


Supplementary Information (SI)
for
The AI Penalization Effect: People Reduce Compensation for Workers Who Use AI


Jin Kim *, Shane Schweitzer, Christoph Riedl, and David De Cremer

D'Amore-McKim School of Business, Northeastern University

Author Note

Jin Kim  <https://orcid.org/0000-0002-5013-3958>

Shane Schweitzer  <https://orcid.org/0000-0002-4548-0410>

Christoph Riedl  <https://orcid.org/0000-0002-3807-6364>

David De Cremer  <https://orcid.org/0000-0002-6357-9385>

We have no conflicts of interest to disclose. Questionnaires, data, analysis code, and additional materials will be openly available at the project's Open Science Framework page, <https://osf.io/awhbg/>

* Correspondence concerning this article should be addressed to Jin Kim, D'Amore-McKim School of Business, 360 Huntington Avenue, Boston, MA 02115, U.S.A. Email: jin.kim1@northeastern.edu

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Section 1. Participant Demographics by Study

All participants were recruited from the crowdsourcing platform Prolific ($N = 3,846$). Table S1 below shows the demographic information by study and participant type.

Table S1

Participant Demographics by Study and Sample Type

Study	Participant Type	N	Age			Gender Distribution			% White*	% Holding Bachelor's Degree or Higher*	Median Household Income (Category) *
			Mean	SD	Median	Men	Women	Other			
1	Participants	303	41	13	39	49%	50%	1.0%	-	-	-
2	Participants	359	39	13	38	52%	47%	0.6%	70%	56%	\$60,000–\$69,999
3	Participants	395	39	13	37	39%	59%	1.0%	-	-	-
4	Participants	398	42	14	39	43%	55%	1.0%	-	-	-
5	Participants	200	39	13	35	35%	64%	2.0%	-	-	-
6	Participants	401	39	14	37	39%	60%	1.0%	-	-	-
7	Participants	303	40	13	38	50%	49%	1.3%	-	-	-
8	Participants	281	40	14	37	46%	54%	0.3%	-	-	-
9	Participants	471	40	14	37	49%	48%	2.8%	71%	57%	\$60,000–\$69,999
10	Gig workers	60	36	11	34	45%	55%	0.0%	70%	68%	\$70,000–\$79,999
10	Managers	140	35	12	32	50%	48%	2.1%	47%	53%	\$50,000–\$59,999
10	Judges	30	33	15	28	53%	47%	0.0%	-	-	-
11	Managers	505	40	13	38	50%	49%	0.8%	67%	62%	\$60,000–\$69,999

* Demographic information beyond age and gender (i.e., race or ethnicity, education, household income) was collected only in certain studies, and is reported only where available.

Section 2. Study 1 Materials

[\[Prolific ID Entry and Consent Form\]](#)

[\[Page Break\]](#)

Thank you for participating in our study!

In this study, we will ask you to imagine a scenario and answer a question.

[\[Page Break\]](#)

Imagine that you run a small business.

Throughout the year, you have hired different graphic designers to create social media ads, paying each one between \$40 and \$60 for about an hour's work.

Today, you found a new graphic designer who has agreed to create a new ad for you.

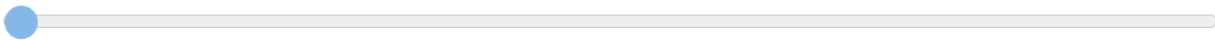
[AI vs. No AI manipulation: The designer asked if they could **use an AI system to assist in creating the ad**, and you agreed. **(AI condition only)]**

They estimated it would take about one hour to create the ad.

How much payment would you offer them?

\$0 \$10 \$20 \$30 \$40 \$50 \$60 \$70 \$80 \$90 \$100

Payment in
US Dollars:



[\[Page Break\]](#)

Demographics Form

How old are you?

What is your gender?

Man / Woman / Other _____

Section 3. Study 2 Materials

[The end of an unrelated study]

[Page Break]

We have one last unrelated question:

Imagine that you run a small business.

Over the course of the year, you have hired different graphic designers to create social media ads for your business, paying each designer \$40 to \$60 for about an hour's work.

Today, you found another graphic designer who agreed to create a new ad for you in an hour.

[AI vs. No AI manipulation: The graphic designer asked if they can **work with an AI system** for creating the ad, to which you agreed. **(AI condition only)**]

How much payment would you offer them?

