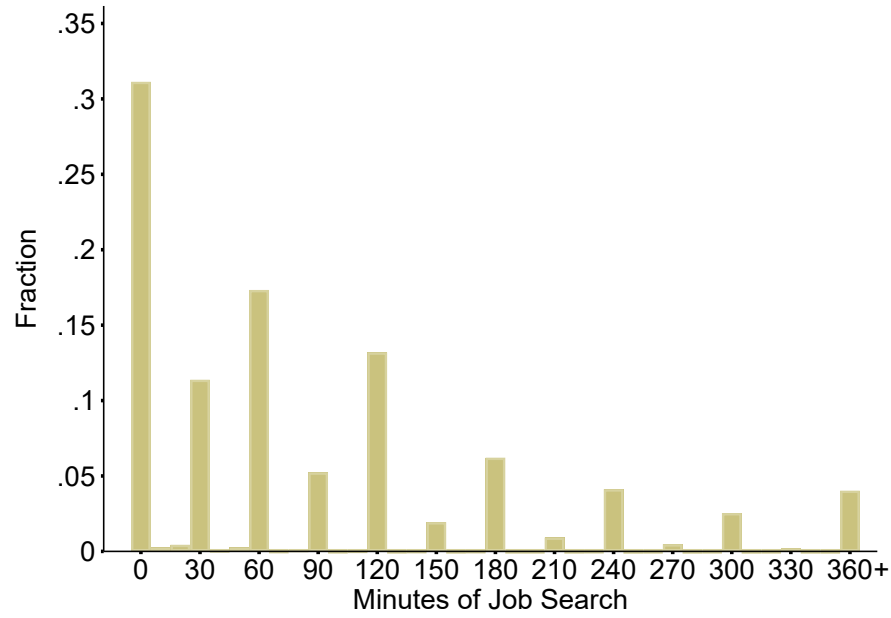
(a) Timing of Sampling and Survey Design



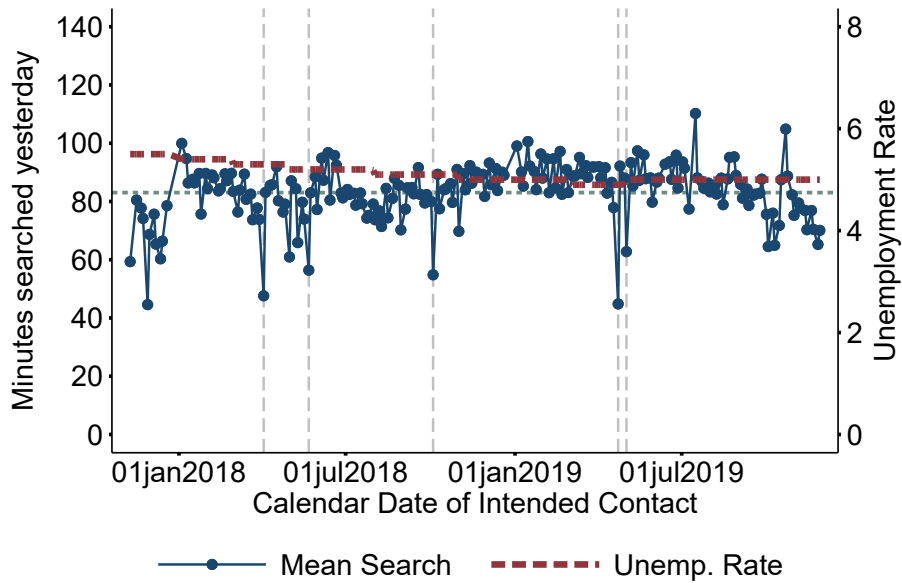
(b) Overlapping Panel Design for P=12 Group

**Notes:** This figure illustrates (a) the overlapping cohort structure by wave, and (b) timing of data retrieval, send out of letter and first SMS contact.

Figure 3: Distribution and Time Series of Job Search Measure



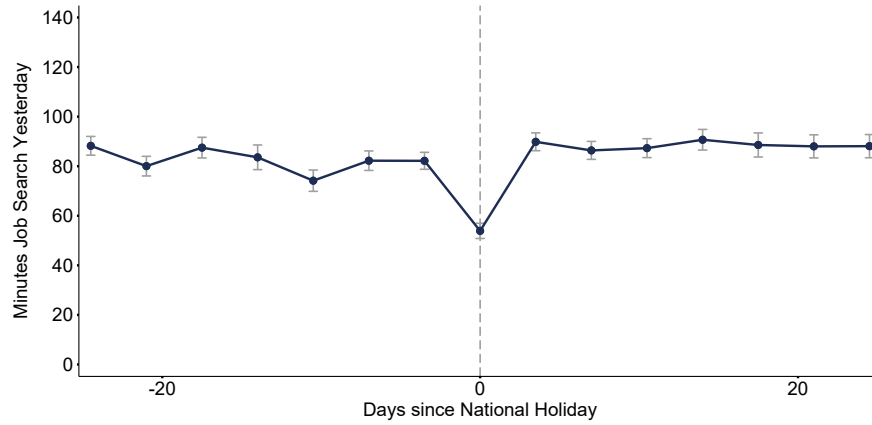
(a) Histogram of Job Search Responses



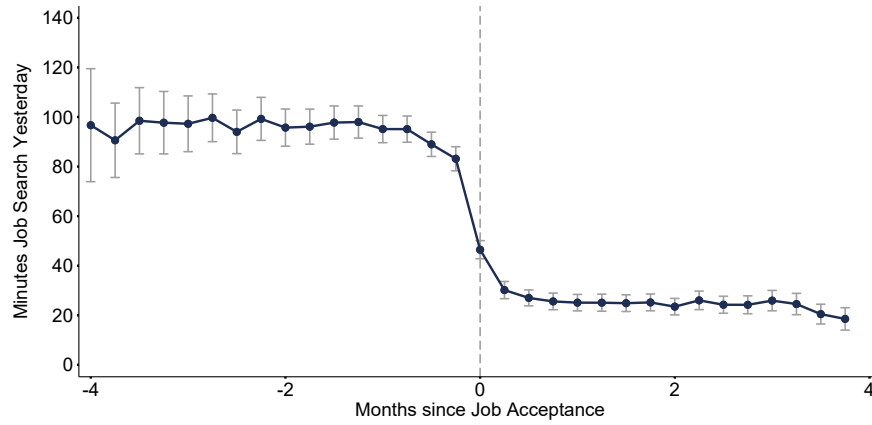
(b) Time Series of Job Search and Unemployment Rates

**Notes:** Panel (a) shows a histogram for job-search for all responses for individuals who still report being nonemployed. We drop responses above 15 hours and censor responses to 6 hours. Panel (b) shows time series of mean daily search (of nonemployed job searchers) for days with at least 20 valid responses. The horizontal dashed line indicates the mean job search over the whole period, the vertical dashed lines indicate days of federal public holidays. The red dashed line shows the seasonally adjusted monthly unemployment rate.

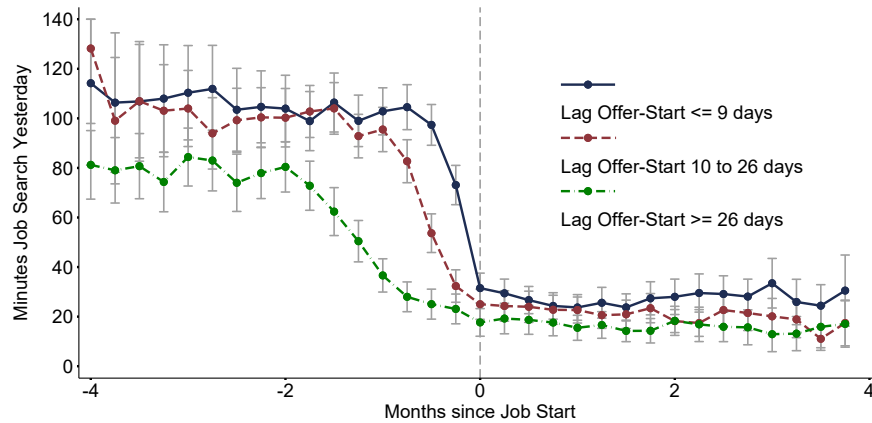
Figure 4: Validation of Search Effort Measure



(a) Search Effort Around National Holidays



(b) Search Effort Around Job Acceptance

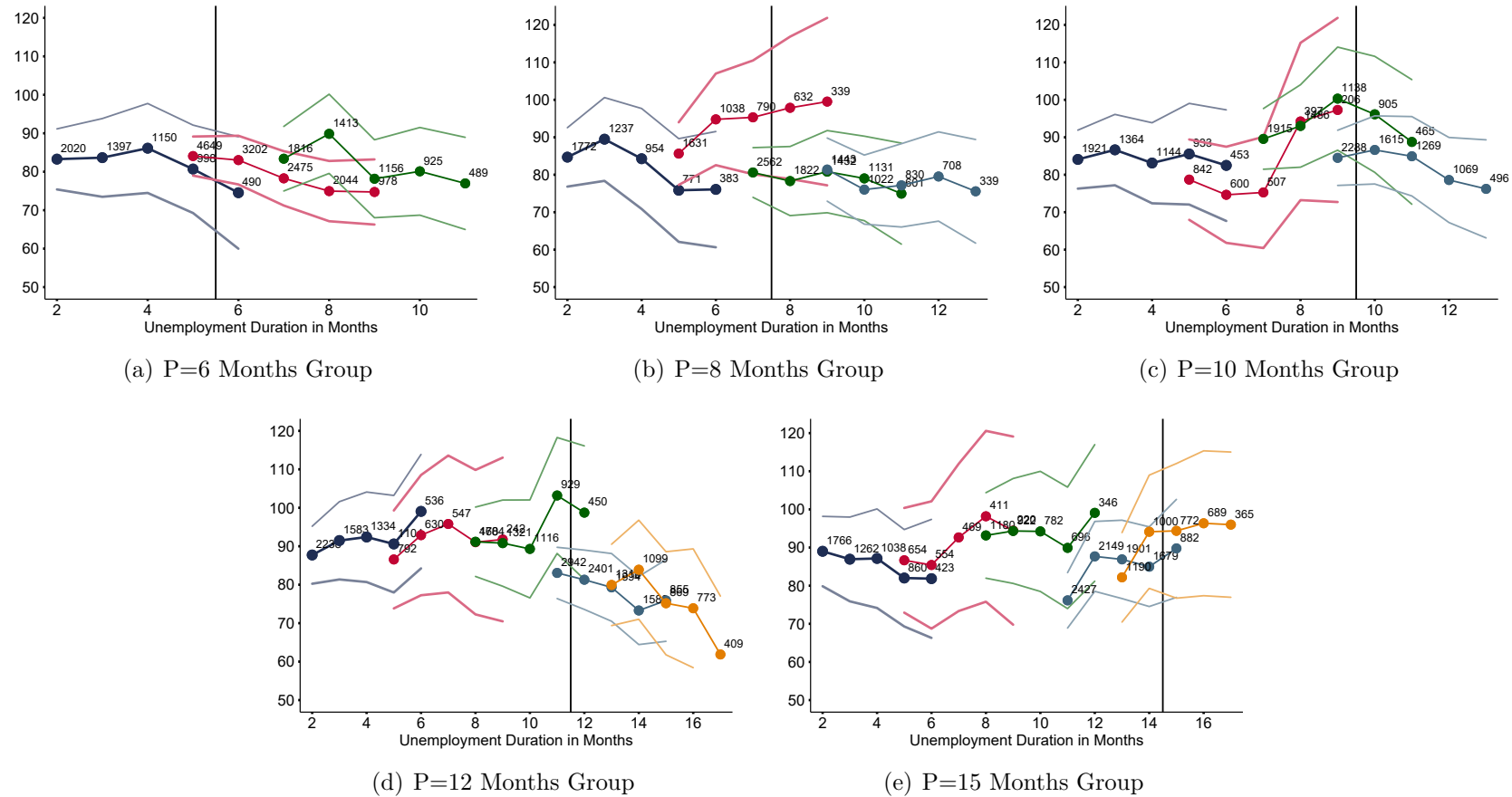


(c) Search Effort Around Job Start, by time since Acceptance

**Notes:** This figure shows mean job search effort for nonemployed individuals around different events. Event dates are normalized to zero. In figure (c) the distance between two survey dates (Tuesday  $\rightarrow$  Thursday and Thursday  $\rightarrow$  Tuesday) is standardized to 3.5 days for the ease of comparison.

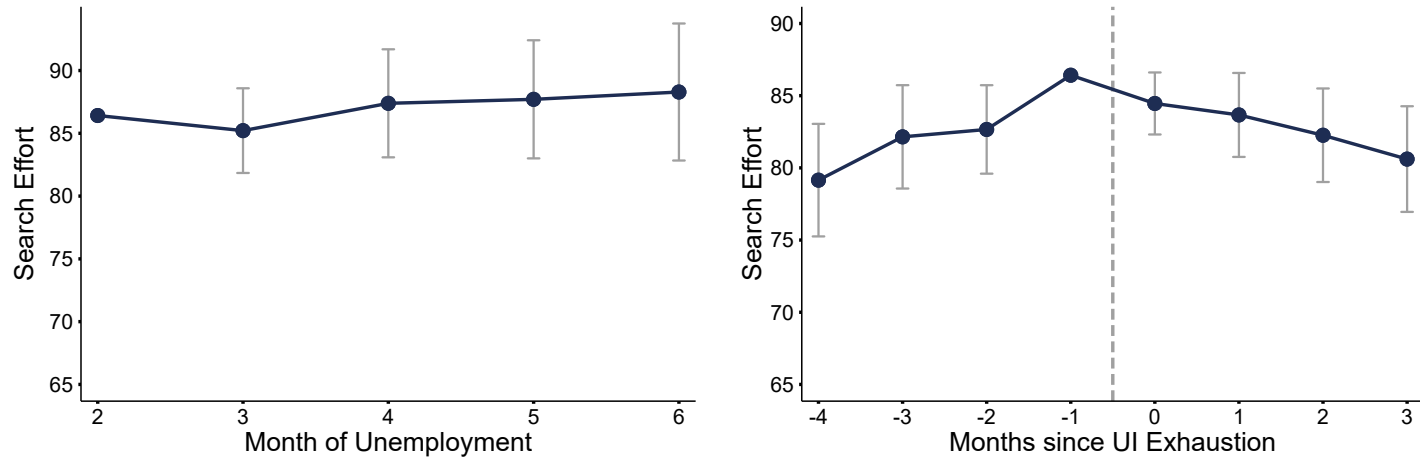


Figure 5: Search Effort (Minutes of Job-Search Yesterday) over the Unemployment Spell by Survey Cohort

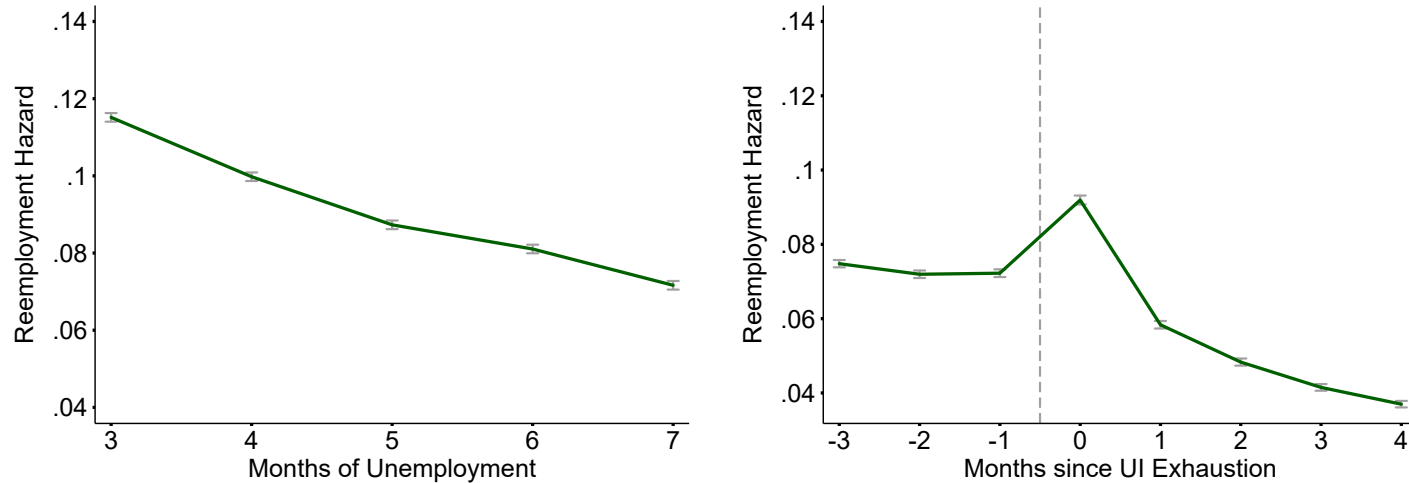


**Notes:** This figure shows cohort plots for P=6 to P=15 months. 95% CI (SE clustered on individual level) are displayed as outer lines (values above 125 and below 50 are censored for the ease of exposition). Numbers at a dot refer to the numbers of observations on which the dot is based. A cohort is defined as the duration in months on UI at time of first contact. It contains the months 2,3,5,8,11,13. Values that are -due to slight differences in definition of cohorts in earlier waves- outside those range are increased by one months such that they are fit in the listed month range. One dot represents observations from 4 weeks. Since responses are restricted to the regular survey duration (up to 18 weeks), the last dot of each cohort contains only observations from two weeks.

Figure 6: Search Effort Throughout the Unemployment Spell



(a) Initial Evolution of Search Effort (N ind. = 2022, N obs. = 29536) (b) Search Effort around UI Exhaustion (N ind. = 5530, N obs. = 89876)

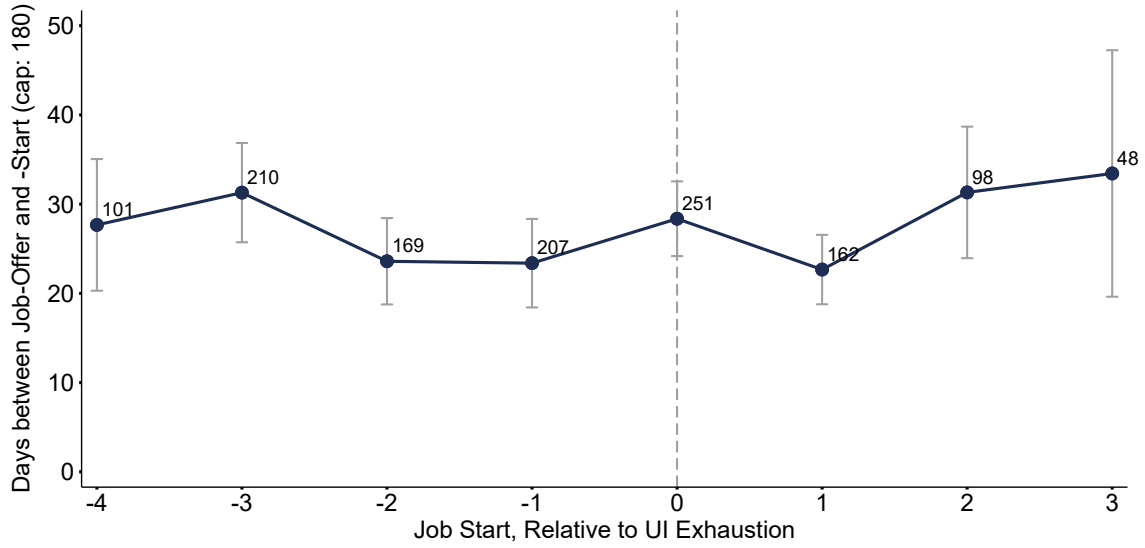


(c) Initial Evolution of Hazard Rate

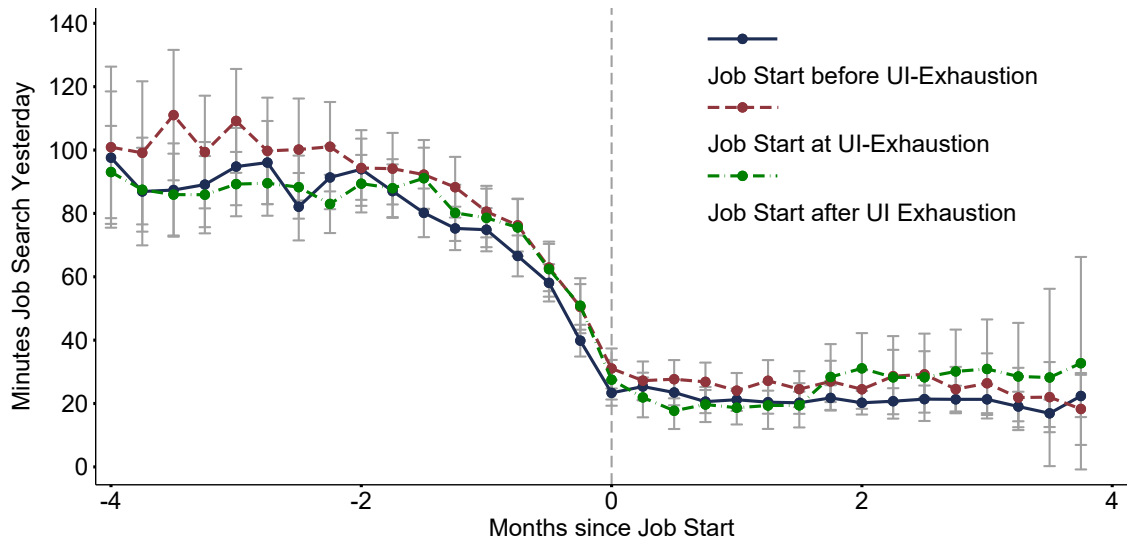
(d) Hazard Rate around UI Exhaustion

**Notes:** The figure shows mean job search over the initial spell of unemployment (up to 6 months) and around UI-exhaustion (between -4 and +3 months around UI exhaustion) controlling for individual, weekdate and calendar-month fixed effects and compares it to reemployment hazard in those months. For the initial evolution of Search Effort only individuals with  $P \geq 8$  are included. Standard Errors are clustered on the Person level. Hazard rates are pooled over different P-groups where each group is weighted with the number of individuals that are in the respective survey group.

Figure 7: Evidence about Storable Offer Model



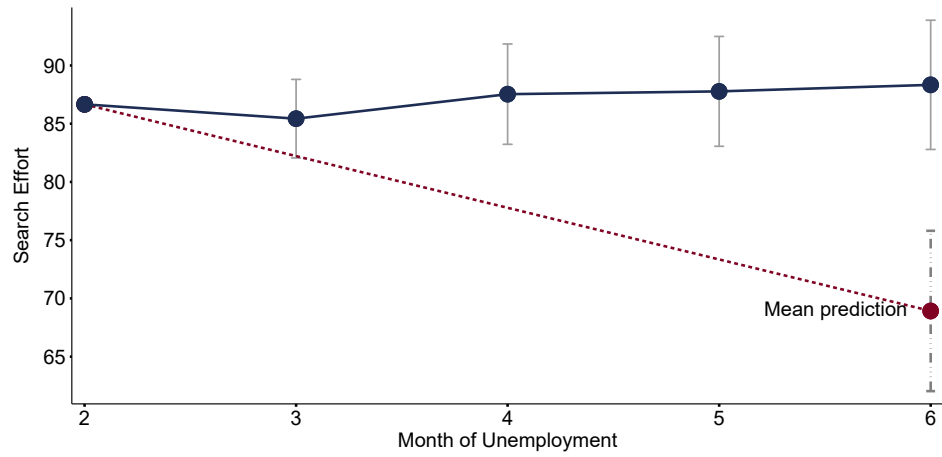
(a) Mean Duration between Job-Offer and Job-Found by Date of UI Exhaustion



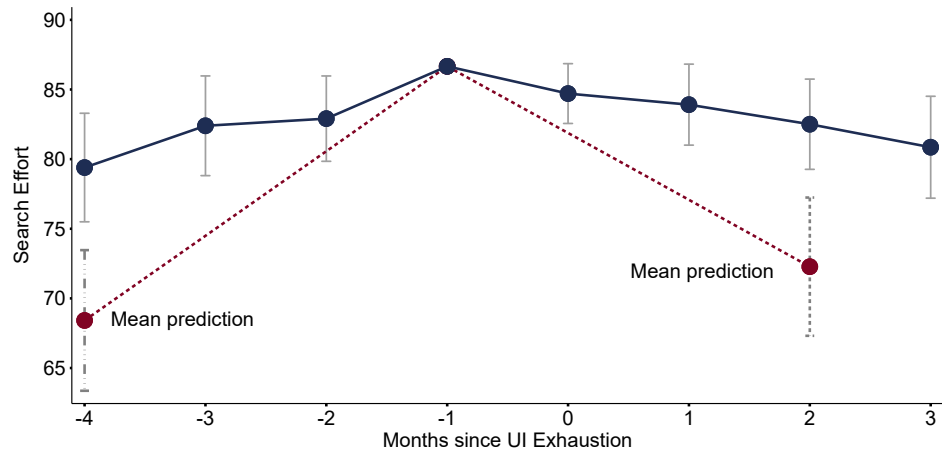
(b) Job Search Effort by Job Found and Date of UI Exhaustion

**Notes:** Panel (a) shows the duration in days between job-offer and job start by the month of the job start relative to UI exhaustion. Panel (b) shows reported job search intensity around job start by whether individuals start their job around UI exhaustion (+/- one month around UI exhaustion) or at other points of their unemployment spell.