0 10 20 30 40 50 60 70 80 90 100

US \$



[Page Break]

Demographics Form

How old are you?

What is your gender?

- Man / Woman / Other _____

What is your race or ethnicity?

- White / Hispanic, Latino, or Spanish / Black or African American / Asian / American Indian or Alaska Native / Middle Eastern or North African / Native Hawaiian or Other Pacific Islander / Some other race or ethnicity

What is the highest level of education you have completed?

- Did not complete high school / High school graduate / Some college, no degree / Associate's degree / Bachelor's degree / Master's, Professional, or Doctorate degree

Approximately, how much is your annual **household** income?

- [21 Choices] Less than \$10,000 / \$10,000 - \$19,999 / ... / \$190,000 - \$199,999 / \$200,000 or more

Section 4. Study 3 Materials

[\[Prolific ID Entry and Consent Form\]](#)

[\[Page Break\]](#)

Thank you for participating in our study!

[\[Page Break\]](#)

Imagine that you run a small business.

Last week, **[Worker type manipulation: you hired a graphic designer from an online freelancing platform (Temporary Worker condition) / you assigned a task to your salaried graphic designer (Permanent Worker condition)]** to create a social media ad for your business.

Today, you received the ad they created, and you are satisfied with it. The quality of the ad matches that of other ads you have recently used for your business.

You typically consider offering a bonus between \$0 and \$50 for such work.

[AI vs. No AI manipulation: From your earlier conversation with the designer, you know that they **used an AI system** to create the ad. **(AI condition only)]**

What amount would you give the designer as a bonus?

\$0 \$10 \$20 \$30 \$40 \$50

US \$



[\[Page Break\]](#)

[The exploratory items below measured the extent to which participants viewed their imagined relationship with the graphic designer as a relationship characterized by communal sharing and/or market pricing, which are two of the four relational models identified by previous research (1). The items were selected and adapted from a scale used in previous research (2).]

In this part of the study, we are interested in your thoughts about **the relationship between you and the graphic designer** in the imagined scenario.

Please read each of the statements below and rate **how true it would be** of the relationship between you and the designer in the scenario.

[Participants answered each of the questions below on a 6-point scale (1 = *Not at all true of the relationship*, 6 = *Very true of the relationship*). The order of the questions was randomized.]

- If either of you needs something, the other would give it without expecting anything in return.
- You and the designer would make decisions together by consensus.
- The two of you would tend to develop very similar attitudes and values.
- You feel that you would have something unique in common that makes you two essentially the same.
- The two of you would be a unit: you would belong together.
- What you get from the designer would be directly proportional to how much you give them.
- You and the designer would divide things up according to how much each of you has paid or contributed.
- You would pay the designer in proportion to how long they worked or how much they did.
- The designer would have a right (they would be entitled) to a fair rate of return for what they put into the interaction.
- The designer would expect to get the same rate of return on their effort and investment that other people get.

[Page Break]

Demographics Form

How old are you?

What is your gender?

Man / Woman / Other _____

Section 5. Study 4 Materials

[\[Prolific ID Entry and Consent Form\]](#)

[\[Page Break\]](#)

Thank you for participating in our study!

[\[Page Break\]](#)

Imagine that you run a small business.

You recently decided to launch a new product and wanted to create a dedicated landing page for it. **[Worker type manipulation:** You **hired a freelance web designer** to take on this task. **(Temporary Worker condition)** / You **assigned this task to your full-time web designer.** **(Permanent Worker condition)**]

Today, you reviewed the landing page they designed, and you are impressed with the result. The page is visually appealing and functional.

You typically consider offering a bonus between \$50 and \$150 for exceptional work like this.

[AI vs. No AI manipulation: During your earlier discussion, the designer mentioned that they **used an AI tool** to assist with the design. **(AI condition only)**]

What amount would you give the web designer as a bonus?

\$50

\$100

\$150

US \$



[\[Page Break\]](#)

[The exploratory items below measured the extent to which participants viewed their imagined relationship with the graphic designer as a relationship characterized by communal sharing and/or market pricing, which are two of the four relational models identified by previous research (1). The items were selected and adapted from a scale used in previous research (2).]

In this part of the study, we are interested in your thoughts about **the relationship between you and the graphic designer** in the imagined scenario.