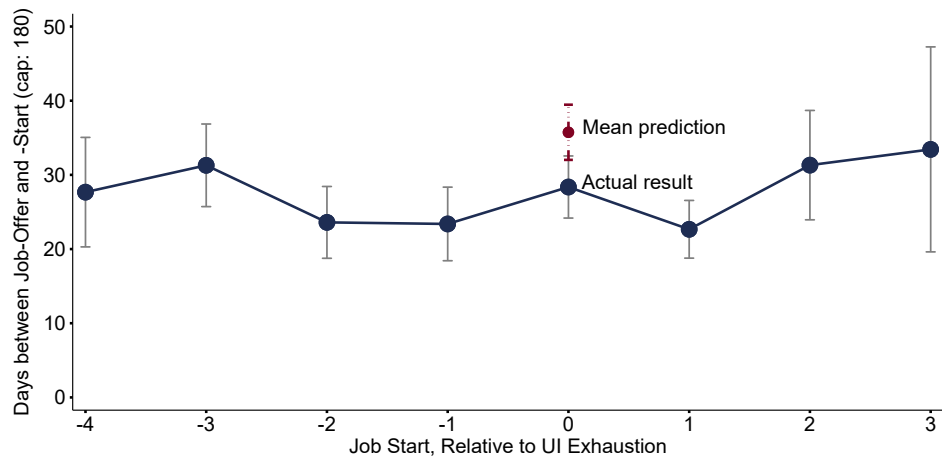
Figure 8: Expert Forecasts vs. Survey Results



(a) Search Effort Early In Spell



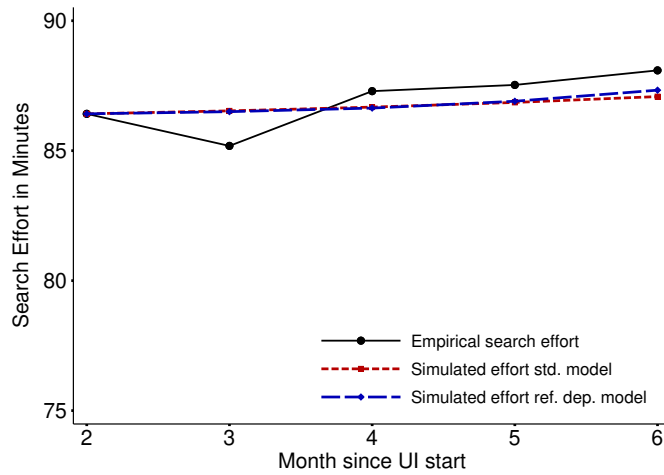
(b) Search Effort Around UI Exhaustion



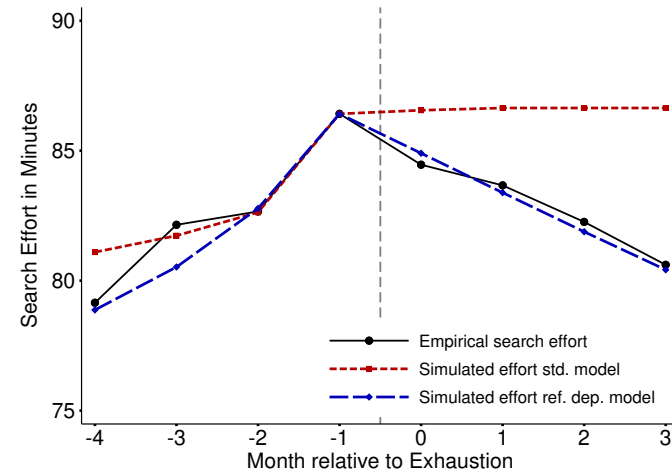
(c) Evidence of Storable Offers Around UI Exhaustion

**Notes:** This figure contrasts the expert forecasts with the results of the survey for the three main findings.

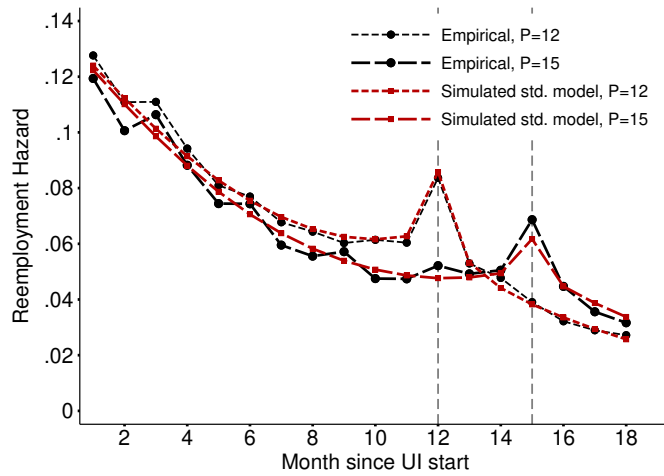
Figure 9: Predicted Moments of the Standard and Reference-Dependent Models - Present Bias ( $\beta\delta$ )



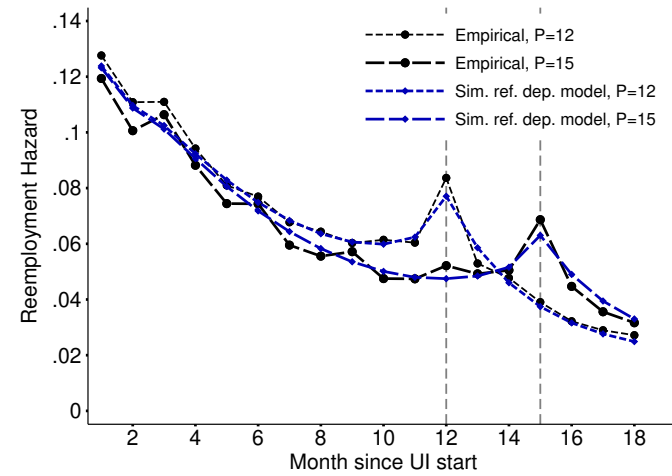
(a) Search effort at beginning of UI spell



(b) Search effort around UI exhaustion



(c) Hazard rate for standard model



(d) Hazard rate for ref.-dep. model

**Notes:** The figure shows the empirical moments that we use in the structural estimation and the predicted moments from the estimated standard and reference-dependent models. The standard model corresponds to Table 7, Column (4), while the reference-dependent model corresponds to Table 7, Column (6).

# Online Appendix

## Evidence on Job Search Models from a Survey of Unemployed Workers in Germany

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## Contents

<b>A</b>	<b>Survey Design</b>	<b>A2</b>
A.1	Sampling Population . . . . .	A2
A.2	Sample Design . . . . .	A3
A.3	Initial Contact . . . . .	A3
A.4	Questionnaire . . . . .	A4
A.5	Amazon vouchers . . . . .	A5
A.6	(Pre-)Pilots: From Checks to Final Samples . . . . .	A6
<b>B</b>	<b>Representativeness of Sample and Attrition</b>	<b>A7</b>
B.1	Representativeness of Sample . . . . .	A7
B.2	Attrition . . . . .	A7
<b>C</b>	<b>Description of Expert Forecast Survey</b>	<b>A8</b>
C.1	Sample design . . . . .	A8
C.2	Survey Instrument . . . . .	A8
C.3	Distribution and data collection . . . . .	A9
<b>D</b>	<b>Empirical Framework for Identification and Survey Response Bias</b>	<b>A9</b>
<b>E</b>	<b>Appendix Tables and Figures</b>	<b>A13</b>

## List of Tables

A.1	Amazon Take-Up Mean . . . . .	A14
A.2	Final Sampling Scheme . . . . .	A15
A.3	Wave Specific Dates, Sample Sizes and Randomization Schemes . . . . .	A16
A.4	Difference Between Participants and Non-Participants . . . . .	A17
A.5	Survey Questions . . . . .	A18
A.6	Search Behavior and Holidays . . . . .	A21
A.7	Tests for Survey Response Bias - Different Outcomes . . . . .	A22
A.8	Search Effort Since Start of UI Spell: Heterogeneity Results . . . . .	A23
A.9	Search Effort Around UI Exhaustion: Heterogeneity Effects . . . . .	A24
A.10	Search Effort around UI Exhaustion by Potential Benefit Duration . . . . .	A25
A.11	Search Effort Since Start of UI Spell - Different Thresholds . . . . .	A26
A.12	Search Effort Around UI Exhaustion - Different Thresholds . . . . .	A27
A.13	Search Effort Since Start of UI Spell - Other Outcomes . . . . .	A28
A.14	Search Effort Around UI Exhaustion - Other Outcomes . . . . .	A29
A.15	Summary of Self-Reported Job-Found Information . . . . .	A30
A.16	Expert Survey, Summary Table . . . . .	A31

## List of Figures

A.1 Letter . . . . .	A32
A.2 Flyer . . . . .	A33
A.3 Re-Employment Hazards - Short Contribution Durations . . . . .	A34
A.4 Re-Employment Hazards - Excluding Recalls . . . . .	A35
A.5 Survey Attrition over Time . . . . .	A36
A.6 Question-Day by Wave over Time . . . . .	A37
A.7 Distribution of Job-Offer, Job-Acceptance, and Job-Start . . . . .	A38
A.8 Within- and Between-Person Job Search Effort in Krueger and Mueller (2011) . . . . .	A39
A.9 Search Effort At UI Start and UI Exhaustion: Different Specifications . . . . .	A40
A.10 Search Effort At UI Start and UI Exhaustion: Heterogeneity . . . . .	A41
A.11 Search Effort At UI Start and UI Exhaustion: Heterogeneity cont' . . . . .	A42
A.12 Dummy: Search > 0 over the Unemployment Spell by Survey Cohort . . . . .	A43
A.13 Dummy: Search $\geq$ 240 Minutes over the Unemployment Spell by Survey Cohort . . . . .	A44
A.14 Validation of Search Effort: Distribution of Search Effort around Job Acceptance . . . . .	A45
A.15 Qualitative Search Intensity (Scale 1 to 10) over the Unemployment Spell by Survey Cohort . . . . .	A46
A.16 Log-Target Wage over the Unemployment Spell by Survey Cohort . . . . .	A47
A.17 Life Satisfaction (Scale 1 to 5) over the Unemployment Spell by Survey Cohort . . . . .	A48
A.18 Validation of Search Effort: Search Intensity, Target Wage and Life Satisfaction around Job Acceptance . . . . .	A49
A.19 Expert Forecasts vs. Survey Results - Distribution of Individual Responses . . . . .	A50
A.20 Goodness of Fit Statistic (SSE) of Reference Dependent Model for fixed Loss Aversion $\lambda$ . . . . .	A51
A.21 Predicted Moments of the Standard and Reference-Dependent Models - Expo- nential Discounting - 3 Type RD Model . . . . .	A52
A.22 Predicted Moments of the Standard and Reference-Dependent Models - Present Bias ( $\beta\delta$ ) Discounting - 2 Type RD Model, 3 Types Standard . . . . .	A53
A.23 Predicted Moments of the Standard and Reference-Dependent Models - Esti- mates fixing $\lambda = 1$ and estimating $\eta - \beta\delta$ -discounting . . . . .	A54
A.24 Predicted Moments of the Standard and Reference-Dependent Models - Esti- mates based on PBD=8 and PBD=10 Hazard Moments - $\beta\delta$ -discounting . . . . .	A55

## A Survey Design

### A.1 Sampling Population

We draw our contact sample from administrative data containing the universe of UI recipients in Germany. This data stems from the administrative process of claiming UI at the local UI agencies and is, for example, used for generating official statistics on UI recipients in Germany. Every month we extracted micro level data with a reporting date around the 15th of each month on the current stock of all UI recipients in Germany. We received this data with a time lag of about 3 weeks. It contains the exact starting date of UI-receipt, the initial eligibility of UI in days and a number of demographic variables, such as age, education, gender and nationality.



## A.2 Sample Design

We select UI-recipients with initial eligibility, i.e. the maximum eligibility duration to UI benefits at the first day of unemployment, of exactly 6, 8 and 10 months, as well as 12 and 15 months. For the 6, 8 and 10 month eligibility groups, we restrict the sample to the age between 28 and 55 at time of UI, while for the 12 and 15 month eligibility groups we restrict to age between 45 and 55 -centered around the age-cutoff 50. We further restrict to individuals with complete address information and cellphone number that are neither sanctioned nor participate in a training program at time of sampling. Each month, we draw a stratified random sample and contact a new pool of UI recipients. We call each new round of drawing and contacting a wave, of which we run 22 in total. Each strata is defined by the interaction of initial UI eligibility in month  $P \in \{6, 8, 10, 12, 15\}$  and the UI duration at the intended contact date in month  $D \in \{2, 5, 7, 8, 9, 11, 13\}$ , though we do not sample individuals for all of these interactions.<sup>1</sup>

The sampling frame -displayed in table A.2- follows an overlapping cohort-structure: In each wave and for each P-group, we sample at different D values (cohorts). With full participation -individuals where surveyed over 18 weeks-, the UI duration at the end of the earliest cohort overlaps with or is slightly higher than the start of UI duration of the next cohort. This design allows us to disentangle potential survey response biases from actual changes in search over the unemployment spell and also allows us to study the job search behavior over the full UI spell.

We oversample individuals close to UI exhaustion, but make sure that we have also some individuals at the start of their UI duration. We do sample individuals only once, the sampling design therefore takes into account that contacted individuals are out of the sampling pool in consecutive waves.

The sample is drawn using Stata's random number generator. Each individual fulfilling the sample restrictions gets assigned a random number that is drawn from the uniform distribution. Within each strata, we select individuals in increasing order of their random draw until the number of individuals we intend to sample in each cell -the target number- is reached. In the rare cases where the target number lies above the individuals available in a particular cell, we take all individuals in that cell, without any adjustment in other cells.

The contact of the first wave started on 11/09/2017 and the survey ended for the last wave on 11/28/2019 after over 750 days. We asked the job search question on 205 days, the question on life satisfaction on 79 days, the question on reservation wages on 68 days and the question on job found on 59 days.

## A.3 Initial Contact

To each sampled individual we send a contact letter, accompanied with a more detailed flyer. In the contact letter (figure A.1) we inform individuals that we would like them to participate

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<sup>1</sup>We refer to the intended contact date as the date for which we would like to contact individuals. This can differ from the actual date for two reasons: First, in the early pilots (wave 1 - 3), we use a slightly different definition of month (i.e. we used the date the data was updated + one month) and second, at time of sampling we do not have perfect control over the time the contact takes actually place. In some cases the send-out got unexpectedly delayed, forcing us to delay the actual contact date as well. The difference from actual and intended contact date by wave is highlighted in table A.3.

in a survey related to job search and would contact them during the next weeks on their private cellphone via text message. The contact letter describes broadly the study purpose and mentions the potential social benefits (better informed policy advice) as well as the private benefits (amazon vouchers) of participation. We also mention that participation is completely voluntary, and that sending messages can induce costs, depending on the individual phone contract. The letter was printed in color and signed by the (acting) head of IAB.

The flyer (figure A.2) includes a description of the origin of the contact information and provides the legal context which allows us to use this information. We also provide a telephone number and a email address that individuals could contact for further questions or in case they don't want to be contacted via text message. We also provide more details about the job-search question we ask during the survey and clarify what we would and would not count as job search activity. As activities that count for job search we mention "looking through the internet or the daily news for suitable vacancies", "drafting and editing a CV", "drafting and send out of job applications" and "preparation for, arrival at and participation in a job interview". As activities that we do not count as job search we mention "participation in training programs" and "filing of application forms for UI benefits or related". Individuals that actively reported that they did not want to participate in the survey were taken out before the actual contact via text message took place. We also removed individuals from the survey if their letter returned due to an invalid address or for other reasons. Those take outs led to a reduction of the contacting sample by about 2-3% percent, with some mild fluctuations between waves.

The survey was conducted by MGov International, a survey institute located in Frankfurt (Main), Germany, specialized on text message based surveys. For contacting purposes, the contact information of the sampled individuals were transferred to a secure server of MGov International. MGov handled the complete technical aspect of the survey, including the programming of survey paths, the send out of questions, the purchasing and distribution of vouchers and the collecting of responses.

During the whole survey period, individuals could ask questions via a hotline managed by IAB that was active from 10am - 2pm Tuesday to Thursday, except during public holidays. At all times, individuals could leave voice messages and send emails that were answered usually within at most two business days by IAB staff.

The first contact via text message usually took place on a Tuesday afternoon at 3pm.

## A.4 Questionnaire

The questionnaire consists of an initial questionnaire individuals receive at the first date of contact only and a regular questionnaire, individuals receive during the rest of the survey period. Table A.5 shows the German and English wording of the main questions of the survey and the frequency in which they are asked.

Individuals received first a welcome message introducing shortly the survey and referring to the contact letter and a homepage at IAB containing the information provided in the contact letter and the flyer. The second message then asks directly about whether individuals want to participate in the survey and whether they agree to the linkage of their information with the administrative data stored at IAB. If they consent to this question, they receive the first amazon voucher, followed by the first question on job search and additional information

on how long the survey will last. After that they receive information when the remaining amazon vouchers (one in the middle and two at the end) are sent and how to stop the survey prematurely (with replying “stop” at any time). In case individuals reply that they don’t want to participate the survey stops a message stating that the end of the survey is reached is sent. Moreover, an option to return to the survey within three days is offered. In case individuals do not reply at all they receive a first reminder after four hours, and a second and last reminder 24 hours after the start of the initial question. The first reminder already informs them that no action is required if they don’t want to participate, whereas the second reminder says that they will not be contacted again if they take no further action.

Individuals receive the job-search question twice a week on Tuesday and Thursday. As table A.5 shows, there is a short and long job search question, where the long question contains additional examples. In addition, each Tuesday (with exception of the first date of contact) we ask one of four additional questions which we rotate, such that each of these questions gets asked every fourth week. The rotating questions are in the order in which they are asked: (a) life satisfaction on a scale from 1 to 5 (b) target wage in euro (c) search intensity over the last week on a scale from 1 to 10 and (d) information on whether they found a job. If individuals said that they found a job, they were asked on which day they got the offer, on which day they accepted the offer and on which day they are starting the new job. In case individuals report that they did not have found a job yet, they were asked to assess their subjective likelihood of finding a job within the next four weeks on a scale from 1 (not likely at all) to 10 (very likely).

## A.5 Amazon vouchers

We used amazon.de vouchers to incentivize individuals to participate in the survey as well as compensating them for potential costs that might occur to them when replying. Individuals that participated fully in the survey received four vouchers, each worth 5 €, or 20 € in total. We sent the first voucher directly after individuals consented to participate in the survey, the second one in the middle of the survey after 8 weeks and two at the end of the survey. Individuals received the middle and end vouchers if they responded to at least 70% of the job search questions since they received the last vouchers. Every four weeks individuals received a message displaying the share of job search questions they responded to with an appreciation for their continuous replies in case they responded to at least 70% of the questions and otherwise with a message that informed them that in order to receive vouchers in the future they would need to reply more often.

Table A.1 lists the voucher take-up rates, conditional on receiving a voucher and conditional on that we have information on take-up status. As Amazon repeatedly changed its policy of providing information on take-up status, we only observe take-up status for a subset of individuals and the share of individuals where we observe it varies by wave. Column 1 provides take-up rates for the different vouchers without any further sample restrictions. Slightly less than 60% of the observed individuals take-up their initial voucher. Restricting to individuals that are non-employed at survey-start provides a similar take-up rate. Of those who participated fully in the survey we observe a slightly higher take-up rate of about 68%.

## A.6 (Pre-)Pilots: From Checks to Final Samples

We began the survey with extensive piloting. Before sending any messages to unemployed individuals, we tested a reduced versions of the survey with colleagues at IAB. This allowed us to detect and repair some technical problems as well as revising and shortening the questionnaires to improve readability. We then started with two pre-pilots in November 2017. Table A.3 gives an overview of the different waves and corresponding characteristics. The pre-pilots (wave one and two) consisted of 504 contacted individuals each and contained already the basic survey structure. In addition, we asked for participants age (in years) and gender during the initial survey in order to verify this information with administrative records. As responses and administrative information align in most cases, we abolished those additional questions after the two pre-pilots. We also offered the possibility for individuals to extend their survey by two more months, in which case they received another 5 € amazon.de voucher. The survey extension option was abolished after wave 4 due to low take-up in previous pilots.

Starting with the first wave, we randomized the incentives individuals received. We did three equally sized randomization arms: In the first arm, individuals could receive up to 20 € amazon.de vouchers of which they received 5 € at the begin, another 5 € in the middle and another 10 € at the end. In another arm, individuals could receive up to 30 €, of which they received 5 € at the beginning and after month one, two and three, as well as 10 € at the end of the survey. Finally, we did one randomization where individuals received a 20 € voucher in total, as in the first randomization arm, but also participated in a monthly iPad lottery with drawing probability of 1 in 100. Individuals where clearly communicated the arm specific gains from participating: Contact letter, flyer as well as the initial text messages contained information on the arm specific incentives. In the end we chose the first arm with up to 20 € amazon.de vouchers as the most cost effective.<sup>2</sup>

The survey was then scaled up to 3024 contacted individuals in wave 3, with additional randomizations of the initial survey paths. We did four equally sized randomization arms, where each arm had a different survey path of the initial questions. In version one, we first sent a general information about the scope and duration of the survey. We then asked in a second step whether individuals wanted to participate in the survey and consent to linkage with administrative records. If they did consent, they received their first job-search question and after responding to that, they received their first 5 € amazon.de voucher. Version two followed the same logic, except that the first question on job-search was asked before we asked for linkage-consent. The third version then provided only a very short info (without providing info on the duration of the survey), before individuals got a question on job-search followed by information on the duration of the survey, the consent question and the voucher. Version four is similar to the first version, but emphasized in addition the importance to participate. The randomization of the survey path was interacted with that of the incentives, such that there where 12 randomization arms in total. After wave four we decided to abolish the randomization of the versions and opted for version one.<sup>3</sup>

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<sup>2</sup>The participation-rate was about 1.5 percentage points lower in the 20 Euro arm in the pre-pilots as well as the first two pilots than compared to the other arems. The differences in participation rates were not always significant.

<sup>3</sup>The differences in participation rates between the versions appeared small and version one was the most cost effective. Since there where some version-specific errors in the time of send-out, it is difficult, however to interpret these differences as causal.

We implemented a final randomization in wave seven. Here we randomized with equal weights whether individuals were contacted from a regular cellphone number<sup>4</sup>, the default in all previous waves or a “short code”: a four or five digit number. The short code offered the potential of appearing more official, and is for example used in communications by phone contractors. On the other hand, apart from cellphone providers or for some pay-services, short codes are not very common in Germany and Android phones display as default a warning message that replying might induce costs. It turned out that the downside of the short code dominated: Participation rates were only about half of the size from individuals that were contacted by the short code. In addition, individuals had to pay more often when replying to the short code as common SMS flat rates usually exclude short codes. This led to an increase in complaints and we stopped the survey for individuals in the short code arm after a few weeks, with a message reporting the issue and including a final 5 € voucher.

In wave 11 individuals erroneously received instead of the consent question a message that they decided to terminate the survey, but could re-join if replying with “yes”. To those who did say yes, we sent the corrected consent question also notifying them about the error. Only those individuals who replied “yes” continued to participate in the survey. During wave 11 a lower number of individuals with different characteristics (for example, a lower share of Non-Germans) participated in the survey than during other regular waves.

## B Representativeness of Sample and Attrition

### B.1 Representativeness of Sample

As we have administrative information on individuals that participated in the survey as well as those who did not, we can examine how the characteristics of participants differed from those that did not participate in the survey. Table A.4 shows the mean for those characteristics for the contacted individuals that participate in the survey (column (1)), those who do not participate (column (2)) and the difference and p-value of this difference in column (3). Females and high educated are more likely to participate, while individuals with Non-German nationality participate less often. Age and eligibility-duration in contrast is not or only mildly related to participation behavior.

### B.2 Attrition

Figure A.5 shows attrition rates over time since survey start, where attrition is defined as never responding to any future job-search question again. Figure A.5 (a) shows the attrition, separately for all individuals participating in the survey and for individuals participating in the survey while still non-employed. Attrition for all survey participants is quite low in our setting: Almost 70% of the surveyed individuals stay in the survey until the end, and about 85% of individuals stay for at least 5 weeks. When conditioning on non-employment the attrition is somewhat higher, with about 40% of the individuals that participated as non-employed in the beginning are still non-employed and participating. This reflects the fact that many individuals find a job while participating in the survey. Figure A.5 (b) shows the overall attrition rate over time split up by wave. While there is some mild variation in attrition

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<sup>4</sup>In Germany, cellphones can be distinguished from other phone numbers by their first digit.

between waves, the overall pattern is quite similar for most waves. A notable exception is wave 7 where the abolition of the short code (see A.6) leads to notable attrition at week 4. Figure A.5 (c) shows as comparison the attrition rate over time for the Krueger and Mueller data. Their data exhibits a higher attrition rate, where the attrition in week 5 is comparable to attrition in week 18 in our survey. Overall, the attrition rate is quite low in our setting, especially considering the long duration of our survey.

## C Description of Expert Forecast Survey

In order to collect predictions from UI experts about some of the results of this project, we designed and conducted an online survey.

### C.1 Sample design

The sample was constructed as follows: in a first step, we selected authors of UI-related articles published in the so-called top-5 journals (AER, Econometrica, JPE, ReStud, and QJE) since 2010. We supplemented this list with a number of younger economists who have worked on unemployment insurance in recent years, economists who have worked on the German UI system and economists who have worked on models of storable offers. Using these criteria, we arrived at a sample of 47 experts on UI and job search.

### C.2 Survey Instrument

We designed a concise questionnaire that, in a first section, described the expert forecast survey and asked for consent to participate in the survey. Next we provided contextual information about the SMS survey project and the German UI system. Then, predictions were asked about our three key results: search effort at the beginning of the unemployment spell, search effort around UI exhaustion and storable job offers.

For each of these questions we gave the respondents some context. In general we provided the respondents versions of Figure 8 in the main text that omitted the respective experts forecasts that are shown in each of the three panels. In addition we provided them with the hazard rate figures shown in Figure 6c and 6d. For the initial search effort we gave our respondent the average search in month 2 of unemployment, showed them the evolution of the reemployment hazard over the first 6 months of unemployment and then asked them what they believed the search effort in month 6 would be. For the question on search effort around exhaustion, we provided the respondents with the actual search effort in the month prior to exhaustion as well as the evolution of the reemployment hazard around the exhaustion point and then asked for their predictions regarding search effort 2 months before and after exhaustion. For the question on storable offers we showed them the gap between job offer and job start for the months before and after UI exhaustion and asked for their prediction at UI exhaustion.