Please read each of the statements below and rate **how true it would be** of the relationship between you and the designer in the scenario.

[Participants answered each of the questions below on a 6-point scale (1 = *Not at all true of the relationship*, 6 = *Very true of the relationship*). The order of the questions was randomized.]

- If either of you needs something, the other would give it without expecting anything in return.
- The two of you would tend to develop very similar attitudes and values.
- You feel that you would have something unique in common that makes you two essentially the same.
- The two of you would be a unit: you would belong together.
- What you get from the designer would be directly proportional to how much you give them.
- You would pay the designer in proportion to how long they worked or how much they did.
- The designer would have a right (they would be entitled) to a fair rate of return for what they put into the interaction.
- The designer would expect to get the same rate of return on their effort and investment that other people get.

[Page Break]

Demographics Form

How old are you?

What is your gender?

Man / Woman / Other _____

Section 6. Study 5 Materials[\[Prolific ID Entry and Consent Form\]](#)[\[Page Break\]](#)

Thank you for participating in our study!

[\[Page Break\]](#)

Imagine that you run a small business.

[Collaboration history manipulation: Over the course of the year, you have hired different graphic designers to create social media ads for your business, paying each designer between \$40 and \$60 for about an hour's work. **(No History condition)** / Over the course of the past 4 years, you have been working with a graphic designer to create social media ads for your business, paying the designer between \$40 and \$60 for about an hour's work. **(Long History condition)**]

[Collaboration history manipulation: Today, you found another graphic designer who agreed to create a new ad for you in an hour. **(No History condition)** / Today, you and the graphic designer discussed creating a new ad. The designer agreed to create the new ad for you in an hour. **(Long History condition)**]

[AI vs. No AI manipulation: The graphic designer asked if they can **work with an AI system** for creating the ad, to which you agreed. **(AI condition only)**]

How much payment would you offer them?

0 10 20 30 40 50 60 70 80 90 100

US \$

[\[Page Break\]](#)**Demographics Form**

How old are you?

What is your gender?

Man / Woman / Other _____

Section 7. Study 6 Materials

[Prolific ID Entry and Consent Form]

[Page Break]

Thank you for participating in our study!

In this study, we will ask you to imagine a scenario and answer some questions.

[Page Break]

Suppose you operate a small business with five **[Worker type manipulation here and elsewhere: part-time (Temporary Worker condition) / full-time (Permanent Worker condition)]** employees.

At the end of the year, you notice that the productivity of your [part-time / full-time] employees has **slightly increased** compared to the previous year.

[AI vs. No AI manipulation: This increase in productivity was **mainly due to the new AI tools** you provided them earlier in the year. **(AI condition only)]**

Assuming that the current level of productivity, driven by the AI tools, can be sustained next year, would you adjust the compensation for the [part-time / full-time] employees?

That is, would you decrease or increase the compensation, or keep it the same?

Decrease the compensation / Keep the compensation the same / Increase the compensation

[Page Break]

[Exploratory Item]

Please briefly explain why you would **decrease the compensation / keep the compensation the same / increase the compensation**.

[Text box]

[Page Break]

Demographics Form

How old are you?

What is your gender?

Man / Woman / Other _____

Section 8. Study 7 Materials

[\[Prolific ID Entry and Consent Form\]](#)

[\[Page Break\]](#)

Thank you for participating in our study!

In this study, we will ask you to imagine a scenario and answer some questions.

[\[Page Break\]](#)

Imagine that you run a small business.

Throughout the year, you have hired different graphic designers to create social media ads, paying each one between \$40 and \$60 for about an hour's work.

Today, you found a new graphic designer who agreed to create a new ad for you.

[AI vs. No AI manipulation: The designer asked if they could **use an AI system to assist in creating the ad**, and you agreed. **(AI condition only)]**

They estimated that it would take about one hour to create the ad.

How much payment would you offer them?

\$0 \$10 \$20 \$30 \$40 \$50 \$60 \$70 \$80 \$90 \$100

Payment in
US Dollars:



[\[Page Break\]](#)

[Mediator: Credit Deservingness]

In this part of the study, we are interested in your thoughts regarding the scenario.

- How much credit do you think the graphic designer deserves for creating the ad? (1 = *No credit at all*, 7 = *All the credit*)
- How responsible do you think the graphic designer was for creating the ad? (1 = *Not at all responsible*, 7 = *Completely responsible*)
- How important do you think the graphic designer's role was in creating the ad? (1 = *Not at all important*, 7 = *Extremely important*)

[Page Break]

Demographics Form

How old are you?

What is your gender?

Man / Woman / Other _____

Section 9. Study 8 Materials

[\[Prolific ID Entry and Consent Form\]](#)

[\[Page Break\]](#)

Thank you for participating in our study!

In this study, we will ask you to imagine a scenario and answer some questions.

[\[Page Break\]](#)

Imagine that you run a small company that sells consumer products.

You recently decided to launch a new product and wanted to create a dedicated landing page for it. You asked your web designer whether they would be interested in creating the landing page. They agreed to do so as an extra task, in addition to their regular tasks.

Within just three days of taking on the task, the designer delivered a landing page that was visually appealing and functioned exactly as you envisioned.

[AI vs. No AI manipulation: During your conversation about the task, the designer mentioned that they used AI tools (ChatGPT and Midjourney) to create the page. **(AI condition only)]**

You are considering offering a bonus for this good work. **[Permissibility manipulation: Your company has in the past consistently given bonus payments of \$100 for extra tasks such as this. (More Permissible condition) / It's written into this designer's employment contract for your company to give bonus payments of \$100 for extra tasks such as this. (Less Permissible condition)]**

How much bonus would you pay them?

\$0 \$50 \$100 \$150 \$200

US \$



[\[Page Break\]](#)

[Mediator: Credit Deservingness]

In this part of the study, we are interested in your thoughts regarding the scenario.

- How much credit do you think the graphic designer deserves for creating the ad? (1 = *No credit at all*, 7 = *All the credit*)
- How responsible do you think the graphic designer was for creating the ad? (1 = *Not at all responsible*, 7 = *Completely responsible*)
- How important do you think the graphic designer's role was in creating the ad? (1 = *Not at all important*, 7 = *Extremely important*)

[Page Break]

Demographics Form

How old are you?

What is your gender?

Man / Woman / Other _____

Section 10. Study 9 Materials

[The end of an unrelated study]

[Page Break]

We have one last unrelated question:

Imagine that you run a small business.

Over the course of the year, you have hired different graphic designers to create social media ads for your business, paying each designer \$40 to \$60 for about an hour's work.

Today, you found another graphic designer who agreed to create a new ad for you in an hour.

[Help manipulation: The graphic designer asked if they can **work with an AI system** for creating the ad, to which you agreed. **(Help From AI condition)** / The graphic designer asked if they can **work with another graphic designer** for creating the ad, to which you agreed. **(Help From Human condition) / (No such sentence in the No Help condition)]**

How much payment would you offer them?

0 10 20 30 40 50 60 70 80 90 100

US \$



[Page Break]

Demographics Form

How old are you?

What is your gender?

- Man / Woman / Other _____

What is your race or ethnicity?

- White / Hispanic, Latino, or Spanish / Black or African American / Asian / American Indian or Alaska Native / Middle Eastern or North African / Native Hawaiian or Other Pacific Islander / Some other race or ethnicity

What is the highest level of education you have completed?

- Did not complete high school / High school graduate / Some college, no degree / Associate's degree / Bachelor's degree / Master's, Professional, or Doctorate degree

Approximately, how much is your annual **household** income?

- [21 Choices] Less than \$10,000 / \$10,000 - \$19,999 / ... / \$190,000 - \$199,999 / \$200,000 or more

Section 11. Study 10 Materials**[Part 1 recruiting workers]**

[Prolific ID Entry and Consent Form]

[Page Break]

Thank you for participating!

In this study, we will ask you to write a **short social media post** to promote a fictional product.

[Page Break]

[A question to screen out unmotivated workers]

On the next page, you will learn about a product and write a social media post for it.

At the end of this study, a judge or judges will read the social media posts you and other participants submit. They will then evaluate the posts in terms of **how likely they are to encourage readers to learn more about the product**.

If your post **ranks among the top 50%** of all the posts based on this evaluation, we will send you a **bonus payment of \$0.30** through Prolific.

Are you motivated to write a post that earns a bonus?
(Please answer honestly, as either answer is perfectly acceptable.)