Finally, respondents were asked about their academic positions, main research field and previous knowledge of the German labor market. A text box for comments and feedback was also available. The average survey response time was 5 to 10 minutes.

### C.3 Distribution and data collection

The survey was sent to respondents via a personalized email. In order to ensure confidentiality in responses an anonymized link to the survey was used. Due to this distribution method, respondents were encouraged not to share the survey with other colleagues. Invitations were sent on October 29, 2019 and a week after a reminder email was sent. Response recording ended on November 9, 2019. In terms of response rates, we recorded 35 fully completed surveys, which translates into a response rate of 74.5%.

## D Empirical Framework for Identification and Survey Response Bias

We are interested in how search effort varies with time in unemployment and around the UI exhaustion point. Let  $y_{it}$  be search effort of individual  $i$  at time  $t$ . Furthermore let  $D_{it}^U$  denote the time since the start of the UI spell and  $D_{it}^S$  be the time how long an individual has been participating in the survey.

Furthermore define:

- $T_i^U$  the time individual  $i$  entered unemployment
- $T_i^S$  the time individual  $i$  entered the survey
- $T_i^X$  the time individual  $i$  exits unemployment (finds a job)

so that:  $D_{it}^U \equiv t - T_i^U$ ,  $D_{it}^S \equiv t - T_i^S$

Consider a very general data generating process for search effort, such that effort is a function of unemployment duration  $D_{it}^U$ , an individual specific effect  $\xi_i$  and time effects  $\pi_t$ .

$$y_{it} = f(D_{it}^U) + \xi_i + \pi_t + \varepsilon_{it} \quad (\text{A.1})$$

In the following we discuss several issues when estimating this equation.

### Issue 1 - Selection bias

The first key problem is that we only potentially observe  $y_{it}$  if  $t \leq T_i^X$ . Mechanically individuals with different  $\xi_i$  will exit at different rates and thus the composition of  $\xi_i$  will vary with  $t$ . Therefore the average search effort at time  $t$  over all observed individuals is:

$$E[y_{it}|t] = f(D_{it}^U) + E[\xi_i|T_i^X \geq t]$$

and the problem is that  $E[\xi_i|D_{it}^{TU} \geq t] \neq 0$  and varying with  $t$ . If we estimated equation (A.1) via OLS (not controlling for individual fixed effects), this selection leads to a biased estimate of the function  $f(\cdot)$  since  $\xi_i$  will be in the error term and due to the selection we have that:  $Cov(\xi_i, D_{it}^U) \neq 0$ .

The obvious solution in that case is to estimate equation (A.1) but controlling for individual fixed effects  $\xi_i$  so that  $f(\cdot)$  is identified only off of **within** person variation.

## Issue 2 - Non-identified linear trend

There is a second fundamental problem with estimating equation (A.1). As is well known in other contexts, with cohort (or person) effects and time effects there is an unidentified linear trend in the duration effect that is not identified. This can be clearly seen if we write unemployment duration as  $D_{it}^U \equiv t - T_i^U$ , since clearly  $T_i^U$  is absorbed by the individual effect while the remaining  $t$  is collinear with the linear component of the time effects  $\pi_t$ .

The common solution is to make some assumption to pin down this linear time trend. Since in our case the macroeconomic environment is very stable we impose that there is no systematic time trend. Instead we control for seasonality by including month dummies and day of week dummies. We also show as a robustness check that controlling for local unemployment rates (at monthly frequency) makes almost no difference for our results.

## Issue 3 - Survey Response Bias

Furthermore suppose there is a reporting bias, such that individuals over- or under-report search effort the longer they have been on UI. In particular let's assume that reported search effort

$$\tilde{y}_{it} = y_{it} + \gamma D_{it}^S + \zeta_i + u_{it} \quad (\text{A.2})$$

This equation states that observed search effort is equal to the true effort plus three sources of error:  $\zeta_i$  is some person specific fixed error term,  $u_{it}$  is some mean zero error and  $\gamma D_{it}^S$  is an error component that varies with the duration of the survey.

Based on the KM results we are in particular concerned that individuals may report lower search effort over time (perhaps because they become more honest or less careful in their responses), in that case  $\gamma < 0$ . Note that  $\zeta_i$  and  $u_{it}$  are not per se problems as long as we are not interested in obtaining unbiased estimates of the level of search effort overall as opposed to changes in search effort.

Plugging equation (A.1) into equation (A.2), the observed search effort can be written as:

$$\tilde{y}_{it} = f(D_{it}^U) + \gamma D_{it}^S + \omega_i + \pi_t + \epsilon_{it} \quad (\text{A.3})$$

where  $\omega_i \equiv \xi_i + \zeta_i$  and  $\epsilon_{it} = \varepsilon_{it} + u_{it}$ .

Note that:  $D_{it}^U = t - T_i^U$  and  $D_{it}^S = t - T_i^S$ , so we can write this as:

$$\tilde{y}_{it} = f(t - T_i^U) + \gamma(t - T_i^S) + \omega_i + \pi_t + \epsilon_{it} \quad (\text{A.4})$$

Therefore clearly if we control for individual fixed effect in a regression, then  $t - T_i^U$  and  $t - T_i^S$  are perfectly collinear, even if we do not control for time fixed effects.

## Testing for Survey Response Bias - Within and Between Comparison

Suppose for simplicity that  $f(\cdot)$  is a linear function, so that (A.4) can be written as:

$$\tilde{y}_{it} = \beta(t - T_i^U) + \gamma(t - T_i^S) + \omega_i + \pi_t + \epsilon_{it} \quad (\text{A.5})$$

If selection is not an issue for estimating equation (A.4), that is  $Cov(\omega_i, D_{it}^U) = 0$ , then this equation can be estimated via OLS to identify  $\beta$  and  $\gamma$ . Alternatively one could compare



the within and between estimator. The within estimator essentially lumps  $T_i^U, T_i^S$  and  $\omega_i$  into one individual fixed effect ( $\tilde{\omega}_i$ ) so that the regression model becomes:

$$\tilde{y}_{it} = (\beta + \gamma)t + (-\beta T_i^U - \gamma T_i^S + \omega_i) + \pi_t + \epsilon_{it}$$

Thus the within estimator identifies  $(\beta + \gamma)$ .

The between estimator that only uses the first survey response of each individuals ( $t = T_i^S$ ) becomes:

$$\tilde{y}_{it} = \beta(t - T_i^U) + \pi_t + \epsilon_{it}$$

Since we assumed that  $Cov(\omega_i, D_{it}^U) = 0$ , this provides a consistent estimate of  $\beta$ . If the between and within estimates are the same, this implies that  $\gamma = 0$  and there is no survey response bias.

### Direct Test for Survey Response Bias

Given our sampling frame conditional on  $T_i^U$  and  $t$  it is random in whether a person is sampled by us in an earlier or later wave. Therefore:

$$Cov(\omega_i, T_i^S | T_i^U, t) = 0 \quad (\text{A.6})$$

Furthermore conditional on  $T_i^{UI}$  and  $t$  there is also no difference in unemployment duration or calendar date. Therefore if there is no survey response bias ( $\gamma = 0$ ), then there should be no correlation between survey start date (or survey duration) and observed search effort.

$$Cov(y_{it}, T_i^S | T_i^{UI}, t) = 0$$

This is a testable prediction and we can simply estimate:

$$\tilde{y}_{it} = \gamma(t - T_i^S) + \sum_j \sum_k \delta_{jk} \mathbf{1}(T_i^U = k, t = j) + \epsilon_{it} \quad (\text{A.7})$$

The estimate  $\hat{\gamma}$  should yield an unbiased estimate of the true survey response bias  $\gamma$ .

Note that estimating equation (A.7) may not have a lot of power. Alternatively we can impose a bit more structure and estimate:

$$\tilde{y}_{it} = \gamma(t - T_i^S) + \sum_k \delta_{jk} \mathbf{1}(D_i^U = k) + \pi_t + \epsilon_{it} \quad (\text{A.8})$$

This is the approach we use in the paper to estimate the survey response bias  $\gamma$ .<sup>5</sup>

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<sup>5</sup>In KM  $T_i^S$  is the same for everyone. Therefore  $D_i^S$  is perfectly collinear with  $t$  and the vector of fixed effects  $\pi_t$ . Therefore this test does not work in the KM data.

## Correcting for Survey Response Bias

For our main variable we do not find any evidence of survey response bias using the tests outlined above (Table 2 in the main paper). We do however find evidence for a modest bias for some of our alternative outcome variables, like search intensity or dummies for searching above a certain minutes threshold. For estimates using those variables, which are reported in Tables A.11 to A.14, we present both the direct estimates, as well as estimate of the coefficients that are adjusted for survey response bias. We estimate equation (A.8) to obtain an estimate of the survey response bias coefficient  $\hat{\gamma}$ . We then report the dummy coefficients that capture the flexible relationship  $f(t - T_i^U)$  by subtracting  $\hat{\gamma}(t - T_i^S)$  and then recentering to the same omitted category (such as the exhaustion month in the 'around UI exhaustion' regressions).

## E Appendix Tables and Figures

Table A.1: Amazon Take-Up Mean

	(1)	(2)	(3)
	All Participants	Nonemployed at Survey Start	Full Participants & Nonemployed at Survey Start
Initial Voucher	0.592 (2880)	0.587 (2564)	0.677 (1821)
Middle Voucher	0.507 (1830)	0.505 (1546)	0.520 (1466)
Final Voucher	0.671 (973)	0.662 (845)	0.662 (844)
At least one Voucher	0.758 (973)	0.757 (845)	0.758 (844)

This table shows voucher take-up rates for participants in the survey conditional on receiving a voucher and observing take-up status. Number of observations are in parenthesis. Since we can verify the take-up status only for a subset of cases, the number of observations are lower than the number of individuals that received a particular voucher. Column (1) shows the mean of taking-up a particular voucher until December 12th 2019. Column (2) shows results for the subset of individuals which reportedly received all vouchers and column (3) further restricts to individuals that were nonemployed at the start of the survey. The N in brackets refers to the number of observations on which the respective take-up rate is based. The N at the bottom of the table refers to the number of individuals for which we have information on take-up behavior for at least one of the vouchers.

Table A.2: Final Sampling Scheme

	P=6	P=8	P=10	P=12	P=15
D=2	312	240	240	294	210
D=3					
D=4					
D=5	780	200	80	98	70
D=6					
D=7	260	300	200		
D=8				196	140
D=9		200	280		
D=10					
D=11				392	280
D=12					
D=13				196	140
Total	1352	940	800	1176	840

**Notes:** This table shows the final sample scheme as intended from wave 12 onwards. Earlier waves had lower number of observations and slightly different weights per cell. For the D=2 groups, in wave 9 and 10 an additional 1000 number of individuals were sampled. D refers to the months since UI-Start at time of intended contact and P refers to the months of UI eligibility at UI start.

Table A.3: Wave Specific Dates, Sample Sizes and Randomization Schemes

Wave No.	Retrieval Date	Contact Date Anticipated	Contact Date Actual	No. of Contacts	No. of Participants	Randomization Schemes
1	10/12/2017	11/09/2017	11/09/2017	504	37	incentives
2	10/12/2017	11/16/2017	11/16/2017	504	30	incentives
3	14/11/2017	12/19/2017	12/19/2017	3024	350	incentives + version
4	12/12/2017	01/23/2018	01/23/2018	3024	318	incentives + version
5	01/11/2018	02/20/2018	02/20/2018	3024	272	no
6	02/12/2018	03/20/2018	03/20/2018	3024	311	no
7	03/13/2018	04/24/2018	04/24/2018	3024	234	short vs. long number
8	04/11/2018	05/24/2018	05/24/2018	3024	272	no
9	05/14/2018	06/26/2018	06/26/2018	4024	370	no
10	06/12/2018	07/24/2018	07/24/2018	4024	369	no
11	07/12/2018	08/21/2018	08/21/2018	3024	248	no
12	08/13/2018	09/25/2018	09/25/2018	5108	493	no
13	09/11/2018	10/23/2018	11/06/2018	5108	477	no
14	10/11/2018	11/20/2018	11/27/2018	5074*	516	no
15	11/12/2018	01/08/2019	01/08/2019	5014*	459	no
16	12/11/2018	01/22/2019	01/22/2019	5069*	471	no
17	01/14/2019	02/26/2019	02/26/2019	5108	424	no
18	02/13/2019	03/26/2019	03/26/2019	5108	427	no
19	03/14/2019	04/30/2019	04/30/2019	5108	454	no
20	04/11/2019	05/28/2019	05/28/2019	5108	463	no
21	05/13/2019	07/02/2019	07/02/2019	5108	356	no
22	06/13/2019	07/30/2019	07/30/2019	5600	425	no

**Notes:** This table provides an overview of the wave-specific dates, sample-size and -if any- randomization schemes. Retrieval date refers to the date for which the information is valid, anticipated contact date the date at which individuals were thought to be contacted at time of sampling and actual contact date refers to the date the actual contact takes place. A \* refers to cases, in which the intended number of contacts (of 5108) could not be reached due to lower numbers of unemployed in some of these cells.

Table A.4: Difference Between Participants and Non-Participants

	(1)	(2)	(3)	
	Participants Month 1	Contacted Non- Participants	Difference between (1) and (2), SE (right)	
<b>Demographics</b>				
Female = 1	0.50	0.44	0.0575***	0.0059
Age	43.06	43.29	-0.2349**	0.0962
Non-German Nat.= 1	0.16	0.29	-0.1239***	0.0053
Education Missing	0.23	0.38	-0.1442***	0.0057
Low Education	0.50	0.49	0.0173***	0.0059
High Education	0.26	0.14	0.1269***	0.0042
cellphone == 1	1.00	1.00	0.0000	0.0000
<b>UI Characteristics</b>				
P at UI start = 6 months	0.23	0.24	-0.0138**	0.0051
P at UI start = 8 months	0.20	0.21	-0.0117*	0.0048
P at UI start = 10 months	0.18	0.17	0.0091*	0.0045
P at UI start = 12 months	0.22	0.21	0.0117*	0.0049
P at UI start = 15 months	0.17	0.17	0.0047	0.0045
P at UI start = 18 months	0.00	0.00	0.0000	0.0000
P at UI start = 24 months	0.00	0.00	0.0000	0.0000
P at UI start = other	0.00	0.00	0.0000	0.0000
Nonemp. Duration in months (at last contact)	6.41	6.64	-0.2269***	0.0397
<b>Survey Outcomes</b>				
Unemployed = 1		0.88		
N	7797	77968		
Krueger Mueller Data *	6025	57788		

**Notes:** This table summarizes characteristics of the participating and contacted non-participating UI recipients. Column (1) shows all individuals that participate in the survey, column (2) shows all individuals that were contacted but did not participate. Column (3) reports mean differences and corresponding standard errors between the contacted participants and the non-participants. \*, \*\* and \*\*\* denote significance on 10%, 5% and 1% significance level, respectively. Survey outcomes (except job search) contain first (column 4) and last (column 5) observation of each participant.

\*Numbers retrieved from tables and text in "Krueger and Mueller (2011) Job Search, Emotional Well-Being, and Job Finding in a Period of Mass Unemployment: Evidence from High-Frequency Longitudinal Data".

Table A.5: Survey Questions

Question	Question English (Translation)	Question German (Original)	Frequency
Panel A: Initial Contact Questions			
Welcome Text	[Dear Mr/Ms XXX], we would like to ask you to participate in a survey of the institute of employment research (IAB). In the next 4 months we would like to ask you one or two short questions twice a week regarding job search activities. If you participate in the complete survey you will receive 20 Euros of amazon.de vouchers, of which you will receive 5 euros immediately after answering the first two questions. We sent you further information via mail. You can also find it at <a href="http://www.iab.de/SMSFragen">www.iab.de/SMSFragen</a> .	[Sehr geehrte/r Herr/ Frau XXX], wir moechten Sie bitten, an einer Befragung des Instituts fuer Arbeitsmarkt- und Berufsforschung (IAB) teilzunehmen. In den kommenden 4 Monaten moechten wir Ihnen zweimal pro Woche ein bis zwei kurze Fragen zum Thema Arbeitssuche per SMS stellen. Bei Teilnahme an der gesamten Befragung erhalten Sie insgesamt 20 Euro Amazon.de Gutscheine, davon 5 Euro direkt nach Beantwortung der ersten beiden Fragen. Mehr Informationen haben wir Ihnen dazu per Post gesendet. Sie finden diese auch unter <a href="http://www.iab.de/SMS">www.iab.de/SMS</a> .	Once at beginning of survey
Consent	We would like to ask for your consent to link your responses with your employment data stored at the IAB. This includes e.g. information about your past jobs. Everything will be analysed anonymously without your name or cellphone number. Do you want to participate in this survey and do you consent to link your responses with your labor market data stored at the IAB? Please reply "Yes" if you agree.	Wir moechten Sie um Zustimmung bitten, dass wir Ihre Antworten mit Arbeitsmarktdaten verknuepfen duerfen, die beim IAB ueber Sie vorliegen. Das sind zum Beispiel Informationen ueber Ihre Beschaeftigungen. Alles wird anonym, ohne Ihren Namen und Ihre Telefonnummer, ausgewertet. Moechten Sie an der Befragung teilnehmen und stimmen Sie zu, dass Ihre Antworten mit den Daten des IAB verknuepft werden? Wenn ja, antworten Sie bitte mit "Ja".	
Panel B: Search Effort and Regular Questions			
First Job Search Question	Thank you for your participation! Now we would like to ask you about your job search experience. How many hours did you spend searching for a job yesterday? For example looking for job postings, sending out applications, making a CV, etc. Please reply with the number of hours, for example: 0.5 or 2. If, for whatever reason, you did not spend time with job search yesterday, please simply reply with 0.	Danke fuer Ihre Teilnahme! Wir moechten Sie nun zur Arbeitssuche befragen. Wie viele Stunden haben Sie gestern mit Arbeitssuche verbracht, also z.B. nach Jobangeboten gesucht, Bewerbungen versendet, einen Lebenslauf erstellt, usw.? Bitte antworten Sie mit der Zahl der Stunden, z.B. 0,5 oder 2. Wenn Sie aus irgendeinem Grund keine Zeit mit Arbeitssuche verbracht haben, antworten Sie einfach mit 0.	Once after consent



Job-Search long	Hello. How many hours did you spend searching for a job yesterday? For example looking for job-postings, sending out applications or designing a cv? Please reply with the number of hours, for example: 0.5 or 2. If, for whatever reason, you did not spend time with job search yesterday, please simply reply with 0.	Guten Tag. Wie viele Stunden haben Sie gestern mit Arbeitssuche verbracht, z.B. nach Jobs gesucht, Bewerbungen versendet, einen Lebenslauf erstellt? Bitte antworten Sie mit der Zahl der Stunden, z.B. 0,5 oder 2. Wenn Sie aus irgendeinem Grund keine Zeit mit Arbeitssuche verbracht haben antworten Sie 0.	Twice a week (Tuesday/Thursday); short and long version are rotated
Job-Search short	Hello. How many hours did you spend searching for a job yesterday? For example looking for job-postings, sending out applications or designing a cv?	Guten Tag. Wie viele Stunden haben Sie gestern mit Arbeitssuche verbracht, z.B. nach Jobs gesucht, Bewerbungen versendet, einen Lebenslauf erstellt?	
Life Satisfaction	Taken all together, how satisfied are you with your life? Please reply with a number between 1 (not satisfied at all) and 5 (very satisfied).	Wie zufrieden sind Sie insgesamt mit Ihrem Leben? Bitte antworten Sie mit einer Zahl zwischen 1 (ueberhaupt nicht zufrieden) und 5 (sehr zufrieden).	Questions are sent to ALL individuals and rotated between weeks
Target Wage	Please recall the last job you applied for. What do you think is the typical monthly wage for such a job in Euros?	Bitte denken Sie an die letzte Stelle, auf die Sie sich beworben haben. Was meinen Sie ist der typische Monatsverdienst (brutto) dieser Stelle in Euro?	
Search Intensity	How hard did you search for a job last week? Please reply with a number from 1 (no search) to 10 (very hard search).	Wie intensiv haben Sie letzte Woche nach Arbeit gesucht? Bitte antworten Sie mit einer Zahl zwischen 1 (keine Suche) und 10 (sehr intensive Suche).	
Job Found	We would like to know if your job search was successful. Please reply with 1 if you found a job and 2 if you are still searching for a job.	Wir wuerden gerne erfahren, ob Ihre Arbeitssuche mittlerweile erfolgreich war. Antworten Sie mit 1 falls Sie einen neuen Arbeitsplatz gefunden haben oder mit 2, falls Sie weiterhin suchen.	

### Panel C: Job Found Questions

Job-Start Date	Since when are you back in employment or when will your new employment start? Please reply with a date, e.g. 06/01/2018.	Seit wann sind Sie wieder beschaeftigt bzw. ab wann werden Sie Ihre neue Beschaeftigung aufnehmen? Antworten Sie bitte mit einem Datum, z.B. 01.06.2018.	Asked if participant replied "1" to job-found question
Job-Offer Date	Do you recall when you received the job offer from your new employer? Please reply with a date, e.g. 06/01/2018.	Wissen Sie noch, wann Sie die Zusage fuer den Arbeitsplatz von Ihrem neuen Arbeitgeber erhalten haben? Antworten Sie bitte mit einem Datum, z.B. 01.06.2018.	
Job-Acceptance Date	Did you accept the job offer right away or at a later time? Please reply with the date you accepted the job offer of your new employer. E.g. 06/01/2018.	Haben Sie das Stellenangebot sofort angenommen oder erst zu einem spaeteren Zeitpunkt? Antworten Sie bitte mit dem Datum, an dem Sie das Stellenangebot Ihres neuen Arbeitgebers angenommen haben. z.B. 01.06.2018.	

Job-Prospects	How do you assess your chances of finding a job within the next four weeks? Please reply with a number between 1 (chances are very low) and 10 (chances are very high)	Wie schätzen Sie Ihre Chance ein, in den nächsten vier Wochen einen neuen Arbeitsplatz zu finden? Bitte antworten Sie mit einer Zahl zwischen 1 (sehr geringe Chancen) und 10 (sehr hohe Chancen).	Asked if participant replied "2" to job-found question
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**Panel D: Vouchers**

First Voucher	Thank you for your participation! You hereby receive your first amazon.de voucher of 5 euros: [Voucher-Code]. You can convert it at: <a href="http://www.amazon.de">www.amazon.de</a> . If you decide to keep participating in the survey you will receive another amazon.de voucher of 5 euros after completion of the first two months and one amazon.de voucher of 10 euros at the end of the survey.	Danke für Ihre Teilnahme! Hiermit erhalten Sie Ihren ersten 5 Euro Amazon.de Gutschein: [Gutschein-Code]. Sie können ihn unter <a href="http://www.amazon.de">www.amazon.de</a> einlösen. Wenn Sie weiterhin an der Befragung teilnehmen, erhalten Sie einen zusätzlichen 5 Euro Amazon.de Gutschein nach Abschluss der ersten 2 Monate und einen 10 Euro Amazon.de Gutschein zum Ende der Befragung.	Once after consent was given and first job-search question was answered
Second Voucher	Month 2 out of 4 of the sms-survey is hereby completed. You have replied to X of 7 questions in the last month. Thank you for your participation! We highly appreciate your help and would be glad if you continue to participate in the survey. As a reward for your participation in the survey up until now you hereby receive your amazon.de voucher over 5 Euros: [Voucher-Code]. You can convert it at <a href="http://www.amazon.de">www.amazon.de</a>	Hiermit ist Monat 2 von 4 der SMS-Befragung abgeschlossen. Sie haben im letzten Monat auf X von X Fragen geantwortet. Vielen Dank für Ihre Teilnahme! Wir wissen Ihre Bereitschaft sehr zu schätzen und würden uns freuen, wenn Sie auch weiterhin so engagiert an der Befragung teilnehmen. Als Dankeschön für Ihre bisherige Teilnahme an der Befragung erhalten Sie hiermit Ihren 5 Euro Amazon.de Gutschein: [Gutschein-Code]. Sie können ihn unter <a href="http://www.amazon.de">www.amazon.de</a> einlösen.	Once after second month of survey is completed and participant replied to at least 70% of questions
Final Voucher	Thank you for your participation! This is the end of the survey. Please reply "Yes" to this message if you want to receive two final amazon.de vouchers over 5 Euros. Please note that if you do not respond to this message or only respond "Yes" after two weeks we are unable to send you the vouchers.	Vielen Dank für Ihre Mitarbeit! Die Befragung ist hiermit abgeschlossen. Wenn Sie zwei weitere 5 Euro Amazon.de Gutscheine erhalten wollen, antworten Sie bitte mit JA auf diese SMS. Bitte beachten Sie, dass wenn Sie nicht auf diese SMS bzw. erst nach zwei Wochen mit JA antworten, Ihnen die Gutscheine nicht mehr übermittelt werden können.	Once at end of survey if participant replied to at least 70% of questions.