Yes, I am motivated. / No, I am not really motivated.

[Page Break]

Imagine that you are a social media manager for the product described below.

Your task is to **write a 2-4 sentence social media post** that grabs attention and encourages readers to learn more about the product.

Product Name:
“Beannovation”

Product Description:

Beannovation is a cutting-edge portable coffee maker designed to elevate your coffee experience wherever life takes you. Brew a rich, barista-quality cup in just 3 minutes, ensuring fresh and flavorful coffee every time. Compact and lightweight, Beannovation is perfect for busy commuters, adventure-seekers, and anyone on the go. Its eco-friendly design features a reusable filter, helping reduce waste and saving you money on disposables. Available in a range of stylish

colors, Beannovation is as sleek as it is functional. With its USB-rechargeable battery, you can enjoy your coffee anytime—even off the grid. Whether you’re exploring the outdoors, at your desk, or relaxing at home, Beannovation ensures your perfect cup is always within reach.

Your post should:

1. Highlight the key benefit(s) of Beannovation.
2. Use an engaging and friendly tone.
3. End with a call to action (for example, “Get yours today”).

Example (Do NOT Copy):

“Meet Beannovation, your new coffee companion! Brew a perfect cup in just 3 minutes, anytime, anywhere. Get yours today and elevate your coffee game!”

[AI vs. No AI manipulation: AI condition only]

For this task, **please use** our ChatGPT interface by clicking the button below.

Click HERE

[Clicking the button above opens a new browser tab like the one below.]

ChatGPT Interface for Prolific Studies

Please use this interface to complete the Prolific task.

Once you have finished using it, return to the survey.

Please use this interface only for the Prolific task. Responses (especially the very first one) may take over 5 seconds to appear. Refresh the page or go back if needed. You can send **up to 4 messages** in total.

You

Your task is to write a 2-4 sentence social media post that grabs attention and encourages readers to learn more about the product. Product Name: “Beannovation” Product Description: Beannovation is a cutting-edge portable coffee maker designed to elevate your coffee experience wherever life takes you. Brew a rich, barista-quality cup in just 3 minutes, ensuring fresh and flavorful coffee every time. Compact and lightweight, Beannovation is perfect for busy commuters, adventure-seekers, and anyone on the go. Its eco-friendly design features a reusable filter, helping reduce waste and saving you money on disposables. Available in a range of stylish colors, Beannovation is as sleek as it is functional. With its USB-rechargeable battery, you can enjoy your coffee anytime—even off the grid. Whether you’re exploring the outdoors, at your desk, or relaxing at home, Beannovation ensures your perfect cup is always within reach.

ChatGPT

Elevate your coffee game anywhere with Beannovation, the ultimate portable coffee maker! Enjoy barista-quality brews in just 3 minutes, boasting eco-friendly features and a USB-rechargeable battery for on-the-go adventures. Whether on a hike or on your morning commute, savor the perfect cup every time. Discover more and join the Beannovation revolution today! ☀

🌿 #Beannovation #CoffeeAnywhere

Type your message here.



[Both AI and No AI conditions]

Please write your social media post for the product in the text box below.

[Text box]

[Page Break]

We are curious about how you approached this task.

Please note that your answers to any of the subsequent questions **will not** affect your base payment or bonus payment in any way.

[The question below was shown to participants in the AI condition only.]

Did you consult an AI tool to write your social media post?

- Yes, I consulted the ChatGPT interface provided in this study.
- Yes, I consulted an AI tool other than the one provided in this study.
- No, I did not consult any AI tool.

[The question below was shown to participants in the No AI condition only.]

Did you consult an AI tool to write your social media post?

- Yes, I consulted an AI tool (like ChatGPT, Gemini, etc.)
- No, I did not consult any AI tool.

[Page Break]

[The question below was shown to participants who answered “Yes...” to either of the two questions above.]

How did you use the AI tool’s response(s)?

- I submitted what the AI tool gave me (without editing it).
- I edited what the AI tool gave me **a little bit** before submitting it.
- I edited what the AI tool gave me **a lot** before submitting it.
- I only used what the AI tool gave me for inspiration or copyediting. I essentially wrote what I submitted.
- I did **not** use what the AI tool gave me at all.
- I used what the AI tool gave me in some other way (please specify): _____

[Page Break]

Demographics Form

How old are you?