Table A.6: Search Behavior and Holidays

	(1)	(2)	(3)	(4)
<b>Panel A: Public Holidays</b>				
Public holiday (national)	-31.79*** [3.299]	-29.65*** [4.012]	-29.12*** [4.000]	0 [.]
Public holiday (regional)	-25.00*** [6.001]	-12.47** [4.683]	-16.65*** [2.944]	-10.81*** [2.703]
Adj. $R^2$	0.003	0.038	0.490	0.000
Mean Dep. Var	85.24	85.24	85.24	85.24
N Observations	122643	122643	122643	122643
N Individuals	6872	6872	6872	6872
<b>Panel B: School Holidays</b>				
School Holiday	-5.257*** [1.484]	-5.293*** [1.537]	-6.768*** [1.376]	-4.191*** [0.747]
Adj. $R^2$	0.001	0.036	0.488	0.000
Mean Dep. Var	85.24	85.24	85.24	85.24
N Observations	122643	122643	122643	122643
N Individuals	6872	6872	6872	6872
Individual Controls		X	X	
Individual FE			X	X
Month FE		X		
Day of Week FE		X		
Week FE			X	
Date FE				X
State FE		X	X	X

**Notes:** This table shows results from regressing job-search in minutes on dummies for public holidays (panel A) and school holidays (panel B) for nonemployed individuals. Column (1)-(4) present different specifications using different sets of controls. Individual controls contain: Gender, Education, Age (in Categories), Nationality (German/non-German), Wave, Eligibility Duration in Months at UI-Start, Nonemployment Duration at date of contact, Months since UI-exhaustion (daily info), Week of survey (relative to date of contact). Standard Errors are clustered on daily level. \*, \*\* and \*\*\* denote significance on 5%, 1% and 0.1% significance level, respectively.

Table A.7: Tests for Survey Response Bias - Different Outcomes

	(1)	(2)	(3)	(4)	(5)
<b>Panel A: Baseline Outcome Minutes Job Search</b>					
	Minutes Job Search				
Survey Duration in Months	0.8145 [0.6607]				
Adj. R <sup>2</sup>	0.002				
Mean Dep. Var	84.896				
N Observations	121405				
N Individuals	6877				
<b>Panel B: Threshold Definitions of Job-Search</b>					
	Any Search	≥ 60 min	≥ 120 min	≥ 180 min	≥ 240 min
Survey Duration in Months	-0.0114*** [0.0028]	-0.0040 [0.0029]	0.0076*** [0.0029]	0.0076*** [0.0025]	0.0060*** [0.0020]
Adj. R <sup>2</sup>	0.004	0.002	0.001	0.003	0.003
Mean Dep. Var	0.689	0.565	0.338	0.185	0.114
N Observations	121405	121405	121405	121405	121405
N Individuals	6877	6877	6877	6877	6877
<b>Panel C: Other Outcomes</b>					
	Search Intensity (Scale 1-10)	Log Monthly Target Wage	Life Satisfaction (Scale 1-5)		
Survey Duration in Months	-0.1825*** [0.0311]	0.0056 [0.0073]	-0.0256** [0.0103]		
Adj. R <sup>2</sup>	0.004	0.024	0.010		
Mean Dep. Var	5.179	7.744	3.055		
N Observations	11639	8964	14892		
N Individuals	4530	3998	5217		
P-Group X Unemp. Dur. FE	X	X	X	X	X

**Notes:** Survey duration is the difference between the first contact date and the day of the interview in months (where one month consists of 4 weeks). Sample Restrictions are that respondents are still non-employed, with a current unemployment duration of at most 5 months (i.e. 20 weeks or lower). UI-Entry FE are fixed effects for the week of UI-entry. Regressions with diary data and regressions include day of the week FE. Standard errors clustered at the individual level. Significance levels: \*  $p < 0.1$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Table A.8: Search Effort Since Start of UI Spell: Heterogeneity Results

	Gender		Education		Local UR	
	(1)	(2)	(3)	(4)	(5)	(6)
	<b>Female</b>		<b>High Educated</b>		<b>High Local UR</b>	
[2, 3] months (omitted category)	0.00	0.00	0.00	0.00	0.00	0.00
	[.]	[.]	[.]	[.]	[.]	[.]
on UI since [3, 4] months	-1.79	-2.04	-1.44	-1.97	1.57	1.47
	[2.12]	[2.14]	[3.48]	[3.52]	[2.35]	[2.41]
on UI since [4, 5] months	-1.59	-1.15	-1.73	-1.23	-0.35	0.35
	[2.34]	[2.35]	[3.66]	[3.67]	[2.63]	[2.64]
on UI since [5, 6] months	-0.77	-0.17	-1.34	-0.86	-0.12	0.46
	[1.97]	[1.98]	[3.20]	[3.20]	[2.16]	[2.16]
	<b>Male</b>		<b>Low Educated</b>		<b>Low Local UR</b>	
[2, 3] months (omitted category)	0.00	0.00	0.00	0.00	0.00	0.00
	[.]	[.]	[.]	[.]	[.]	[.]
on UI since [3, 4] months	-0.47	-1.13	-1.07	-1.48	-3.38	-4.10*
	[2.45]	[2.52]	[1.75]	[1.79]	[2.19]	[2.22]
on UI since [4, 5] months	1.51	2.14	0.58	1.12	0.06	0.45
	[3.10]	[3.12]	[2.25]	[2.27]	[2.74]	[2.75]
on UI since [5, 6] months	0.06	0.71	0.02	0.70	-0.58	0.08
	[2.28]	[2.30]	[1.66]	[1.68]	[2.08]	[2.09]
Adj. R-Squared	0.469	0.471	0.469	0.471	0.469	0.471
Mean Dep. Var	86.564	86.564	86.564	86.564	86.564	86.564
N Observations	29817	29817	29817	29817	29817	29817
N Individuals	2022	2022	2022	2022	2022	2022
Individual -FE	X	X	X	X	X	X
Time - FE		X		X		X

This table shows estimates of job-search in minutes on time since UI exhaustion. Flexible Time-FE are fixed effects, that are estimated separately in each regression, while fixed time-fe are forced to be equal to the ones retrieved from the full sample.

Table A.9: Search Effort Around UI Exhaustion: Heterogeneity Effects

	Gender		Education		Local UR	
	(1)	(2)	(3)	(4)	(5)	(6)
	<b>Female</b>		<b>High Educated</b>		<b>High Local UR</b>	
[-4, -3] months since UI exhaustion	-2.52	-3.22	-4.50	-4.66	-6.24**	-7.09**
	[2.69]	[2.71]	[4.36]	[4.38]	[2.77]	[2.80]
[-3, -2] months since UI exhaustion	-1.62	-2.30	0.64	0.37	-6.08**	-6.73***
	[2.45]	[2.47]	[4.00]	[4.01]	[2.49]	[2.50]
[-2, -1] months since UI exhaustion	-1.04	-1.36	-0.19	-0.25	-4.62**	-4.96**
	[2.17]	[2.17]	[3.55]	[3.54]	[2.26]	[2.26]
[-1, 0] months since UI exhaustion (omitted cat.)	0.00	0.00	0.00	0.00	0.00	0.00
	[.]	[.]	[.]	[.]	[.]	[.]
[0, 1] months since UI exhaustion	-2.47	-2.36	-1.48	-1.39	-1.59	-1.34
	[1.53]	[1.53]	[2.41]	[2.40]	[1.50]	[1.50]
[1, 2] months since UI exhaustion	-3.89*	-3.26	-2.75	-2.16	-4.56**	-3.64*
	[2.03]	[2.05]	[3.16]	[3.18]	[1.92]	[1.90]
[2, 3] months since UI exhaustion	-5.15**	-4.28*	-5.69	-5.06	-7.39***	-6.27***
	[2.28]	[2.30]	[3.77]	[3.79]	[2.16]	[2.14]
[3, 4] months since UI exhaustion	-8.81***	-7.47***	-10.52**	-9.31**	-8.60***	-6.93***
	[2.47]	[2.52]	[4.27]	[4.28]	[2.37]	[2.37]
	<b>Male</b>		<b>Low Educated</b>		<b>Low Local UR</b>	
[-4, -3] months since UI exhaustion	-10.87***	-11.52***	-7.41***	-8.30***	-6.75**	-7.25***
	[2.88]	[2.88]	[2.15]	[2.16]	[2.80]	[2.80]
[-3, -2] months since UI exhaustion	-5.63**	-6.16**	-5.25***	-6.00***	-1.28	-1.84
	[2.66]	[2.66]	[1.98]	[1.99]	[2.62]	[2.63]
[-2, -1] months since UI exhaustion	-5.73**	-6.00***	-4.59***	-4.98***	-2.19	-2.44
	[2.23]	[2.23]	[1.69]	[1.69]	[2.15]	[2.15]
[-1, 0] months since UI exhaustion (omitted cat.)	0.00	0.00	0.00	0.00	0.00	0.00
	[.]	[.]	[.]	[.]	[.]	[.]
[0, 1] months since UI exhaustion	-1.71	-1.53	-2.29*	-2.13*	-2.69*	-2.68*
	[1.55]	[1.56]	[1.21]	[1.21]	[1.58]	[1.59]
[1, 2] months since UI exhaustion	-3.02	-2.23	-3.70**	-2.93*	-2.06	-1.61
	[2.14]	[2.14]	[1.66]	[1.65]	[2.30]	[2.32]
[2, 3] months since UI exhaustion	-4.95**	-4.00*	-4.86***	-3.83**	-2.08	-1.45
	[2.37]	[2.35]	[1.80]	[1.79]	[2.55]	[2.56]
[3, 4] months since UI exhaustion	-5.85**	-4.28	-6.22***	-4.64**	-5.57*	-4.41
	[2.73]	[2.71]	[2.02]	[2.03]	[2.94]	[2.96]
Adj. R-Squared	0.498	0.499	0.498	0.499	0.498	0.499
Mean Dep. Var	84.271	84.271	84.271	84.271	84.271	84.271
N Observations	89876	89876	89876	89876	89876	89876
N Individuals	5530	5530	5530	5530	5530	5530
Individual -FE	X	X	X	X	X	X
Time - FE		X		X		X

This table shows estimates of job-search in minutes on time since UI exhaustion. Flexible Time-FE are fixed effects, that are estimated separately in each regression, while fixed time-fe are forced to be equal to the ones retrieved from the full sample.

Table A.10: Search Effort around UI Exhaustion by Potential Benefit Duration

	<b>P = 6</b>	<b>P = 8</b>	<b>P = 10</b>	<b>P = 12</b>	<b>P = 15</b>	<b>ALL P</b>
	(1)	(2)	(3)	(4)	(5)	(6)
$[-4, -3]$ months since UI exhaustion	3.50 [4.59]	2.50 [6.07]	-20.05*** [6.59]	-15.44*** [4.67]	-5.97** [3.03]	-7.27*** [1.99]
$[-3, -2]$ months since UI exhaustion	1.26 [4.84]	-2.04 [5.01]	-8.93** [3.96]	-13.04*** [4.43]	2.24 [3.00]	-4.27** [1.83]
$[-2, -1]$ months since UI exhaustion	3.52 [4.26]	-3.21 [4.15]	-4.87 [3.41]	-10.63*** [3.78]	-0.51 [2.63]	-3.76** [1.56]
$[-1, 0]$ months since UI exhaustion (omitted cat.)	0.00 [.]	0.00 [.]	0.00 [.]	0.00 [.]	0.00 [.]	0.00 [.]
$[0, 1]$ months since UI exhaustion	-4.00* [2.17]	-3.30 [2.53]	-1.68 [2.42]	-2.29 [2.28]	4.36 [3.05]	-1.96* [1.10]
$[1, 2]$ months since UI exhaustion	-6.73** [2.95]	-1.97 [3.08]	-2.12 [3.14]	-2.45 [3.28]	4.61 [4.90]	-2.75* [1.48]
$[2, 3]$ months since UI exhaustion	-6.03* [3.19]	-5.16 [3.64]	-6.63* [3.80]	-5.34 [3.42]	14.34*** [5.28]	-4.16** [1.65]
$[3, 4]$ months since UI exhaustion	-7.78** [3.53]	-4.19 [3.95]	-7.76 [4.74]	-8.11** [3.68]	6.42 [11.96]	-5.81*** [1.87]
Adj. $R^2$	0.445	0.495	0.493	0.513	0.566	0.499
Mean Dep. Var	81.886	82.573	87.479	84.243	86.981	84.271
N Observations	23834	17439	14990	19253	14360	89876
N Individuals	1545	1175	973	1098	739	5530
Individual FE	X	X	X	X	X	X
Time FE	X	X	X	X	X	X

This table shows estimates of job-search in minutes on time since UI exhaustion. SE (in brackets) are clustered on the individual level. Separate Regressions by P-Group. P-Values report the  $H_0$  of the performed test. \*, \*\* and \*\*\* denote significance on 10%, 5% and 1% significance level, respectively.

Table A.11: Search Effort Since Start of UI Spell - Different Thresholds

	Minutes Search (1)	Any Search (2)	≥ 60 min (3)	≥ 120 min (4)	≥ 180 min (5)	≥ 240 min (6)
<b>Panel A: Estimates</b>						
[2, 3] months (omitted category)	0.0000 [.]	0.0000 [.]	0.0000 [.]	0.0000 [.]	0.0000 [.]	0.0000 [.]
on UI since [3, 4] months	-1.2335 [1.7211]	-0.0446*** [0.0082]	-0.0222** [0.0087]	0.0006 [0.0088]	0.0079 [0.0072]	0.0046 [0.0060]
on UI since [4, 5] months	0.8726 [2.1980]	-0.0567*** [0.0099]	-0.0168 [0.0108]	0.0076 [0.0107]	0.0094 [0.0088]	0.0158** [0.0076]
on UI since [5, 6] months	1.1114 [2.4056]	-0.0500*** [0.0115]	-0.0238** [0.0120]	0.0142 [0.0116]	0.0152 [0.0097]	0.0134 [0.0082]
on UI since [6, 7] months	1.6714 [2.8306]	-0.0692*** [0.0129]	-0.0344** [0.0138]	0.0178 [0.0131]	0.0242** [0.0111]	0.0230** [0.0094]
<b>Panel B: Coefficients Adjusted for Survey Response Bias</b>						
[2, 3] months (omitted category)	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
on UI since [3, 4] months	-2.0480	-0.0332	-0.0182	-0.0070	0.0003	-0.0014
on UI since [4, 5] months	-0.7564	-0.0339	-0.0088	-0.0076	-0.0058	0.0038
on UI since [5, 6] months	-1.3321	-0.0158	-0.0118	-0.0086	-0.0076	-0.0046
on UI since [6, 7] months	-1.5866	-0.0236	-0.0184	-0.0126	-0.0062	-0.0010
Adj. R <sup>2</sup>	0.471	0.333	0.327	0.356	0.371	0.356
Mean Dep. Var	86.578	0.707	0.579	0.341	0.186	0.115

This table shows estimates of job-search dummies on time since start of UI (Panel A) and coefficients from this regression after adjusting for the survey response bias estimate from table A.7 (Panel B), as explained in Online Appendix D. SE (in brackets) are clustered on the individual level. Dependent variables are dummies for whether reported job search is at or above certain values of the job search distribution. All Specifications include individual FE and Time FE (calendar months and weekday of survey dummies). \*, \*\* and \*\*\* denote significance on 10%, 5% and 1% significance level, respectively.



Table A.12: Search Effort Around UI Exhaustion - Different Thresholds

	Minutes Search (1)	Any Search (2)	$\geq 60$ min (3)	$\geq 120$ min (4)	$\geq 180$ min (5)	$\geq 240$ min (6)
<b>Panel A: Estimates</b>						
$[-4, -3]$ months since UI exhaustion	-7.2689*** [1.9887]	0.0281*** [0.0091]	-0.0105 [0.0098]	-0.0461*** [0.0096]	-0.0439*** [0.0081]	-0.0294*** [0.0068]
$[-3, -2]$ months since UI exhaustion	-4.2702** [1.8265]	0.0178** [0.0079]	-0.0076 [0.0086]	-0.0264*** [0.0086]	-0.0213*** [0.0073]	-0.0219*** [0.0063]
$[-2, -1]$ months since UI exhaustion	-3.7568** [1.5631]	-0.0071 [0.0071]	-0.0146* [0.0075]	-0.0225*** [0.0074]	-0.0157** [0.0064]	-0.0074 [0.0055]
$[-1, 0]$ months since UI exhaustion (omitted cat.)	0.0000 [.]	0.0000 [.]	0.0000 [.]	0.0000 [.]	0.0000 [.]	0.0000 [.]
$[0, 1]$ months since UI exhaustion	-1.9578* [1.0957]	-0.0376*** [0.0054]	-0.0181*** [0.0057]	-0.0013 [0.0054]	-0.0018 [0.0045]	0.0039 [0.0039]
$[1, 2]$ months since UI exhaustion	-2.7525* [1.4835]	-0.0529*** [0.0069]	-0.0225*** [0.0074]	0.0055 [0.0073]	-0.0020 [0.0061]	0.0025 [0.0049]
$[2, 3]$ months since UI exhaustion	-4.1586** [1.6529]	-0.0710*** [0.0079]	-0.0310*** [0.0081]	0.0072 [0.0081]	-0.0001 [0.0068]	-0.0016 [0.0055]
$[3, 4]$ months since UI exhaustion	-5.8095*** [1.8668]	-0.0927*** [0.0094]	-0.0390*** [0.0099]	0.0035 [0.0096]	-0.0031 [0.0078]	0.0011 [0.0061]
<b>Panel B: Coefficients Adjusted for Survey Response Bias</b>						
$[-4, -3]$ months since UI exhaustion	-4.8254	-0.0061	-0.0225	-0.0233	-0.0211	-0.0114
$[-3, -2]$ months since UI exhaustion	-2.6412	-0.0050	-0.0156	-0.0112	-0.0061	-0.0099
$[-2, -1]$ months since UI exhaustion	-2.9423	-0.0185	-0.0186	-0.0149	-0.0081	-0.0014
$[-1, 0]$ months since UI exhaustion (omitted cat.)	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
$[0, 1]$ months since UI exhaustion	-2.7723	-0.0262	-0.0141	-0.0089	-0.0094	-0.0021
$[1, 2]$ months since UI exhaustion	-4.3815	-0.0301	-0.0145	-0.0097	-0.0172	-0.0095
$[2, 3]$ months since UI exhaustion	-6.6021	-0.0368	-0.0190	-0.0156	-0.0229	-0.0196
$[3, 4]$ months since UI exhaustion	-9.0675	-0.0471	-0.0230	-0.0269	-0.0335	-0.0229
Adj. R <sup>2</sup>	0.499	0.348	0.352	0.386	0.403	0.388
Mean Dep. Var	84.271	0.685	0.560	0.335	0.184	0.113

This table shows estimates of job-search dummies on time since UI exhaustion. SE (in brackets) are clustered on the individual level (Panel A) and coefficients from this regression after adjusting for the corresponding survey response bias from table A.7 (Panel B), as explained in Online Appendix D. Dependent variables are dummies for whether reported job search is at or above certain values of the job search distribution. All Specification include individual FE and Time FE (calendar months and weekday of survey dummies). \*, \*\* and \*\*\* denote significance on 10%, 5% and 1% significance level, respectively.

Table A.13: Search Effort Since Start of UI Spell - Other Outcomes

	Search Intensity	Log Target Wage	Life Satisfaction
	(1)	(2)	(3)
<b>Panel A: Estimates</b>			
[2, 3] months (omitted category)	0.0000	0.0000	0.0000
	[.]	[.]	[.]
on UI since [3, 4] months	-0.0763	0.0032	-0.0673
	[0.1624]	[0.0345]	[0.0525]
on UI since [4, 5] months	0.0538	-0.0027	-0.0813
	[0.1820]	[0.0314]	[0.0562]
on UI since [5, 6] months	-0.0839	0.0158	-0.1727***
	[0.1936]	[0.0396]	[0.0614]
on UI since [6, 7] months	-0.4422*	-0.0018	-0.1357**
	[0.2614]	[0.0522]	[0.0654]
<b>Panel B: Coefficients Adjusted for Survey Response Bias</b>			
[2, 3] months (omitted category)	0.0000	0.0000	0.0000
on UI since [3, 4] months	0.1062	-0.0024	-0.0417
on UI since [4, 5] months	0.4188	-0.0139	-0.0301
on UI since [5, 6] months	0.4636	-0.0010	-0.0959
on UI since [6, 7] months	0.2878	-0.0242	-0.0333
Adj. R <sup>2</sup>	0.508	0.803	0.597
Mean Dep. Var	5.253	7.830	3.175

This table shows estimates of other outcomes on time since start of UI (Panel A) and coefficients from this regression after adjusting for the corresponding survey response bias from table A.7 (Panel C), as explained in Online Appendix D. SE (in brackets) are clustered on the individual level. All Specification include individual-FE and Time-FE (calendar months and weekday of survey dummies). \*, \*\* and \*\*\* denote significance on 10%, 5% and 1% significance level, respectively.

Table A.14: Search Effort Around UI Exhaustion - Other Outcomes

	Search Intensity (1)	Log Target Wage (2)	Life Satisfaction (3)
<b>Panel A: Estimates</b>			
[−4, −3] months since UI exhaustion	0.3234** [0.1614]	0.0334 [0.0237]	0.0715 [0.0502]
[−3, −2] months since UI exhaustion	0.1079 [0.1428]	0.0415** [0.0202]	-0.0037 [0.0427]
[−2, −1] months since UI exhaustion	-0.0565 [0.1281]	0.0122 [0.0186]	-0.0105 [0.0396]
[−1, 0] months since UI exhaustion (omitted cat.)	0.0000 [.]	0.0000 [.]	0.0000 [.]
[0, 1] months since UI exhaustion	-0.3099*** [0.0975]	-0.0084 [0.0182]	-0.0073 [0.0309]
[1, 2] months since UI exhaustion	-0.4679*** [0.1243]	0.0025 [0.0206]	-0.0152 [0.0366]
[2, 3] months since UI exhaustion	-0.5794*** [0.1386]	-0.0127 [0.0245]	-0.0380 [0.0419]
[3, 4] months since UI exhaustion	-0.8722*** [0.1846]	-0.0102 [0.0326]	-0.0423 [0.0464]
<b>Panel B: Coefficients Adjusted for Survey Response Bias</b>			
[−4, −3] months since UI exhaustion	-0.2241	0.0502	-0.0053
[−3, −2] months since UI exhaustion	-0.2571	0.0527	-0.0549
[−2, −1] months since UI exhaustion	-0.2390	0.0178	-0.0361
[−1, 0] months since UI exhaustion (omitted cat.)	0.0000	0.0000	0.0000
[0, 1] months since UI exhaustion	-0.1274	-0.0140	0.0183
[1, 2] months since UI exhaustion	-0.1029	-0.0087	0.0360
[2, 3] months since UI exhaustion	-0.0319	-0.0295	0.0388
[3, 4] months since UI exhaustion	-0.1422	-0.0326	0.0601
Adj. R <sup>2</sup>	0.555	0.814	0.638
Mean Dep. Var	5.171	7.707	3.027

This table shows estimates of other outcomes on time since UI exhaustion. SE (in brackets) are clustered on the individual level (Panel A) and coefficients from this regression after adjusting for the survey response bias from table A.7 (Panel C), as explained in Online Appendix D. All Specification include individual-FE and Time-FE (calendar months and weekday of survey dummies). \*, \*\* and \*\*\* denote significance on 10%, 5% and 1% significance level, respectively.

Table A.15: Summary of Self-Reported Job-Found Information

	(1)	(2)	(3)	(4)
	All Responses	Conditioning on Job Found		
		Before UI Exhaustion	Last Month of UI	After UI Exhaustion
<b>Panel A: All Responses to job-found question</b>				
Any Job Found = 1	0.25	1.00	1.00	1.00
	[0.00]	[0.00]	[0.00]	[0.00]
	(0.43)	(0.00)	(0.00)	(0.00)
	12898	910	342	446
<b>Panel B: For those who found Job: Lags between Offer, Acceptance and Start</b>				
Days between Job-Offer and Start	29.17	26.48	28.37	28.63
	[0.84]	[1.39]	[2.03]	[1.87]
	(36.69)	(36.53)	(32.22)	(34.46)
	1897	687	251	341
Days between Job-Offer and Acceptance	7.75	6.37	7.23	3.13
	[0.71]	[1.08]	[1.80]	[0.80]
	(29.34)	(26.41)	(26.23)	(13.43)
	1695	595	212	285
Days between Job-Acceptance and Start	25.97	22.92	24.08	28.84
	[0.82]	[1.27]	[1.85]	[2.11]
	(34.65)	(32.54)	(28.61)	(37.54)
	1787	653	238	318

This table summarizes the responses to the job-found question. All Variables in Panel B are capped at 180, whereas negative values are censored. SE of mean in brackets, SD in parenthesis. The last row for each variable shows the numbers of observations for this variable. The number of observations in Panel (B) is significantly lower, as the questions on job-dates is only asked when individuals report, that they found job.

Table A.16: Expert Survey, Summary Table

	Expert Forecast	SMS Survey	Number of Respondents
<b>Question 1: Initial Search Effort</b>			
Effort in Month [2,3] since UI entry (minutes)		86.6 [1.89]	
Effort in Month [6,7] since UI entry (minutes)	71.5 [3.3]	88.3 [3.0]	35
<b>Question 2: Search Effort around UI Exhaustion</b>			
Effort [-4,-3] months since UI Exhaustion (minutes)	69.2 [2.4]	79.2 [2.0]	35
Effort last months of UI (minutes)		86.4 [1.4]	
Effort [2,3] months since UI Exhaustion (minutes)	72.5 [2.5]	82.3 [1.7]	35
Pattern of increasing search effort and then flat after UI exhaustion			6
Pattern of increasing search effort and then decreasing after UI exhaustion			24
<b>Question 3: Gap Between Job Offer and Start</b>			
Gap Between Job Offer and Start (days)	35.7 [1.8]	28.4 [2.3]	35
Gap equal or longer than 30 days			25
Gap shorter than 30 days			10

**Notes:** This table summarizes the predictions from the expert-survey and contrasts them with the actual responses in the SMS survey. Standard Errors are in brackets. The number of respondents refers to the number of participants in the expert forecast. Rows that contain only responses for the SMS survey shows mean responses that the experts received information before they made their forecast. Due to slight sample adjustments after the expert survey was conducted, the actual numbers that are provided in the table differ slightly from the number that was given in the expert survey.