What is your gender?

- Man / Woman / Other _____

What is your race or ethnicity?

- White / Hispanic, Latino, or Spanish / Black or African American / Asian / American Indian or Alaska Native / Middle Eastern or North African / Native Hawaiian or Other Pacific Islander / Some other race or ethnicity

What is the highest level of education you have completed?

- Did not complete high school / High school graduate / Some college, no degree / Associate's degree / Bachelor's degree / Master's, Professional, or Doctorate degree

Approximately, how much is your annual **household** income?

- [21 Choices] Less than \$10,000 / \$10,000 - \$19,999 / ... / \$190,000 - \$199,999 / \$200,000 or more

[Part 2 recruiting managers]

[Prolific ID Entry and Consent Form]

[Page Break]

Thank you for participating!

In this study, you will make decisions as a **manager overseeing four gig workers** who participated in our previous study on Prolific.

[Page Break]

In our previous study, we asked Prolific workers to craft a **social media post** promoting the fictional product described below. Please take a moment to familiarize yourself with the product.

Product Name:

“Beannovation”

Product Description:

Beannovation is a cutting-edge portable coffee maker designed to elevate your coffee experience wherever life takes you. Brew a rich, barista-quality cup in just 3 minutes, ensuring fresh and flavorful coffee every time. Compact and lightweight, Beannovation is perfect for busy commuters, adventure-seekers, and anyone on the go. Its eco-friendly design features a reusable filter, helping reduce waste and saving you money on disposables. Available in a range of stylish colors, Beannovation is as sleek as it is functional. With its USB-rechargeable battery, you can enjoy your coffee anytime—even off the grid. Whether you’re exploring the outdoors, at your desk, or relaxing at home, Beannovation ensures your perfect cup is always within reach.

Based on the information presented above, the workers were tasked with creating a social media post that **encourages readers to learn more about the product**.

[Page Break]

In this study, you will take on the role of a **manager** overseeing four workers.

Please review the submissions from the four workers below and allocate **a total bonus of \$1.00 among them**.

The bonus amount you assign to each worker will serve as input to determine the **actual bonus payment** they receive.

Note:

Some workers were provided with an **AI tool** to assist in creating their social media posts. For each worker below, we have indicated in red font whether the worker used an AI tool.

[AI vs. No AI manipulation: Below, we randomly chose two of the four submissions to have the note “(who used an AI tool) and the other two submissions to have the note “(who did not use an AI tool).]

[The four submissions below were shuffled for each participant. For example, the first submission below (“Bring the coffee shop with you...”) could have shown up as Submission by Worker 1, 2, 3, or 4 as a result of this shuffling.]

Submission by Worker 1 (who used an AI tool) / (who did not use an AI tool):

“Bring the coffee shop with you everywhere you go with Beannovation! Our portable coffee maker is lightweight, compact, and USB-rechargeable. Make an eco-friendly, barista-quality drink anywhere in just 3 minutes! Check out Beannovation and give a whole new meaning to your daily grind.”

Submission by Worker 2 (who used an AI tool) / (who did not use an AI tool):

“Start your morning by skipping the line and bringing our 3-minute barista into your kitchen! USB functionality allows this sleekly designed device to travel to all of your favorite places, letting you sip in luxury! Charge and recharge with us today!”

Submission by Worker 3 (who used an AI tool) / (who did not use an AI tool):

“Elevate your coffee game with Beannovation! This portable coffee maker brews rich, barista-quality coffee in just 3 minutes, wherever you are. Perfect for commuters, adventurers, and busy lifestyles, its eco-friendly design features a reusable filter and USB-rechargeable battery. Try it today!”

Submission by Worker 4 (who used an AI tool) / (who did not use an AI tool):

“Meet Beannovation, the coffee maker that transforms mornings with cafe-quality brews at the touch of a button! Its sleek design and user-friendly interface make it a kitchen must-have, while eco-friendly features let you enjoy guilt-free sips. Ready for delightful mornings? Get yours today!”

Please enter the bonus amount for each worker in number of cents.

(The four bonus amounts must sum to 100 cents.)

Bonus for Worker 1:	<input type="text" value="0"/>
Bonus for Worker 2:	<input type="text" value="0"/>
Bonus for Worker 3:	<input type="text" value="0"/>
Bonus for Worker 4:	<input type="text" value="0"/>
Total	<input type="text" value="0"/>

[Page Break]

Demographics Form

How old are you?