Figure A.1: Letter



INSTITUT FÜR ARBEITSMARKT- UND  
BERUFSFORSCHUNG  
Die Forschungseinrichtung der Bundesagentur für Arbeit

*Institut für Arbeitsmarkt- und Berufsforschung*  
Regensburger Str. 104 · Re100 407 · 90478 Nürnberg

*Michaela Musterfrau*  
*Musterstraße 1*  
*12345 Musterhausen*

**Bei Rückfragen wenden Sie sich bitte an:**

Simon Trenkle  
Regensburger Str. 104, Re100 407  
90478 Nürnberg  
E-Mail: [IAB.SMS-Befragung@iab.de](mailto:IAB.SMS-Befragung@iab.de)  
Telefon: +49 (0)69 2547 2490

Anschreiben-ID: 52787  
Nürnberg, Datum

**Wissenschaftliche Studie zur Arbeitssuche**

Sehr geehrter Frau Musterfrau,

wie können die Erfolgchancen bei der Suche nach einem neuen Arbeitsplatz erhöht werden? Zu dieser Frage führt das Institut für Arbeitsmarkt- und Berufsforschung (IAB) eine wissenschaftliche Studie durch, bei der wir Ihre Mithilfe benötigen. Wir wollen mehr über Ihre Suche nach einem Arbeitsplatz erfahren und Sie daher bitten, an einer Befragung teilzunehmen. Durch Ihre Teilnahme unterstützen Sie das IAB in der Beratung der Bundesregierung und nehmen Einfluss auf eine Verbesserung der Arbeitsmarktpolitik.

**Kurz und knapp - Wir befragen Sie per SMS**

Die Befragung erfolgt bequem per SMS und sollte jede Woche weniger als 5 Minuten in Anspruch nehmen. Insgesamt wollen wir Sie gerne über 4 Monate hinweg befragen. Wir werden Sie in Kürze per SMS auf Ihrem Mobiltelefon kontaktieren.

**Ihre Angaben sind vertraulich**

Wir garantieren Ihnen, dass Ihre Angaben streng vertraulich nach den gesetzlichen Datenschutzbestimmungen behandelt und ausschließlich zu wissenschaftlichen Zwecken verwendet werden. Ihr Name und Ihre Mobilfunknummer werden nur für die Befragung verwendet und nach Abschluss der Befragung gelöscht. Ihre Antworten werden vertraulich behandelt und nicht mit Ihrer Person in Verbindung gebracht.

**Machen Sie mit – Amazon.de Gutscheine als Dankeschön**

Ihre Teilnahme ist selbstverständlich freiwillig. Als **Dankeschön für Ihre Teilnahme** an der gesamten Befragung erhalten Sie **Amazon.de Gutscheine im Gesamtwert von 20 Euro**. Den ersten Gutschein im Wert von 5 Euro senden wir Ihnen gleich zu Beginn der Befragung per SMS.

**Wir danken Ihnen für Ihre Mitwirkung und für Ihr Vertrauen!**

Mit freundlichen Grüßen

Prof. Dr. rer. pol. Ulrich Walwei  
Direktor (kommissarisch) des Instituts für Arbeitsmarkt- und Berufsforschung (IAB)

Figure A.2: Flyer

## DATENSCHUTZ

### Was passiert mit meinen Angaben?

Ihre Antworten werden ohne Ihren Namen und Mobilfunknummer gespeichert und ausschließlich für wissenschaftliche Auswertungen verwendet.

Um die Befragung für Sie möglichst kurz zu halten, würden wir gerne zusätzliche Daten einbeziehen, die beim IAB vorliegen. Dabei handelt es sich z. B. um Informationen zu Zeiten in Beschäftigung, in Arbeitslosigkeit oder der Teilnahme an Maßnahmen der Arbeitsagentur. Dies kann nicht ohne Ihr Einverständnis geschehen. Zu Beginn der Befragung werden wir Sie daher nach Ihrem Einverständnis fragen. Ihre Antwort übermitteln Sie uns dann einfach per SMS. Bitte beachten Sie, dass ohne dieses Einverständnis eine Teilnahme an der Befragung leider nicht möglich ist.

### Wir garantieren Ihnen, dass

- Ihre Name sowie Ihre Mobilfunknummer ausschließlich für den Zweck dieser Befragung verwendet wird. Ihre Daten werden nicht an Dritte weitergegeben!
- Ihre Antworten nur zu wissenschaftlichen Zwecken verwendet werden.
- Jede Ihrer Antworten anonym, d. h. ohne Namen und Mobilfunknummer ausgewertet wird.
- niemand anhand der Auswertungen erkennen kann, von wem die Angaben gemacht wurden.
- Ihr Name, Ihre Mobilfunknummer, Ihre Antworten und die zusätzlichen Daten des IAB nicht an eine andere Stelle inner- oder außerhalb der Bundesagentur für Arbeit weitergegeben werden. Die für Sie zuständigen Arbeitsagenturen, Job-Center und Sachbearbeiter haben keinen Zugriff auf diese Daten!

## KONTAKT

### An wen kann ich mich mit Fragen wenden?

- **Allgemeine Fragen:**  
Servicetelefon (Dienstag bis Donnerstag 10:00 bis 14:00 Uhr):  
069 2547-2490  
E-Mail: IAB.SMS-Befragung@iab.de
- **Weitere Informationen zum Forschungsvorhaben:**  
<http://www.iab.de/SMS>
- **Kontakt zum Datenschutzbeauftragten:**  
E-Mail: Zentrale.JDC-Datenschutz@arbeitsagentur.de

Wir danken Ihnen für Ihre Mitwirkung und für Ihr Vertrauen in unsere Arbeit!

Herausgegeben: 2019, © IAB



## STUDIE „ARBEITSSUCHE“

Informationen zu einer Befragung  
des Instituts für Arbeitsmarkt- und  
Berufsforschung



(a) Flyer - Frontpage

## DIE STUDIE

Wie können die Erfolgschancen bei der Suche nach einem neuen Arbeitsplatz erhöht werden? Zu dieser Frage führt das Institut für Arbeitsmarkt- und Berufsforschung (IAB) eine wissenschaftliche Studie durch, bei der wir Ihre Mithilfe benötigen. Wir wollen mehr über Ihre Suche nach einem Arbeitsplatz erfahren und Sie daher bitten, an einer Befragung teilzunehmen.

### Wer wird befragt?

- Für diese Studie werden ca. 10.000 Frauen und Männer bundesweit per SMS zum Thema Arbeitssuche befragt. Diese wurden durch ein wissenschaftliches Zufallsverfahren für diese Befragung ausgewählt.

### Teilnehmen lohnt sich

- Durch Ihre Teilnahme unterstützen Sie das IAB in der Beratung der Bundesregierung und nehmen Einfluss auf eine Verbesserung der Arbeitsmarktpolitik.
- Als Dankeschön für Ihre Teilnahme und um die Kosten des SMS Versands zu decken, erhalten Sie Amazon.de Gutscheine.



## BEFRAGUNGSABLAUF

In den nächsten Tagen erhalten Sie die erste Frage per SMS. Die Befragung startet dann mit Ihrer Antwort auf diese Frage.

### Was werde ich gefragt?

- Wir werden Sie zweimal pro Woche fragen, wie viel Zeit Sie am vorherigen Tag mit Aktivitäten rund um die Suche nach einem neuen Arbeitsplatz verbracht haben.
- Zusätzlich werden wir Ihnen einmal pro Woche eine Zusatzfrage stellen, z. B. zu Ihrer Lebensqualität oder zur letzten Stelle, auf die Sie sich beworben haben.

### Was meinen wir mit „Aktivitäten rund um die Suche nach einem neuen Arbeitsplatz“?

Damit meinen wir alle Tätigkeiten, die direkt dazu beitragen einen Arbeitsplatz zu finden. Dazu zählen zum Beispiel:

- Internet- oder Zeitungsrecherche nach geeigneten Jobangeboten
- Erstellen und Bearbeiten eines Lebenslaufs
- Erstellen und Versenden von Bewerbungsschreiben
- Vorbereitung, Anreise und Teilnahme an Bewerbungsgesprächen

### Nicht zur Arbeitssuche zählt:

- Teilnahme an Qualifizierungen und Umschulungen
- Ausfüllen von Antragsformularen zum Arbeitslosengeld oder anderen Leistungen

### Wie antworte ich auf die Fragen?

Ihre Antworten übermitteln Sie uns einfach per SMS von Ihrem Mobiltelefon aus. Alle Fragen sind so gestellt, dass Sie mit einer einfachen Zahl antworten können. Sollten Sie gerade keinen Arbeitsplatz suchen, dann antworten Sie auf unsere Fragen mit der Zahl „0“.

### Wie bekomme ich die Amazon.de Gutscheine und wie kann ich sie einlösen?

- Die Gutscheine bestehen jeweils aus einem 14-stelligen Code, der Ihnen per SMS zugeschickt wird.
- Sie können die Gutscheine bequem bei Ihrem nächsten Einkauf bei Amazon.de einlösen. Geben Sie beim Bezahlen einfach den Gutscheincode an.

### Von wem werde ich befragt?

Das IAB darf Ihren Namen und Ihre Mobilfunknummer zur Durchführung von Befragungen verwenden. Dies hat der Gesetzgeber in § 33 Abs. 5 SGB III geregelt. Da das IAB nicht jede Befragung selbst durchführen kann, wurde das Befragungsinstitut MGov International damit beauftragt. Dies ist unter den strengen datenschutzrechtlichen Regelungen nach § 80 SGB X erlaubt. MGov International ist ein professionelles Befragungsinstitut mit Sitz in Frankfurt am Main und arbeitet für diese Befragung ausschließlich auf Weisung des IAB.

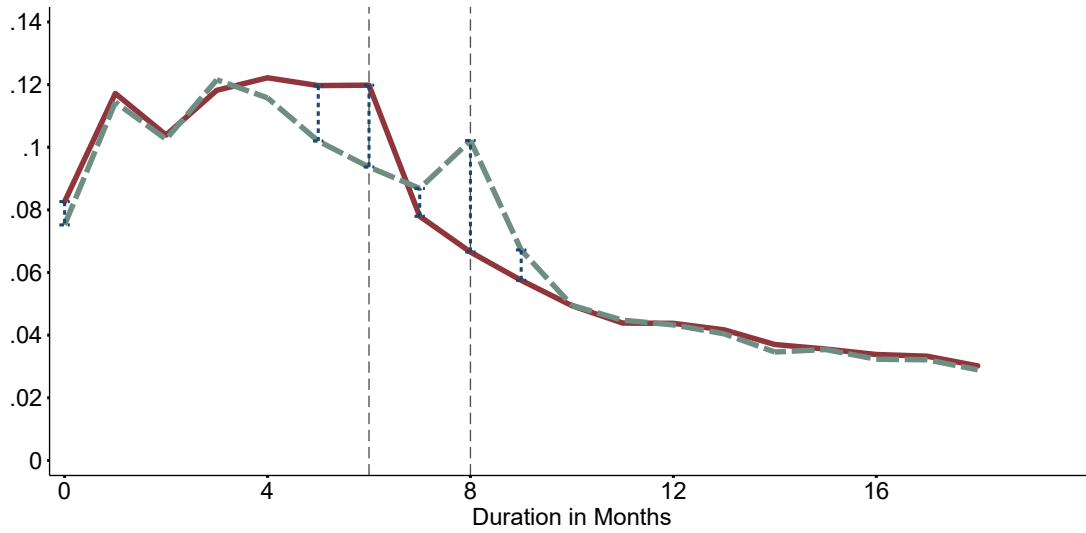
### Muss ich an der Befragung teilnehmen?

- Nein. Ihre Teilnahme an der Befragung ist vollkommen freiwillig.
- Wenn Sie nicht an der Befragung teilnehmen möchten, dann beantworten Sie die erste SMS mit „Nein“ oder ignorieren Sie diese einfach.
- Selbstverständlich können Sie Ihre Teilnahme an der Befragung jederzeit und ohne Angabe von Gründen beenden. Antworten Sie einfach mit „Stop“ auf eine der Fragen.
- Wenn Sie nicht an der Befragung teilnehmen oder die Befragung abbrechen, entstehen keinerlei Nachteile für Sie.

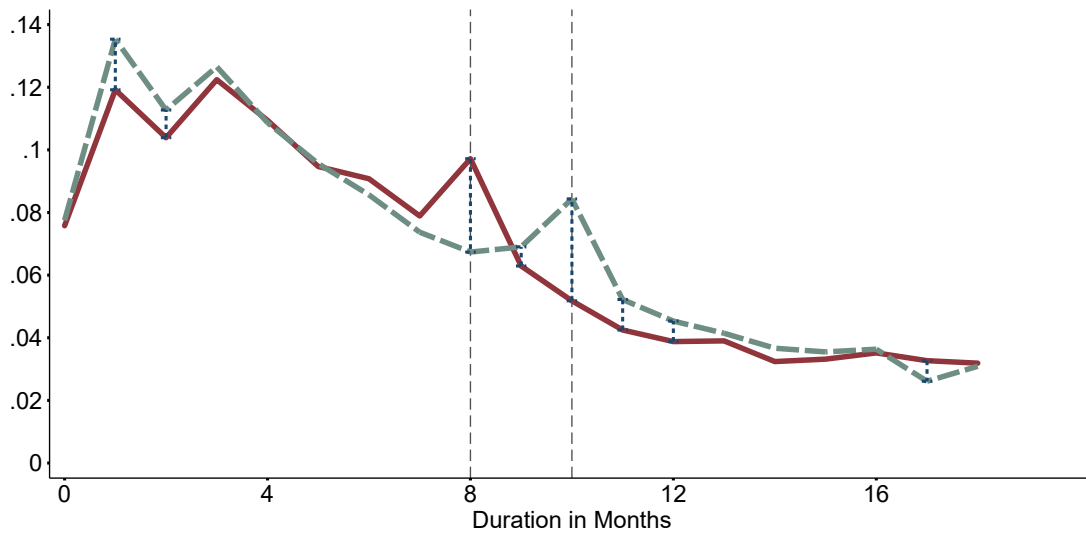
(b) Flyer - Backpage

**Notes:** This figure shows the flyer that we used for contacting individuals. It was sent together with the contact letter and contained more detailed informations on the process of the survey, some facts about data privacy protection and general information about the survey-structure.

Figure A.3: Re-Employment Hazards - Short Contribution Durations



(a) 6 vs. 8 Months

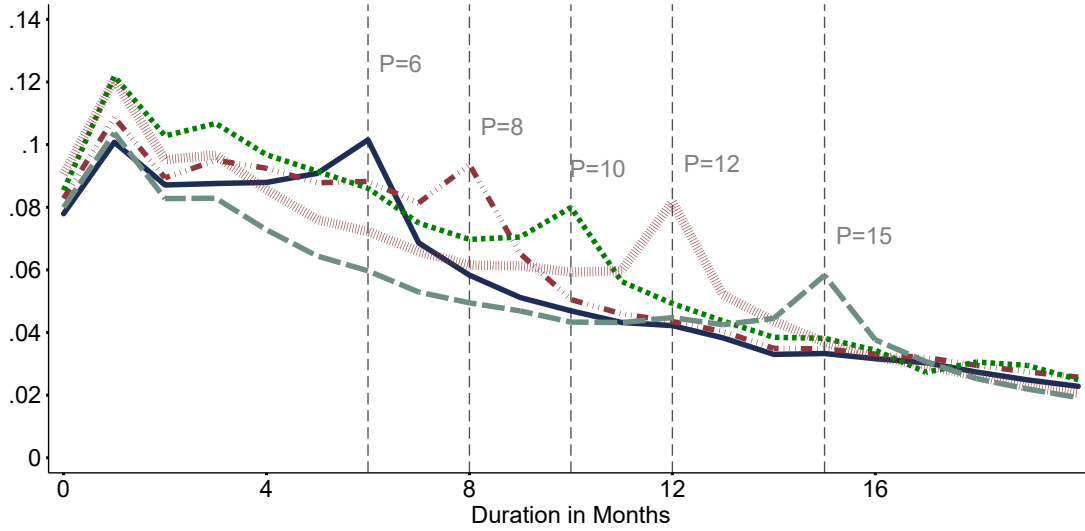


(b) 8 vs. 10 Months

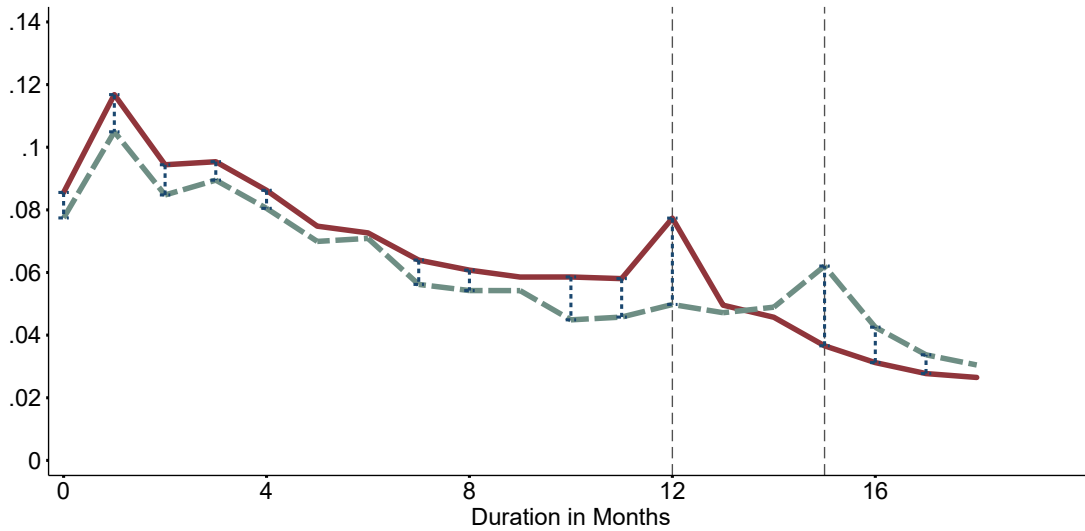
**Notes:** This figure shows estimates for reemployment hazards comparing the 6 vs. 8 and 8 vs. 10 months of eligibility groups. Estimates stem from an RD-type regression, where we perform for each point in time a separate regression, controlling linearly for the contribution duration, with different slopes on each side of the cutoff.



Figure A.4: Re-Employment Hazards - Excluding Recalls



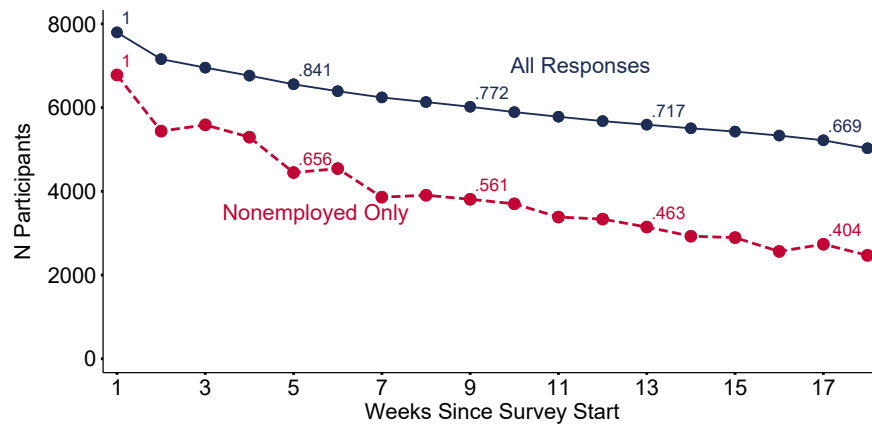
(a) Exit Hazard - Excluding Recalls to pre-unemployment Employer



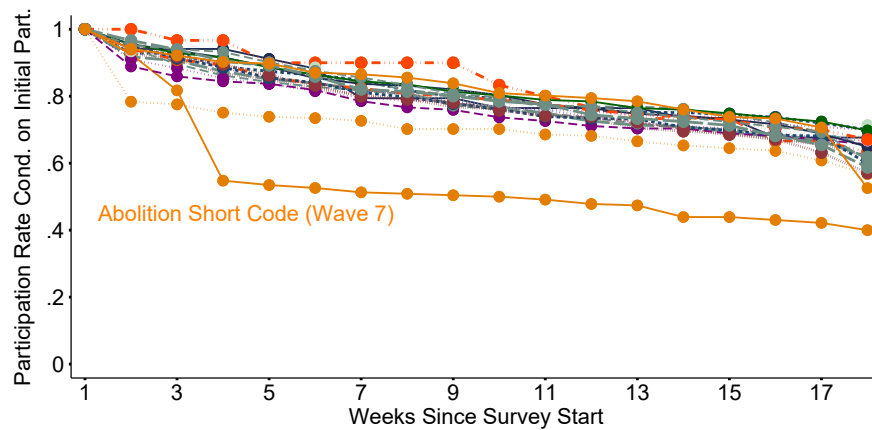
(b) RD Estimate of Effect of PBD on Reemployment Hazard (Age 50 Discontinuity) - Excluding Recalls

**Notes:** This figure shows reemployment hazards by PBD groups based on administrative data between January 2013 and June 2016, excluding observations that are recalled to their pre-unemployment establishment. Panel (a) shows hazard rates for all 5 PBD-groups, whereas figure (b) provides RD-estimates of the 12 vs. 15 month eligibility group around the discontinuity at age 50. The share of individuals that are recalled (and are therefore excluded from the sample) are by P=6: 14.8 %, P=8: 16.3 %, P=10: 15.0%, P=12: 11.1% and for P=15: 12.0%. The sample consists of individuals aged between 28 and 60 at time of UI entry and have exactly 6, 8, 10, 12 or 15 months of PBD at UI entry. For PBD=12 and PBD=15, we additionally restrict to age between 45 and 55 at time of UI entry and on qualifying for long UI eligibility based on working history. We also restrict to immediate UI take-up after job-loss (<2 days).

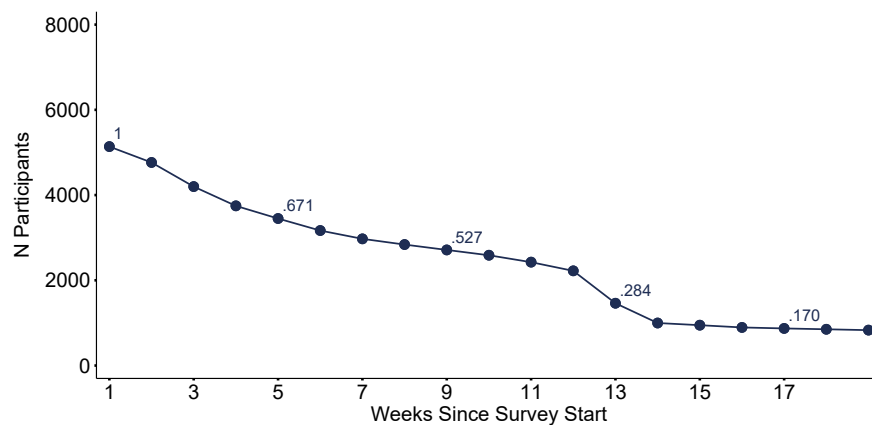
Figure A.5: Survey Attrition over Time



(a) Overall Attrition over Time



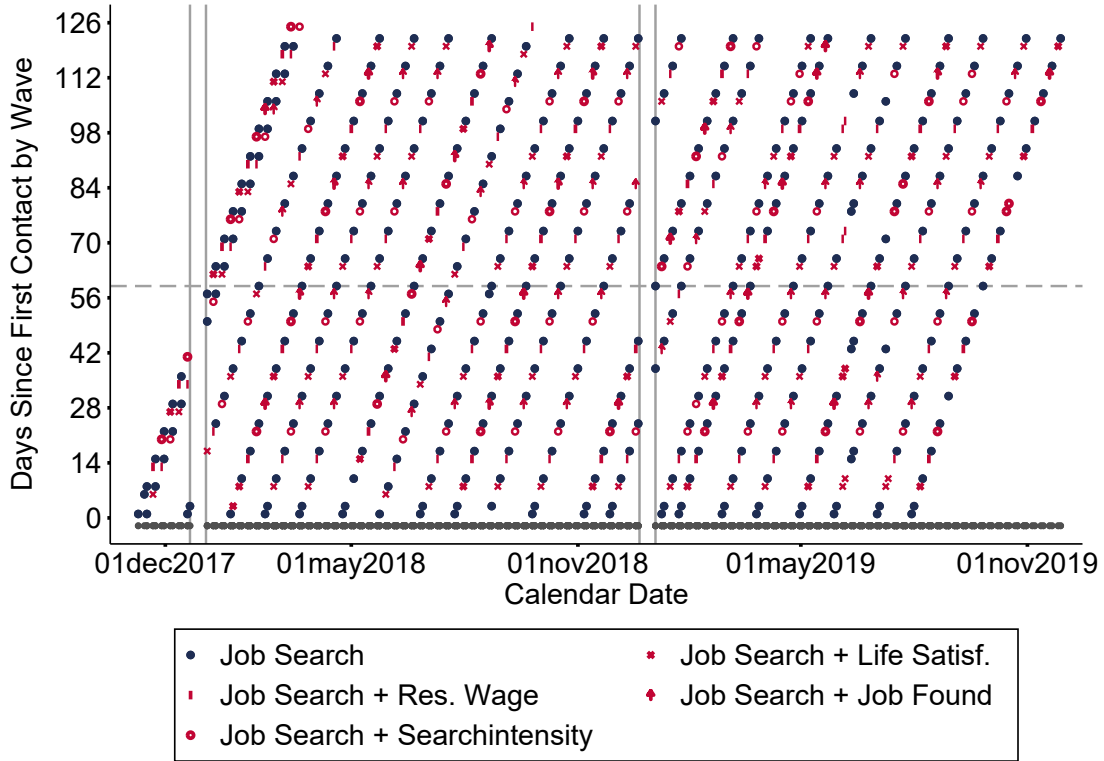
(b) Attrition by Wave over Time



(c) Attrition over Time - K&M Analysis

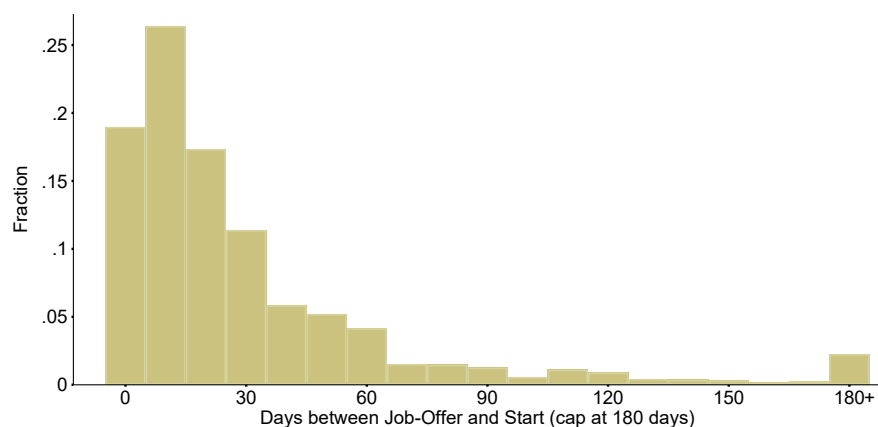
**Notes:** The upper figure shows the weekly attrition rate over time (since survey start), conditioning on responding to at least one survey question for all survey participants and for nonemployed individuals. Attrition for all (solid blue line) is defined as never having a valid response to job-search again, whereas attrition from nonemployment (dashed red line) is defined as never responding to a question of job-search while nonemployed. The middle figure shows the weekly response-rate split by wave over time (since survey start) for individuals consented initially. The lower figure refers to the Krueger and Mueller data.

Figure A.6: Question-Day by Wave over Time

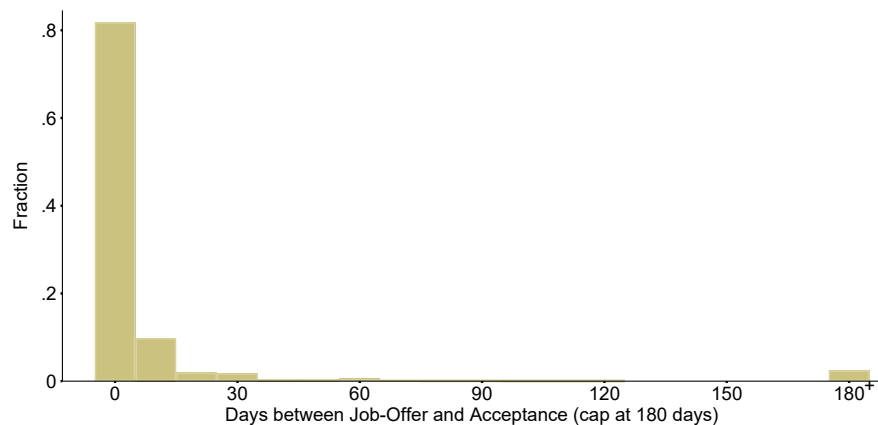


**Notes:** This figure shows the dates by wave at which individuals were asked about (and responded to) a job-search question both as calendar date and relative to the wave-specific contact date. Solid vertical lines around the year ends mark the holiday season where we do not contact. (December 25th, December 26th and January 1st are full-day holidays, December 24th and 31st are half-day holidays in Germany.)

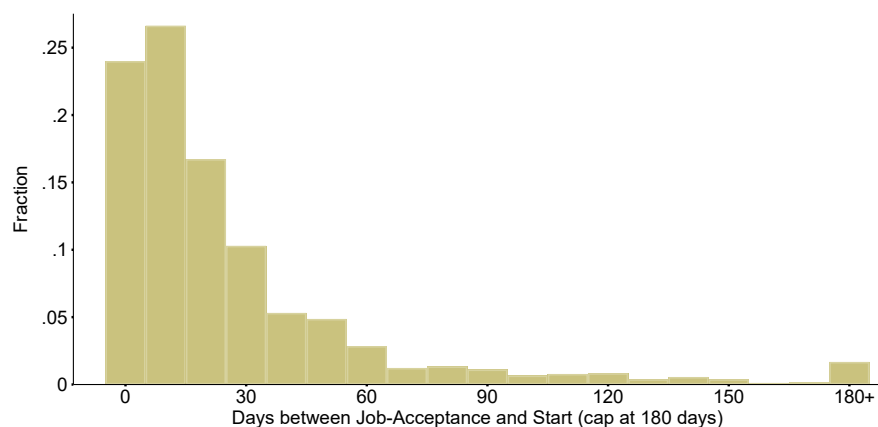
Figure A.7: Distribution of Job-Offer, Job-Acceptance, and Job-Start



(a) Job-Offer until Job-Start



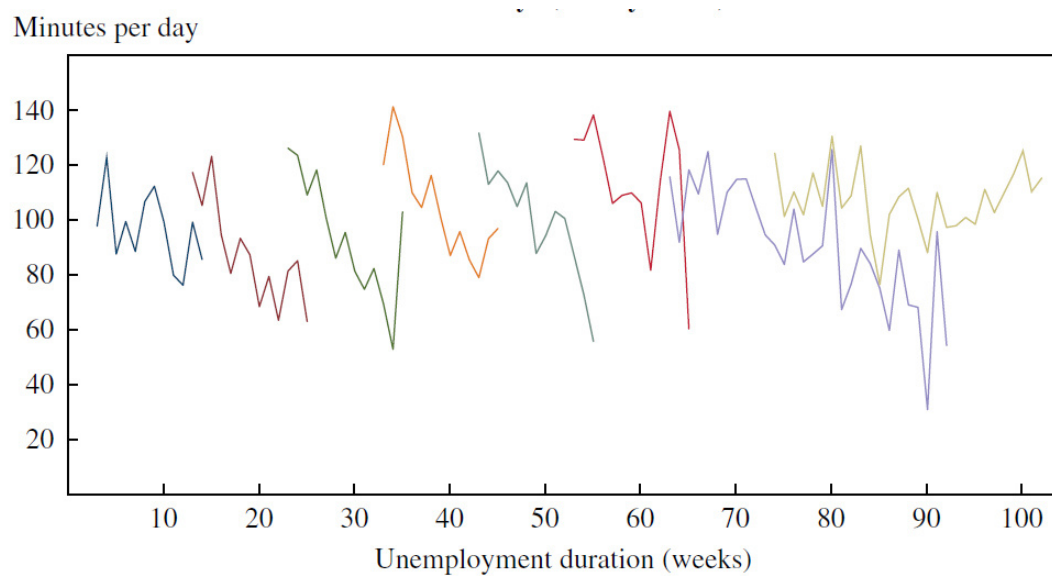
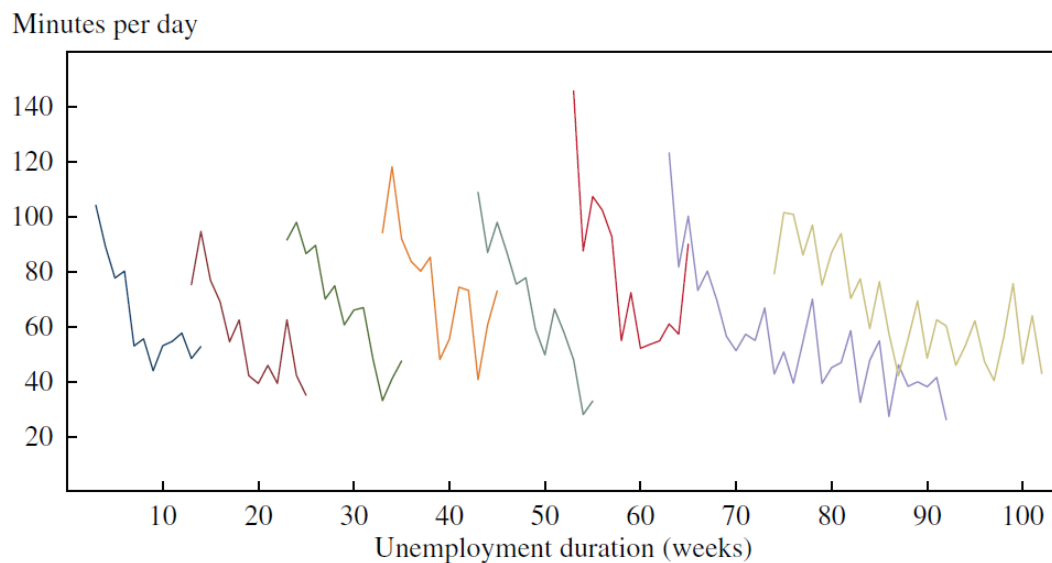
(b) Job-Offer until Job-Acceptance



(c) Job-Acceptance until Job-Start

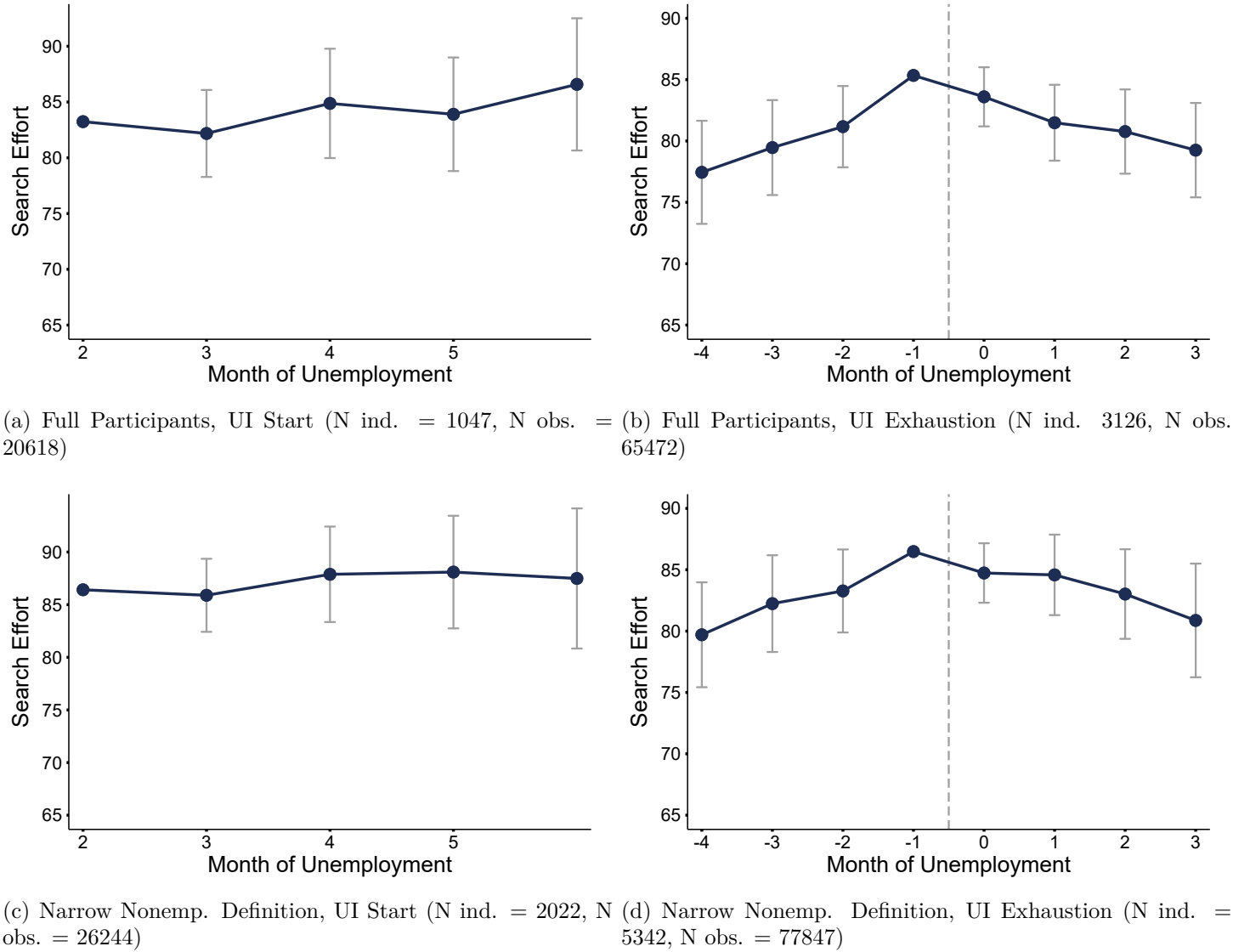
**Notes:** The upper figure shows the distribution of days between job-offer and job-start, the second one the days between job-offer and job-acceptance and the third one the days between job-acceptance and job-start, provided that the response to both dates used in the relevant figures are non-missing. In all graphs, negatives values are set to missing, values above 180 days are winsorized.

Figure A.8: Within- and Between-Person Job Search Effort in Krueger and Mueller (2011)



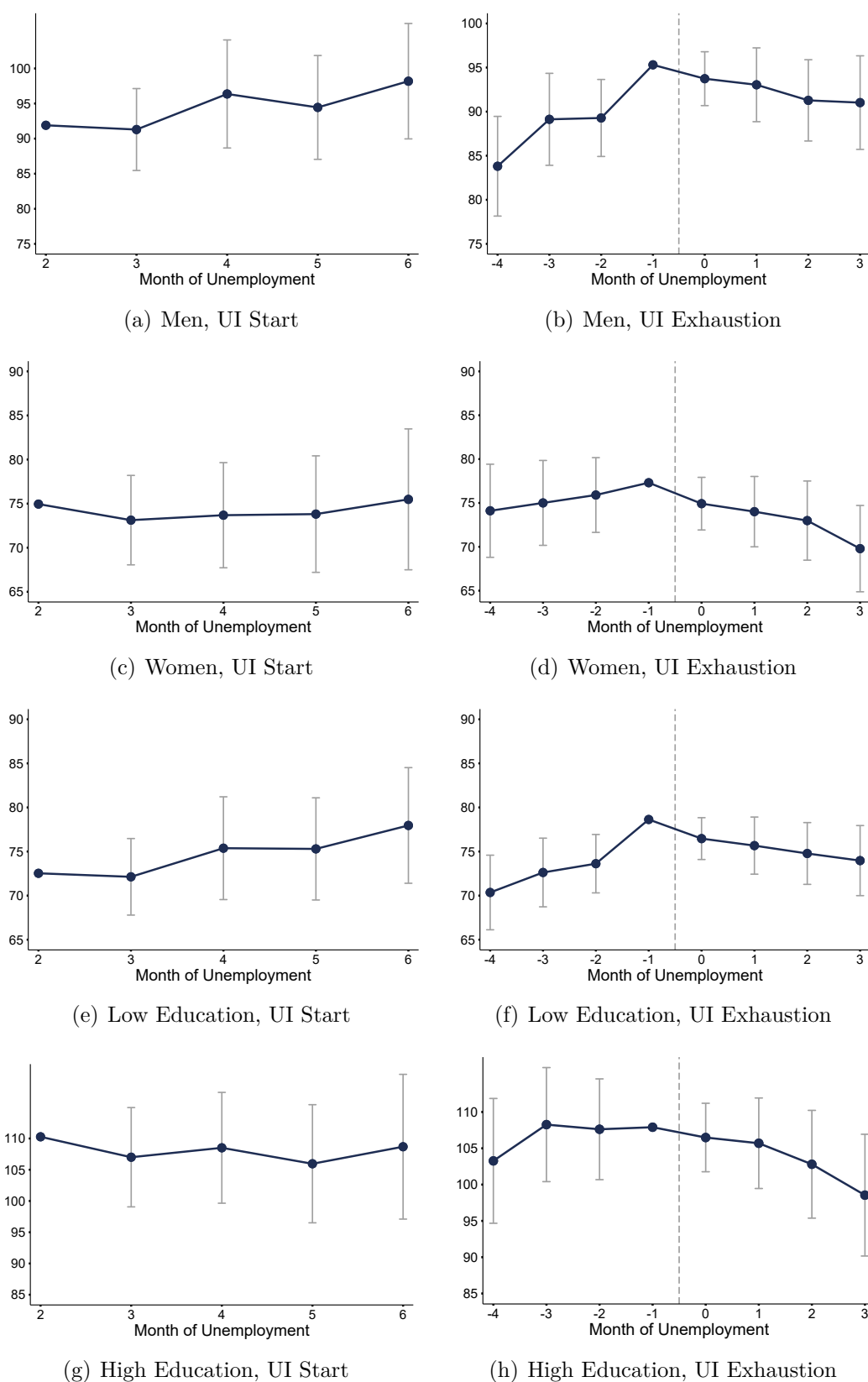
**Notes:** The figure shows Figure 3 from Krueger and Mueller (2011). Each line shows the evolution of job search for a separate cohort (that is a group of individuals who were sampled at the same time at a specific unemployment duration). The top panel is based on time diary information in the KM data, the bottom panel on a question that asked for the total hours of job search in the last 7 days rescaled to minutes per day.

Figure A.9: Search Effort At UI Start and UI Exhaustion: Different Specifications



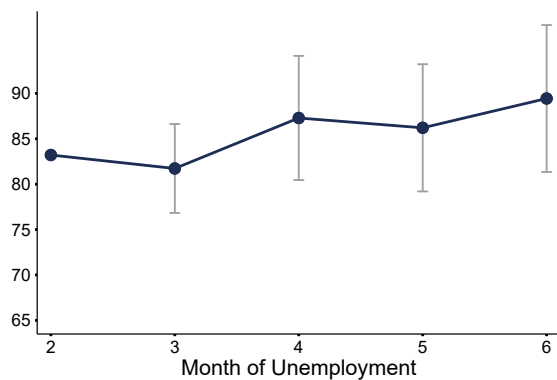
**Notes:** The figure shows mean job search over the initial spell of unemployment (up to 6 months) and around UI-exhaustion (between -4 and +3 months around UI exhaustion) controlling for individual, weekdate and calender-month fixed effects. Panels (a) and (b) are based on individuals who participate and remain nonemployed for the full survey duration (18 months). Panels (c) and (d) include only responses at dates where we either observe a later date of job-acceptance or individuals respond to be still nonemployed at a later date. Standard Errors are clustered on the person level.

Figure A.10: Search Effort At UI Start and UI Exhaustion: Heterogeneity

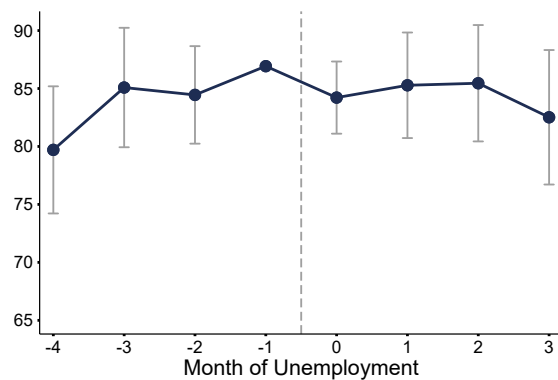


**Notes:** The figure shows mean job search over the initial spell of unemployment (< 6 months) and around UI-exhaustion (between -4 and + 3 months around UI exhaustion) for different demographic groups. All estimates control for individual, weekdate and calendar-month fixed effects. Standard Errors are clustered on the person level.

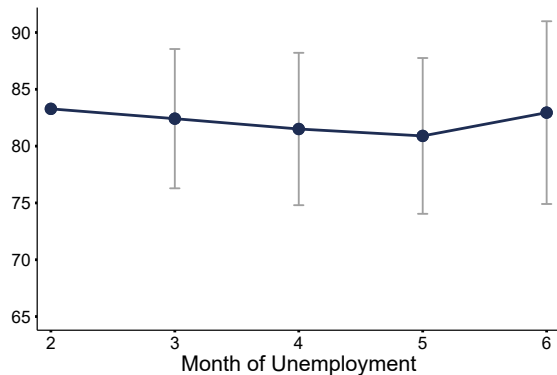
Figure A.11: Search Effort At UI Start and UI Exhaustion: Heterogeneity cont'



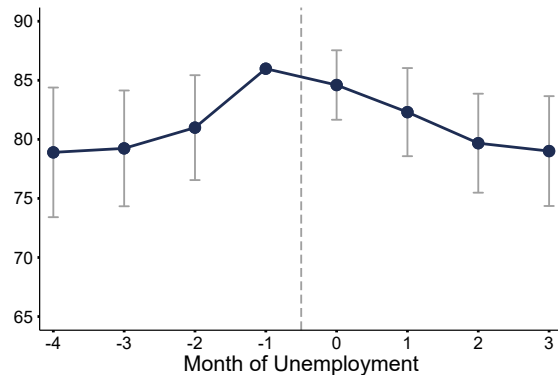
(a) Low Local UR, UI Start



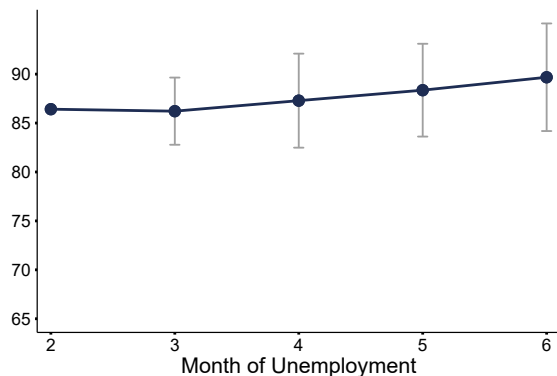
(b) Low Local UR, UI Exhaustion



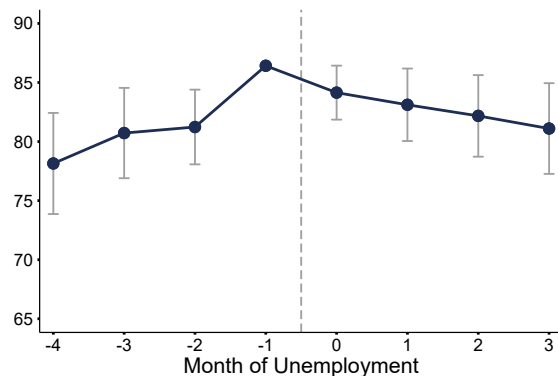
(c) High Local UR, UI Start



(d) High Local UR, UI Exhaustion



(e) Reweighted to Sample Frame, UI Start

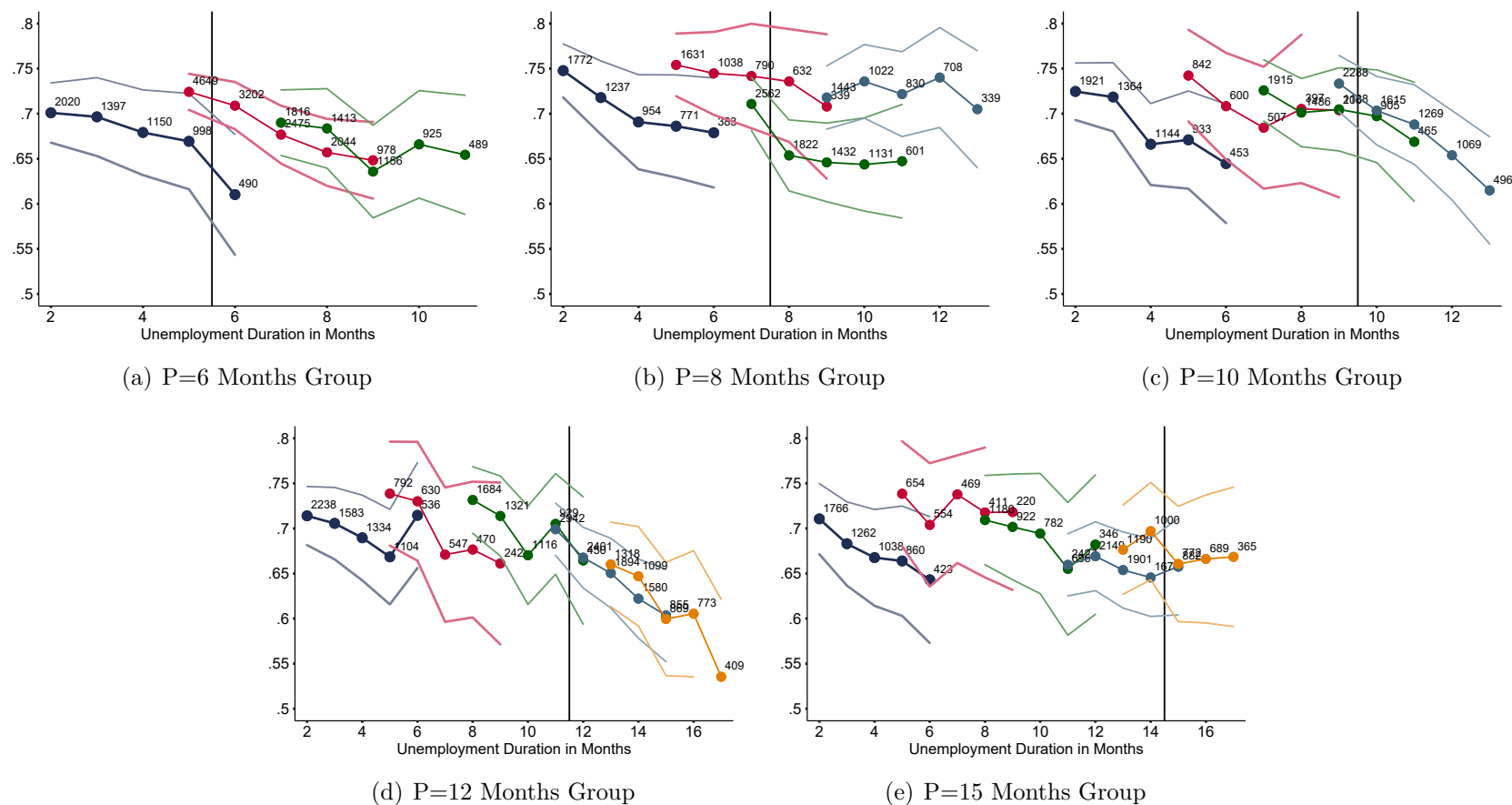


(f) Reweighted to Sample Frame, UI Exhaustion

**Notes:** The figure shows mean job search over the initial spell of unemployment (< 6 months) and around UI-exhaustion (between -4 and + 3 months around UI exhaustion) for different demographic groups. All estimates control for individual, weekdate and calendar-month fixed effects. Standard Errors are clustered on the person level.