What is your gender?

- Man / Woman / Other _____

What is your race or ethnicity?

- White / Hispanic, Latino, or Spanish / Black or African American / Asian / American Indian or Alaska Native / Middle Eastern or North African / Native Hawaiian or Other Pacific Islander / Some other race or ethnicity

What is the highest level of education you have completed?

- Did not complete high school / High school graduate / Some college, no degree / Associate's degree / Bachelor's degree / Master's, Professional, or Doctorate degree

Approximately, how much is your annual **household** income?

- [21 Choices] Less than \$10,000 / \$10,000 - \$19,999 / ... / \$190,000 - \$199,999 / \$200,000 or more

In general, how would you describe your political views?

- Very liberal / Liberal / Slightly liberal / Moderate / Slightly conservative / Conservative / Very conservative [The order of these choices was reversed for a random half of the participants.]

[Part 3 recruiting judges]

[Prolific ID Entry and Consent Form]

[Page Break]

Thank you for participating!

In this study, you will evaluate social media posts promoting a fictional product.

[Page Break]

In our previous study, we asked Prolific workers to craft a **social media post** promoting the fictional product described below. Please take a moment to familiarize yourself with the product.

Product Name:

“Beannovation”

Product Description:

Beannovation is a cutting-edge portable coffee maker designed to elevate your coffee experience wherever life takes you. Brew a rich, barista-quality cup in just 3 minutes, ensuring fresh and flavorful coffee every time. Compact and lightweight, Beannovation is perfect for busy commuters, adventure-seekers, and anyone on the go. Its eco-friendly design features a reusable filter, helping reduce waste and saving you money on disposables. Available in a range of stylish colors, Beannovation is as sleek as it is functional. With its USB-rechargeable battery, you can enjoy your coffee anytime—even off the grid. Whether you’re exploring the outdoors, at your desk, or relaxing at home, Beannovation ensures your perfect cup is always within reach.

Starting on the next page, you will review **4** social media posts promoting the product. Please rate each post based on **how likely it is to encourage readers to learn more about the product**.

[Page Break]

[The order of the four submissions below was randomized for each judge.]

“Bring the coffee shop with you everywhere you go with Beannovation! Our portable coffee maker is lightweight, compact, and USB-rechargeable. Make an eco-friendly, barista-quality drink anywhere in just 3 minutes! Check out Beannovation and give a whole new meaning to your daily grind.”

How likely is this post to encourage readers to learn more about the product? (1 = *Not likely at all*, 7 = *Extremely likely*)

[Page Break]

“Start your morning by skipping the line and bringing our 3-minute barista into your kitchen! USB functionality allows this sleekly designed device to travel to all of your favorite places, letting you sip in luxury! Charge and recharge with us today!”

How likely is this post to encourage readers to learn more about the product? (1 = *Not likely at all*, 7 = *Extremely likely*)

[Page Break]

“Elevate your coffee game with Beannovation! This portable coffee maker brews rich, barista-quality coffee in just 3 minutes, wherever you are. Perfect for commuters, adventurers, and busy lifestyles, its eco-friendly design features a reusable filter and USB-rechargeable battery. Try it today!”

How likely is this post to encourage readers to learn more about the product? (1 = *Not likely at all*, 7 = *Extremely likely*)

[Page Break]

“Meet Beannovation, the coffee maker that transforms mornings with cafe-quality brews at the touch of a button! Its sleek design and user-friendly interface make it a kitchen must-have, while eco-friendly features let you enjoy guilt-free sips. Ready for delightful mornings? Get yours today!”

How likely is this post to encourage readers to learn more about the product? (1 = *Not likely at all*, 7 = *Extremely likely*)

[Page Break]

Demographics Form

How old are you?

What is your gender?

Man / Woman / Other _____

Section 12. Study 11 Materials

[\[Prolific ID Entry and Consent Form\]](#)

[\[Page Break\]](#)

Thank you for participating!

In this study, you will make a decision as a **manager overseeing a gig worker** who participated in our previous study on Prolific.

[\[Page Break\]](#)

In our previous study, we asked Prolific workers to craft a **social media post** promoting the fictional product described below. Please take a moment to familiarize yourself with the product.