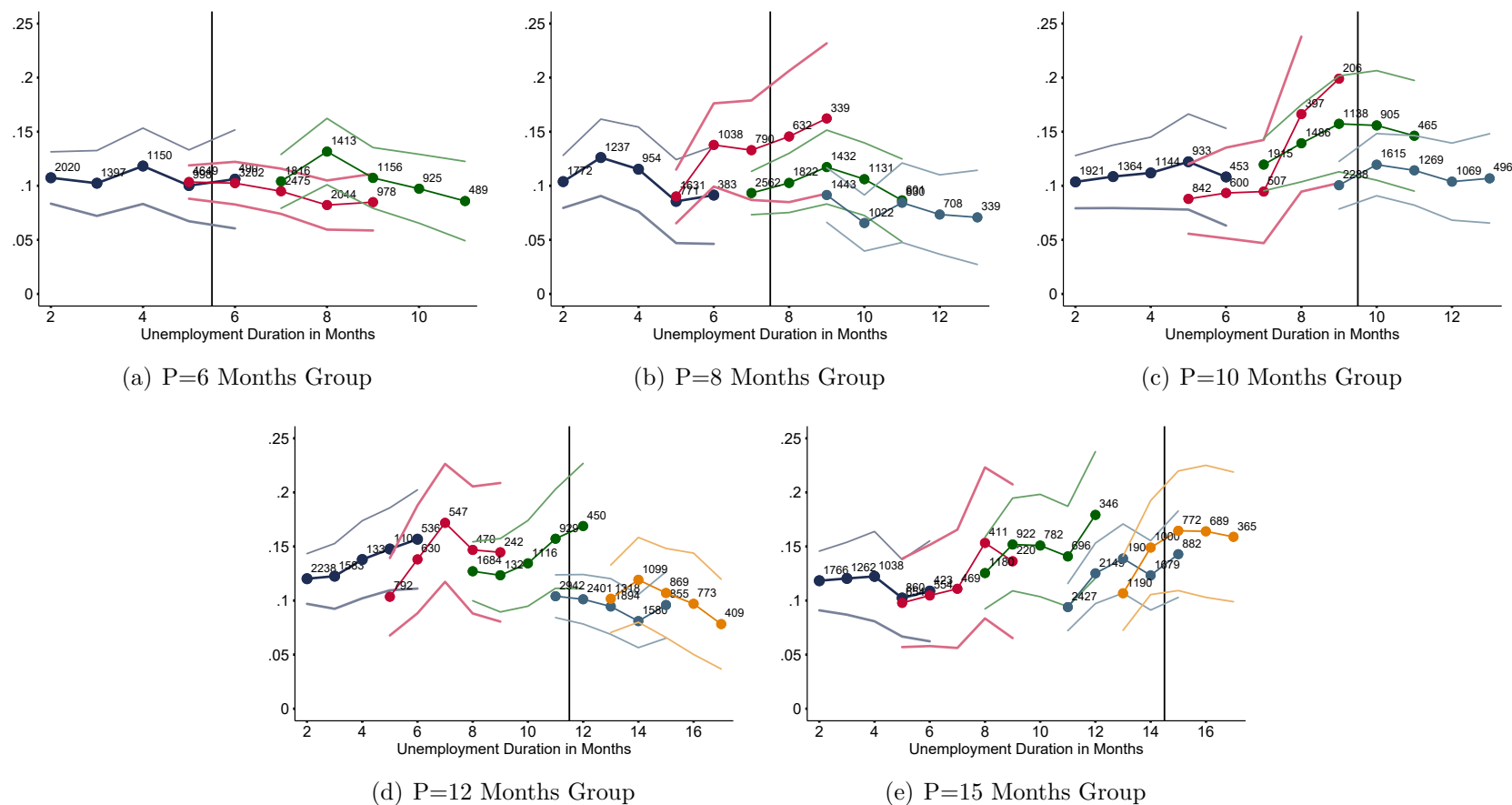


Figure A.12: Dummy: Search > 0 over the Unemployment Spell by Survey Cohort



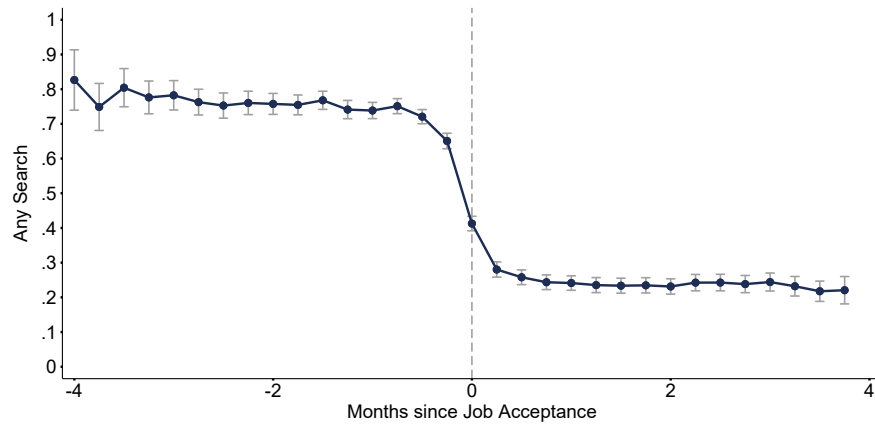
**Notes:** This figure shows cohort plots for P=6 to P=15 months. 95% CI (SE clustered on individual level) are displayed as outer lines (CI values outside the displayed range are censored for the ease of exposition). Numbers at a dot refer to the numbers of observations on which the dot is based. A cohort is defined as the duration in months on UI at time of first contact. It contains the months 2,3,5,8,11,13. Values that are -due to slight differences in definition of cohorts in earlier waves- outside those range are increased by one months such that they are fit in the listed month range. One dot represents observations from 4 weeks. Since responses are restricted to the regular survey duration (up to 18 weeks), the last dot of each cohort contains only observations from two weeks.

Figure A.13: Dummy: Search  $\geq 240$  Minutes over the Unemployment Spell by Survey Cohort

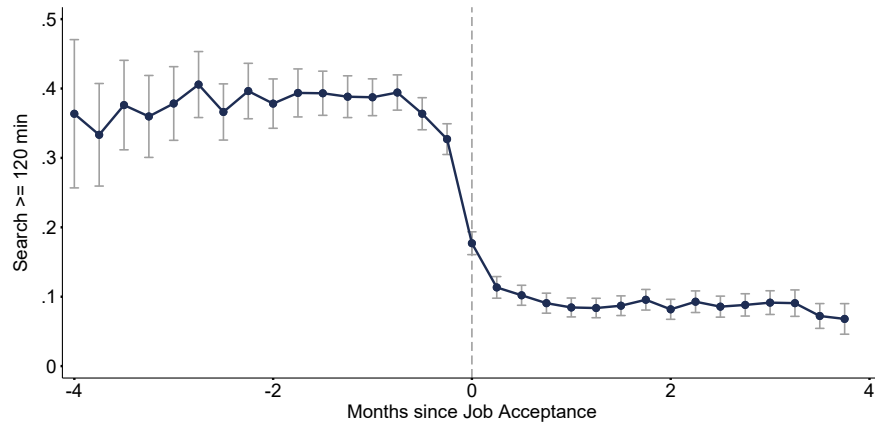


**Notes:** This figure shows cohort plots for P=6 to P=15 months. 95% CI (SE clustered on individual level) are displayed as outer lines (CI values outside the displayed range are censored for the ease of exposition). Numbers at a dot refer to the numbers of observations on which the dot is based. A cohort is defined as the duration in months on UI at time of first contact. It contains the months 2,3,5,8,11,13. Values that are -due to slight differences in definition of cohorts in earlier waves- outside those range are increased by one months such that they are fit in the listed month range. One dot represents observations from 4 weeks. Since responses are restricted to the regular survey duration (up to 18 weeks), the last dot of each cohort contains only observations from two weeks.

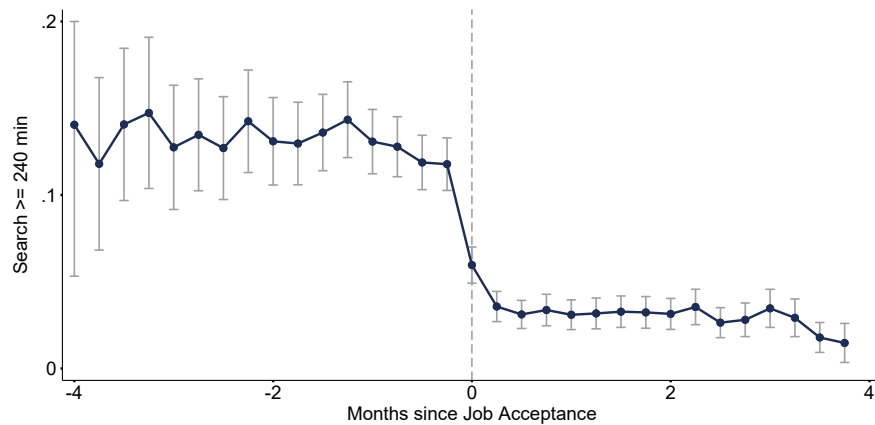
Figure A.14: Validation of Search Effort: Distribution of Search Effort around Job Acceptance



(a) Any Search Around Job Acceptance



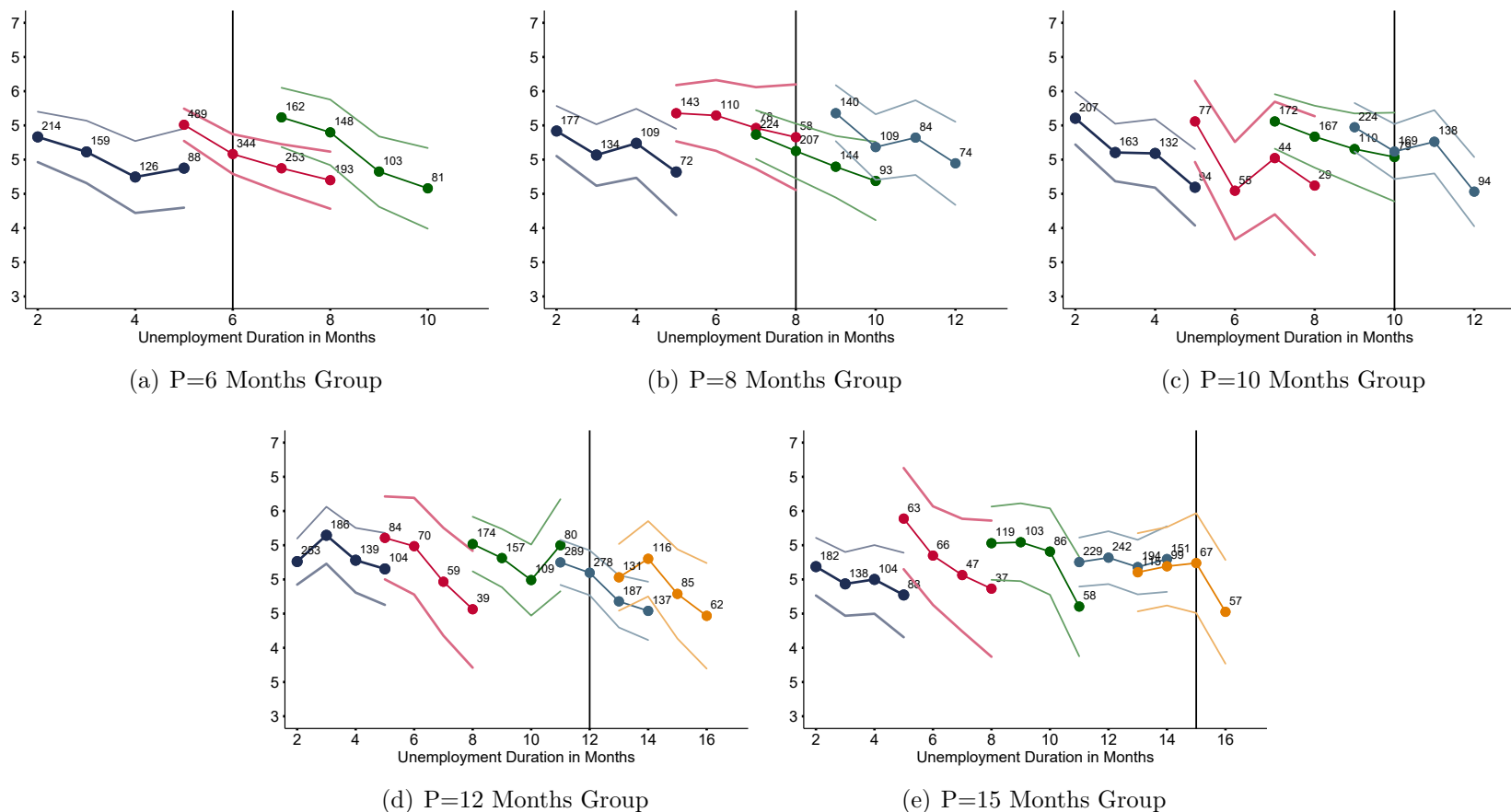
(b) Search  $\geq 120$  min. Around Job Acceptance



(c) Search  $\geq 240$  min. Around Job Acceptance

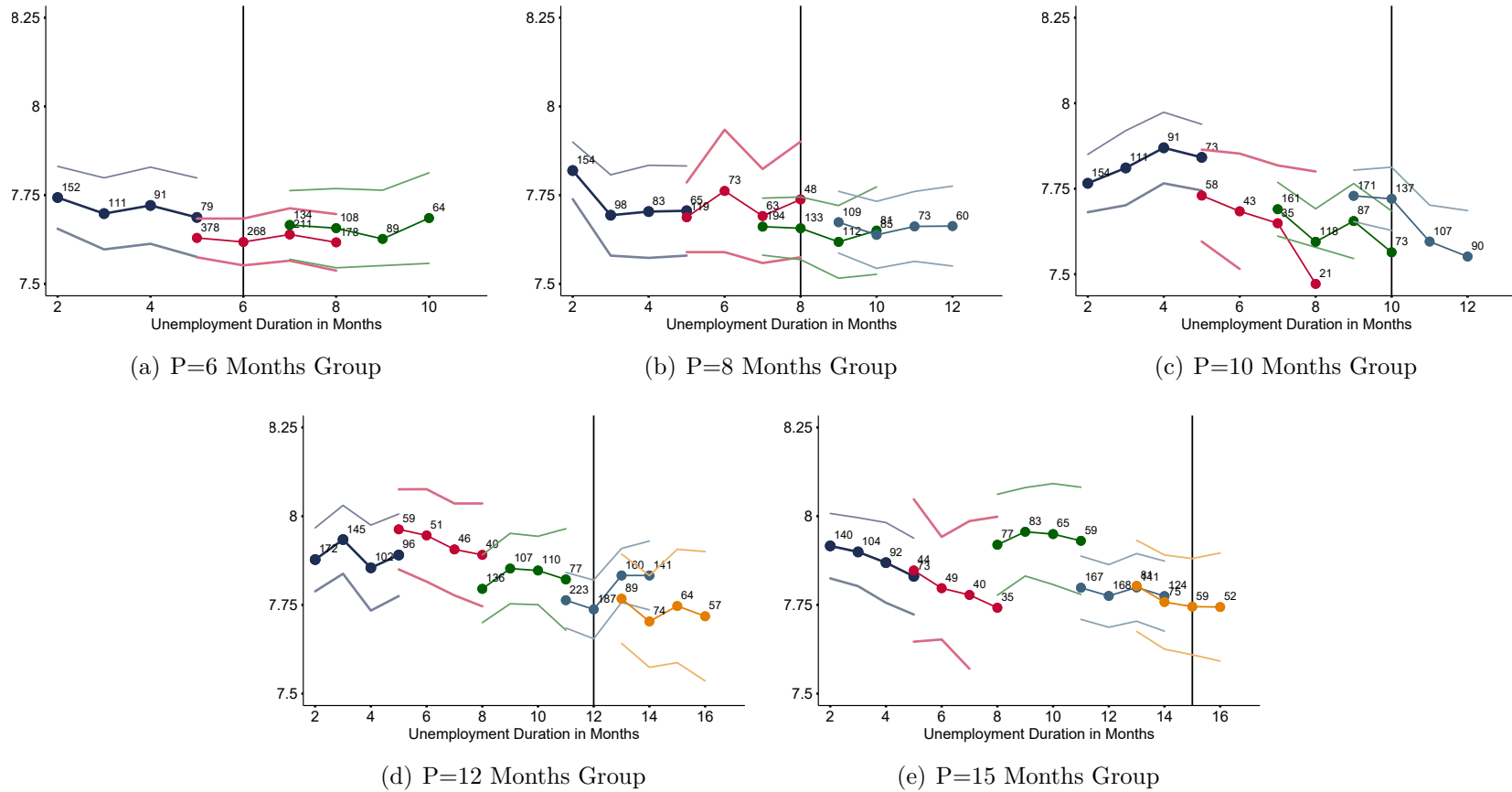
**Notes:** This figure shows different threshold definitions of search effort around job-acceptance. Event dates are normalized to zero. SE are clustered on individual level.

Figure A.15: Qualitative Search Intensity (Scale 1 to 10) over the Unemployment Spell by Survey Cohort



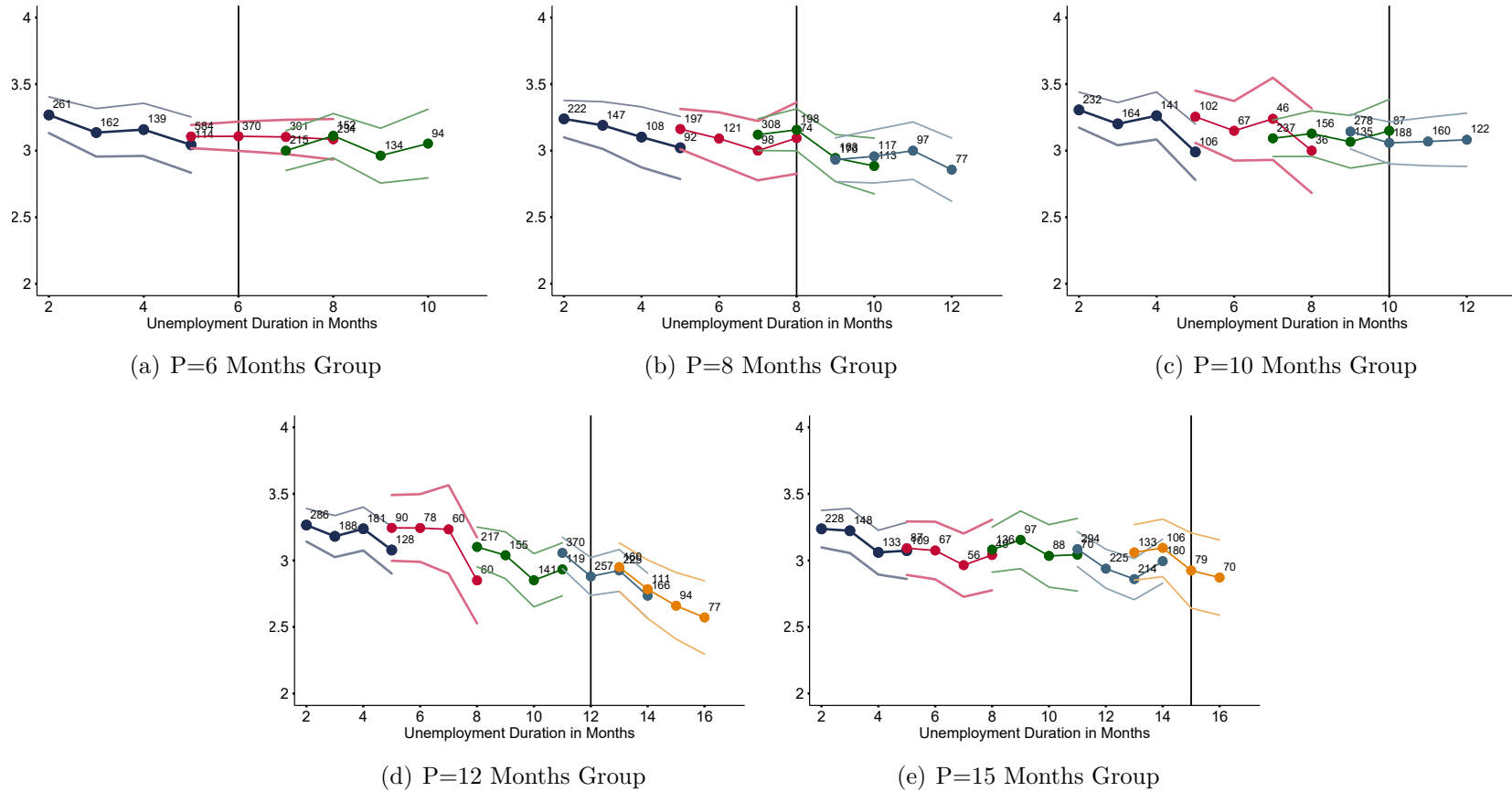
**Notes:** This figure shows cohort plots for P=6 to P=15 months. 95% CI (SE clustered on individual level) are displayed as outer lines (CI values outside the displayed range are censored for the ease of exposition). Numbers at a dot refer to the numbers of observations on which the dot is based. A cohort is defined as the duration in months on UI at time of first contact. It contains the months 2,3,5,8,11,13. Values that are -due to slight differences in definition of cohorts in earlier waves- outside those range are increased by one months such that they are fit in the listed month range. One dot represents observations from 4 weeks. Since responses are restricted to the regular survey duration (up to 18 weeks), the last dot of each cohort contains only observations from two weeks.

Figure A.16: Log-Target Wage over the Unemployment Spell by Survey Cohort



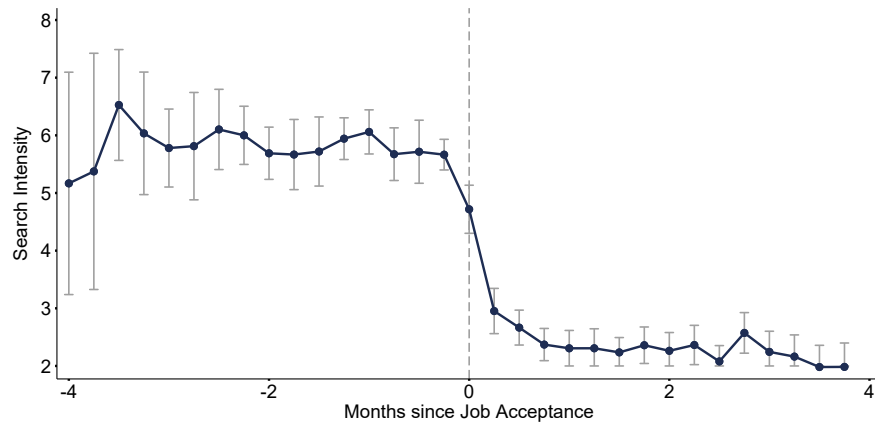
**Notes:** This figure shows cohort plots for P=6 to P=15 months. 95% CI (SE clustered on individual level) are displayed as outer lines (CI values outside the displayed range are censored for the ease of exposition). Numbers at a dot refer to the numbers of observations on which the dot is based. A cohort is defined as the duration in months on UI at time of first contact. It contains the months 2,3,5,8,11,13. Values that are -due to slight differences in definition of cohorts in earlier waves- outside those range are increased by one months such that they are fit in the listed month range. One dot represents observations from 4 weeks. Since responses are restricted to the regular survey duration (up to 18 weeks), the last dot of each cohort contains only observations from two weeks.

Figure A.17: Life Satisfaction (Scale 1 to 5) over the Unemployment Spell by Survey Cohort

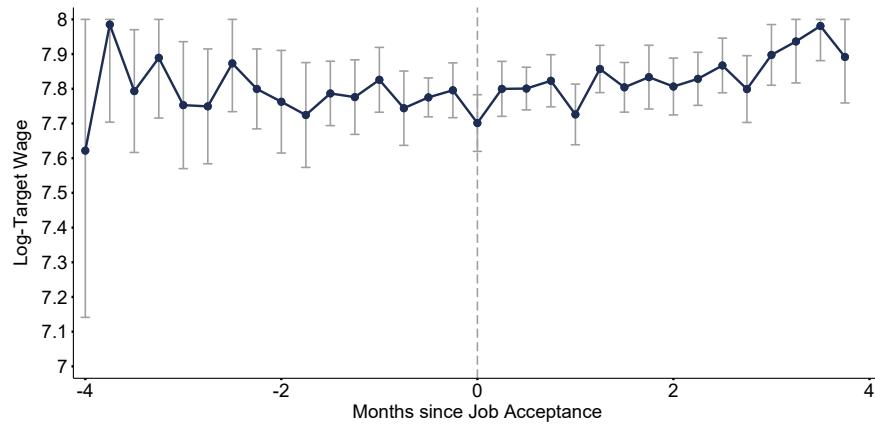


**Notes:** This figure shows cohort plots for P=6 to P=15 months. 95% CI (SE clustered on individual level) are displayed as outer lines (CI values outside the displayed range are censored for the ease of exposition). Numbers at a dot refer to the numbers of observations on which the dot is based. A cohort is defined as the duration in months on UI at time of first contact. It contains the months 2,3,5,8,11,13. Values that are -due to slight differences in definition of cohorts in earlier waves- outside those range are increased by one months such that they are fit in the listed month range. One dot represents observations from 4 weeks. Since responses are restricted to the regular survey duration (up to 18 weeks), the last dot of each cohort contains only observations from two weeks.

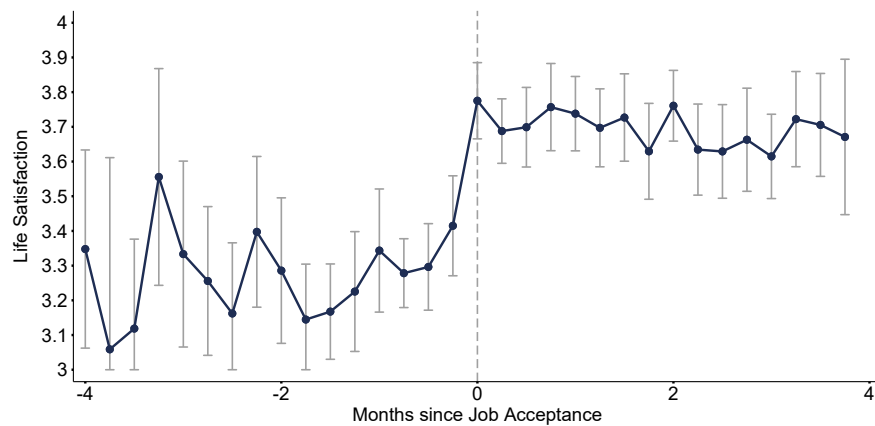
Figure A.18: Validation of Search Effort: Search Intensity, Target Wage and Life Satisfaction around Job Acceptance



(a) Search Intensity Around Job Acceptance



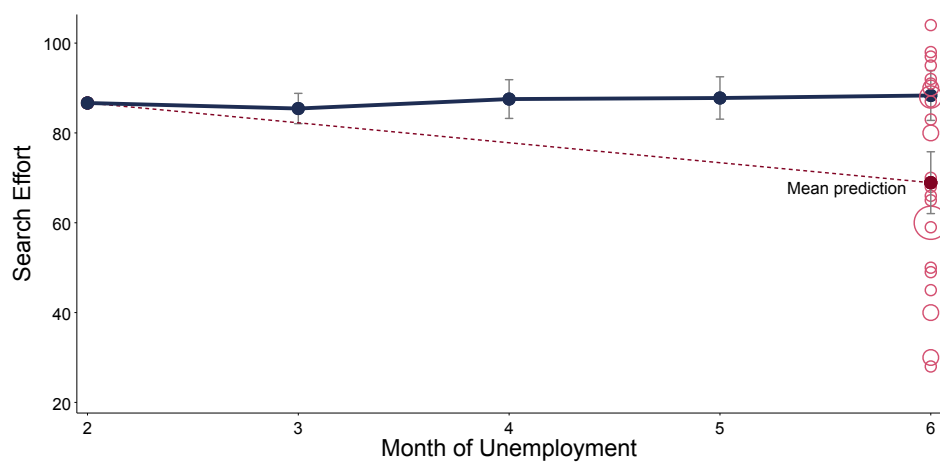
(b) Log Target Wage Around Job Acceptance



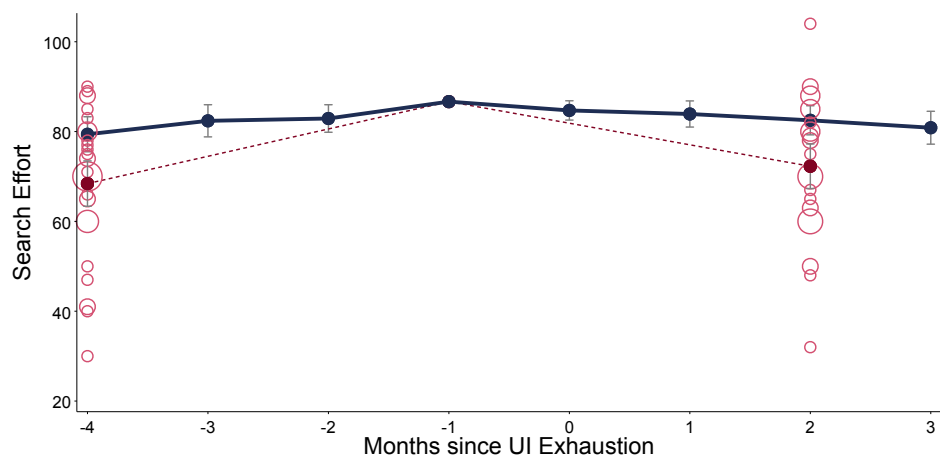
(c) Life Satisfaction Around Job Acceptance

**Notes:** This figure shows other mean of outcomes around job-acceptance. Event dates are normalized to zero. SE are clustered on individual level.

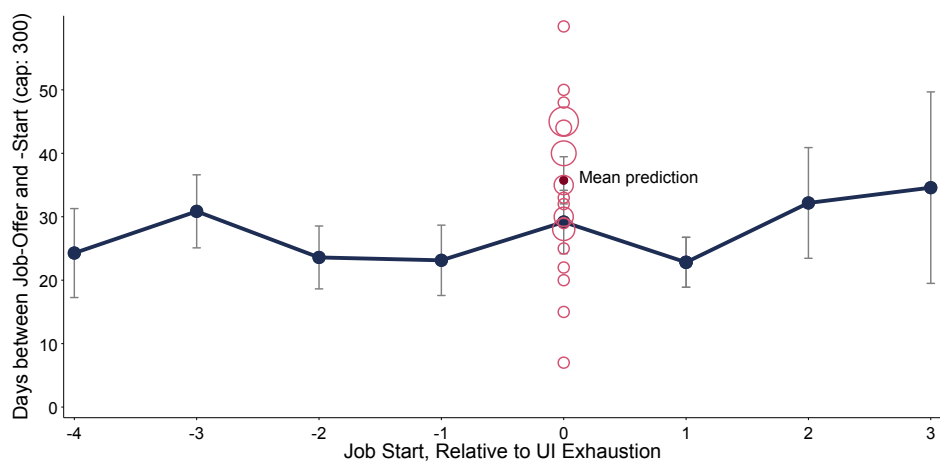
Figure A.19: Expert Forecasts vs. Survey Results - Distribution of Individual Responses



(a) Search Effort Early In Spell



(b) Search Effort Around UI Exhaustion

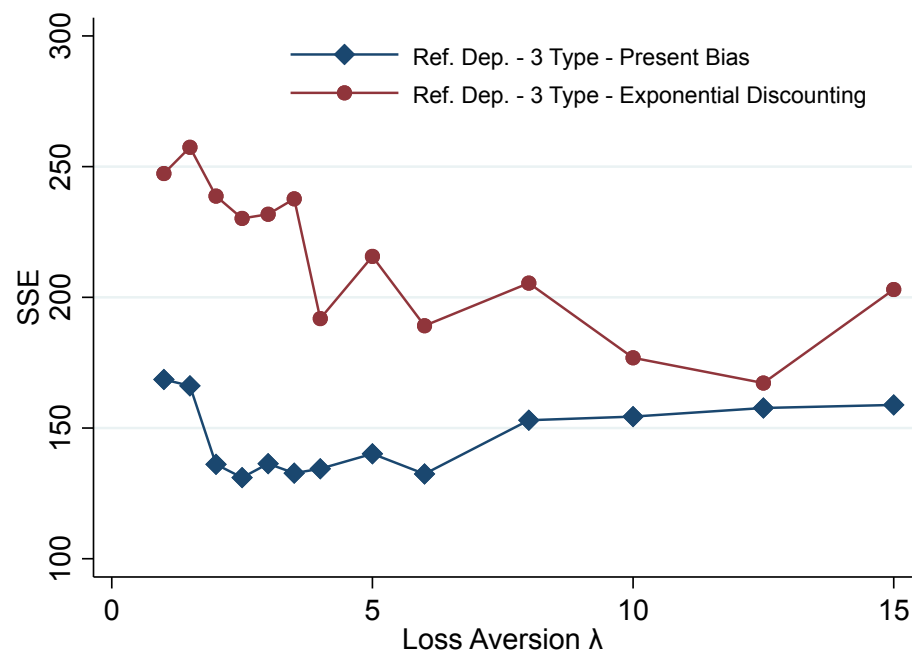


(c) Storable Offers Evidence Around UI Exhaustion

**Notes:** This figure contrasts the expert forecasts with the empirical results of the survey for the three main findings. The circles indicate individual responses were larger circles indicate multiple identical responses.

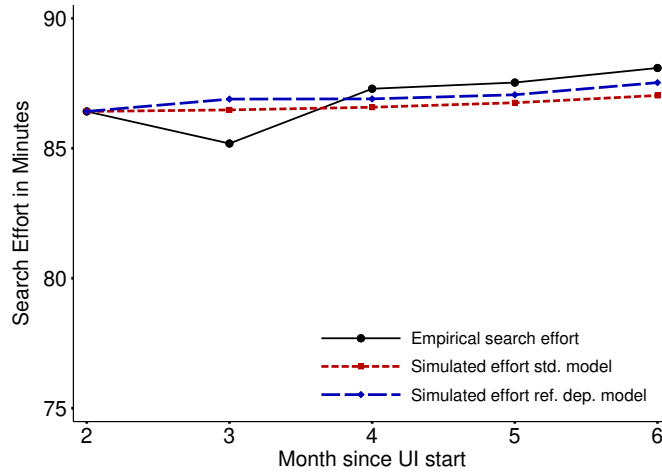


Figure A.20: Goodness of Fit Statistic (SSE) of Reference Dependent Model for fixed Loss Aversion  $\lambda$

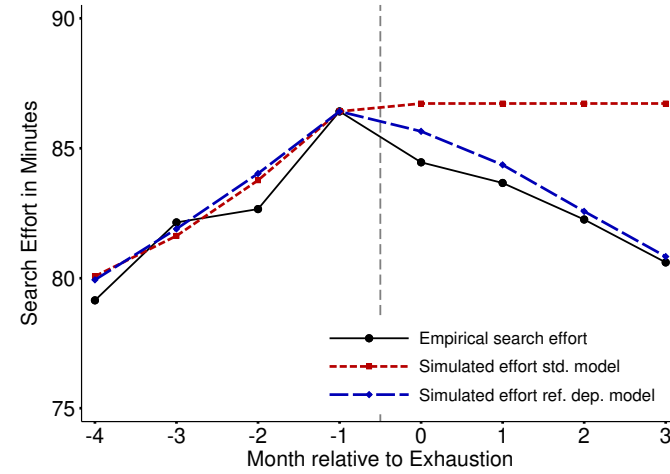


**Notes:** The figure shows the resulting SSE when estimating the RD models (exponential and  $\beta\delta$ ) while holding the loss aversion parameter  $\lambda$  fixed.

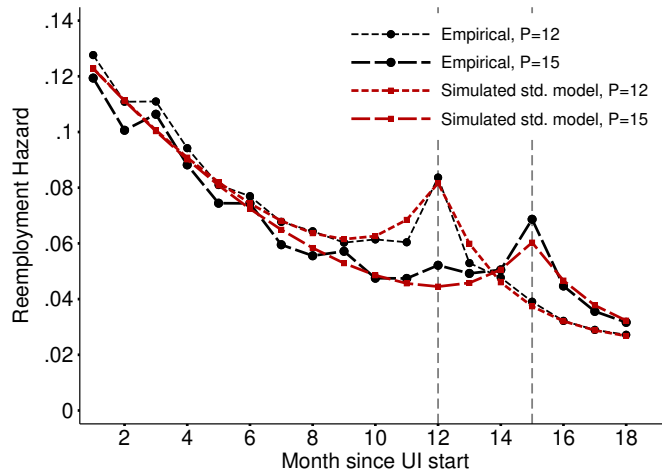
Figure A.21: Predicted Moments of the Standard and Reference-Dependent Models - Exponential Discounting - 3 Type RD Model



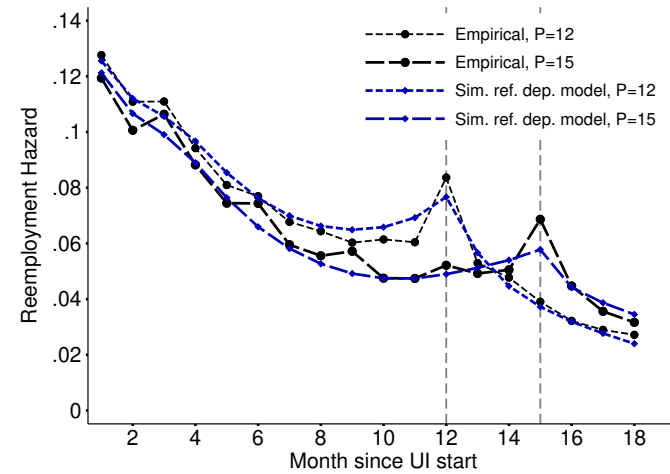
(a) Search effort at beginning of UI spell



(b) Search effort around UI exhaustion



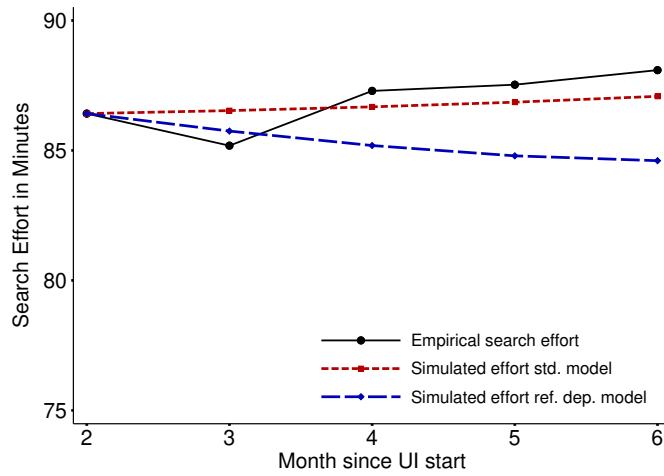
(c) Hazard rate for standard model



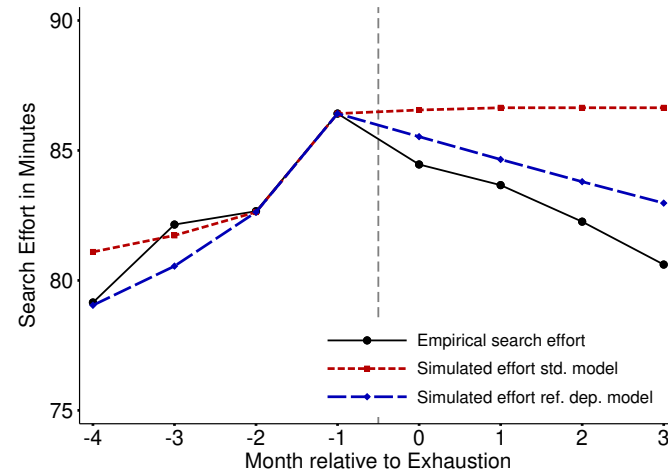
(d) Hazard rate for ref.-dep. model

**Notes:** The figure shows the empirical moments that we use in the structural estimation and the predicted moments from the estimated standard and reference-dependent models.

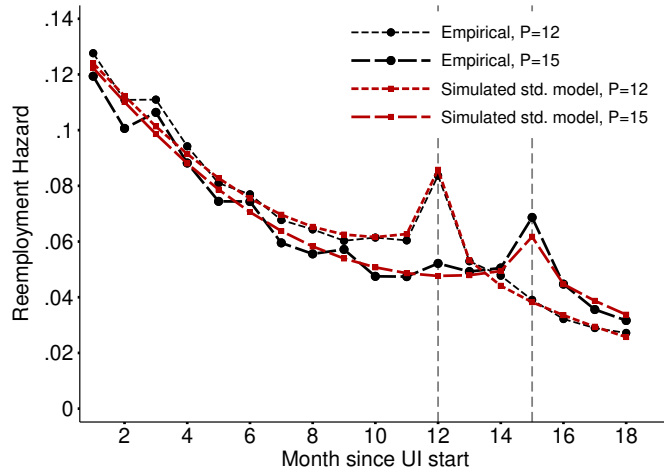
Figure A.22: Predicted Moments of the Standard and Reference-Dependent Models - Present Bias ( $\beta\delta$ ) Discounting - 2 Type RD Model, 3 Types Standard



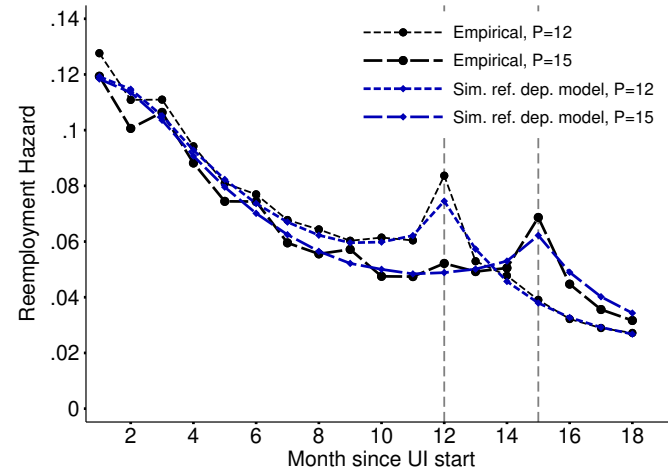
(a) Search effort at beginning of UI spell



(b) Search effort around UI exhaustion



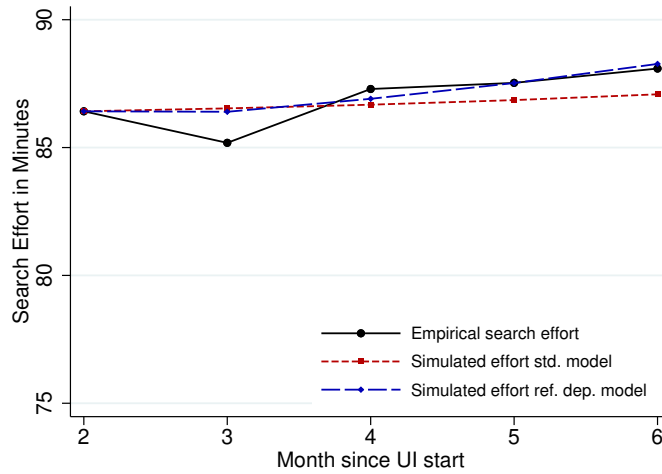
(c) Hazard rate for standard model



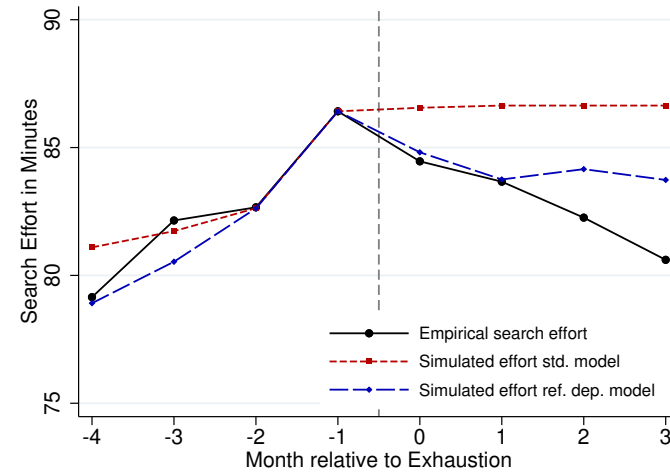
(d) Hazard rate for ref.-dep. model

**Notes:** The figure shows the empirical moments that we use in the structural estimation and the predicted moments from the estimated standard and reference-dependent models.

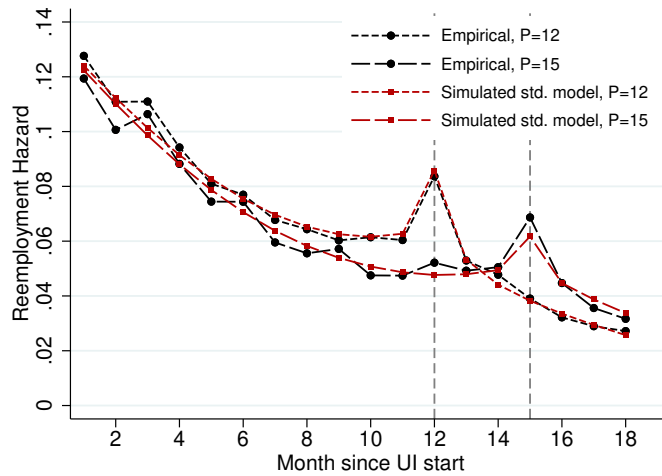
Figure A.23: Predicted Moments of the Standard and Reference-Dependent Models - Estimates fixing  $\lambda = 1$  and estimating  $\eta$  -  $\beta\delta$ -discounting



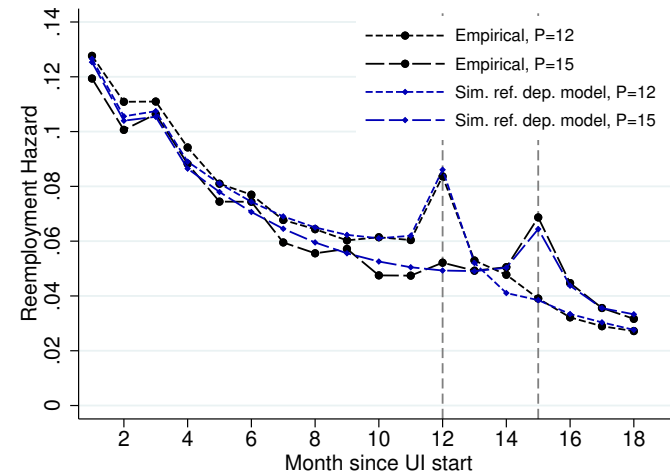
(a) Search effort at beginning of UI spell



(b) Search effort around UI exhaustion



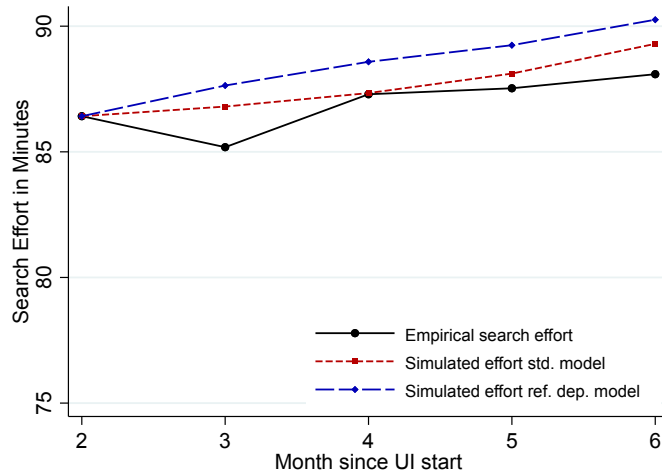
(c) Hazard rate for standard model



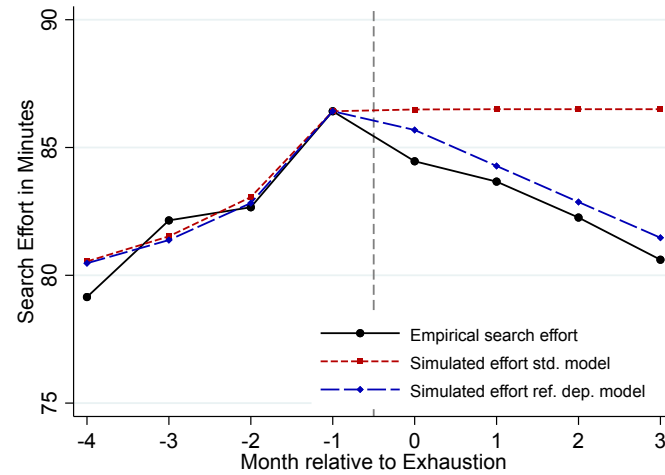
(d) Hazard rate for ref.-dep. model

**Notes:** The figure shows the empirical moments that we use in the structural estimation and the predicted moments from the estimated standard and reference-dependent models.

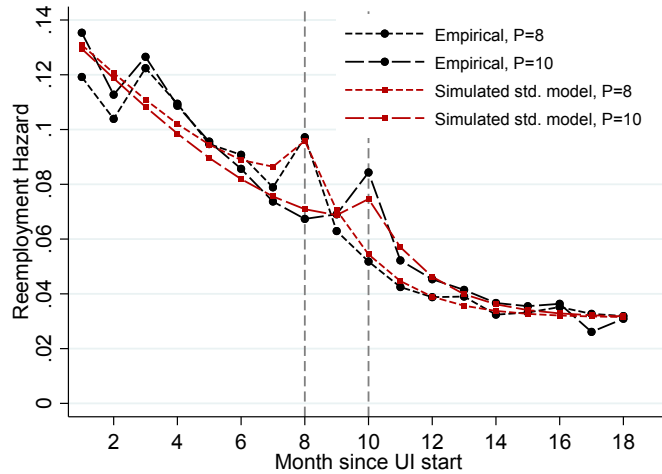
Figure A.24: Predicted Moments of the Standard and Reference-Dependent Models - Estimates based on PBD=8 and PBD=10  
Hazard Moments -  $\beta\delta$ -discounting



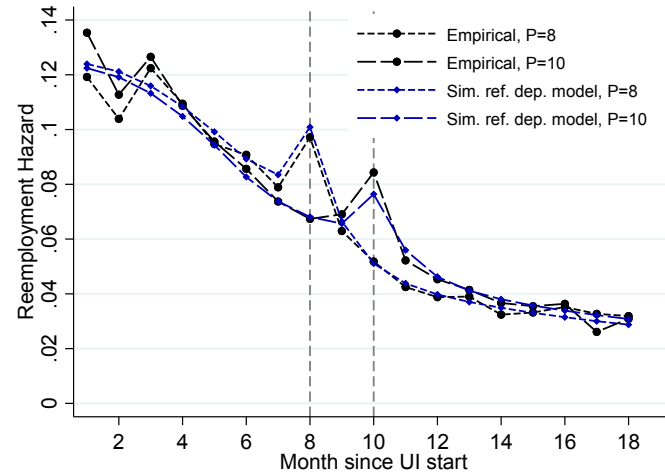
(a) Search effort at beginning of UI spell



(b) Search effort around UI exhaustion



(c) Hazard rate for standard model



(d) Hazard rate for ref.-dep. model

**Notes:** The figure shows the empirical moments that we use in the structural estimation and the predicted moments from the estimated standard and reference-dependent models.