Product Name:

“Beannovation”

Product Description:

Beannovation is a cutting-edge portable coffee maker designed to elevate your coffee experience wherever life takes you. Brew a rich, barista-quality cup in just 3 minutes, ensuring fresh and flavorful coffee every time. Compact and lightweight, Beannovation is perfect for busy commuters, adventure-seekers, and anyone on the go. Its eco-friendly design features a reusable filter, helping reduce waste and saving you money on disposables. Available in a range of stylish colors, Beannovation is as sleek as it is functional. With its USB-rechargeable battery, you can enjoy your coffee anytime—even off the grid. Whether you’re exploring the outdoors, at your desk, or relaxing at home, Beannovation ensures your perfect cup is always within reach.

Based on the information presented above, the workers were tasked with creating a social media post that **encourages readers to learn more about the product**.

[Page Break]

In this study, you will take on the role of a **manager** overseeing one of the workers.

Please review the submission from this worker below and **choose a bonus amount between \$0.00 and \$1.00 for the worker.**

The bonus amount you choose will serve as input to determine the **actual bonus payment** they receive.

[AI condition only]

Note: This worker **used an AI tool** to create their social media post.

Submission by the Worker:

[One of the four submissions below was randomly presented. This random assignment of the submission was independent of the AI vs. No AI manipulation (i.e., the note) above.]

[Submission 1] “Bring the coffee shop with you everywhere you go with Beannovation! Our portable coffee maker is lightweight, compact, and USB-rechargeable. Make an eco-friendly, barista-quality drink anywhere in just 3 minutes! Check out Beannovation and give a whole new meaning to your daily grind.”

[Submission 2] “Start your morning by skipping the line and bringing our 3-minute barista into your kitchen! USB functionality allows this sleekly designed device to travel to all of your favorite places, letting you sip in luxury! Charge and recharge with us today!”

[Submission 3] “Elevate your coffee game with Beannovation! This portable coffee maker brews rich, barista-quality coffee in just 3 minutes, wherever you are. Perfect for commuters, adventurers, and busy lifestyles, its eco-friendly design features a reusable filter and USB-rechargeable battery. Try it today!”

[Submission 4] “Meet Beannovation, the coffee maker that transforms mornings with cafe-quality brews at the touch of a button! Its sleek design and user-friendly interface make it a kitchen must-have, while eco-friendly features let you enjoy guilt-free sips. Ready for delightful mornings? Get yours today!”

Please choose an amount of bonus for the worker.

\$0.00 \$0.50 \$1.00 \$1.50 \$2.00 \$2.50 \$3.00 \$3.50 \$4.00 \$4.50 \$5.00

Bonus Amount (\$):



[Page Break]

[Question for an unrelated study]

How much do you trust Artificial Intelligence (AI)? (1 = *Not at all*, 7 = *Extremely / Completely*)

[Page Break]

Demographics Form

How old are you?

What is your gender?

- Man / Woman / Other _____

What is your race or ethnicity?

- White / Hispanic, Latino, or Spanish / Black or African American / Asian / American Indian or Alaska Native / Middle Eastern or North African / Native Hawaiian or Other Pacific Islander / Some other race or ethnicity

What is the highest level of education you have completed?

- Did not complete high school / High school graduate / Some college, no degree / Associate's degree / Bachelor's degree / Master's, Professional, or Doctorate degree

Approximately, how much is your annual **household** income?

- [21 Choices] Less than \$10,000 / \$10,000 - \$19,999 / ... / \$190,000 - \$199,999 / \$200,000 or more

In general, how would you describe your political views?

- Very liberal / Liberal / Slightly liberal / Moderate / Slightly conservative / Conservative / Very conservative [The order of these choices was reversed for a random half of the participants.]

Section 13. Study 1 Detailed Results

As predicted (<https://aspredicted.org/qzyv-46kk.pdf>), participants offered a smaller payment for the graphic designer in the AI condition ($M = \$33$, $SD = \$14$) than in the No AI condition ($M = \$47$, $SD = \$8.5$), $t(301) = -10.70$, $p < .001$, $d = -1.23$; see the left plot in Panel A of Figure 1 in the main text. These results provide initial evidence that people reduce compensation for workers who use AI tools (the “AI Penalization” effect).

Section 14. Study 2 Detailed Results

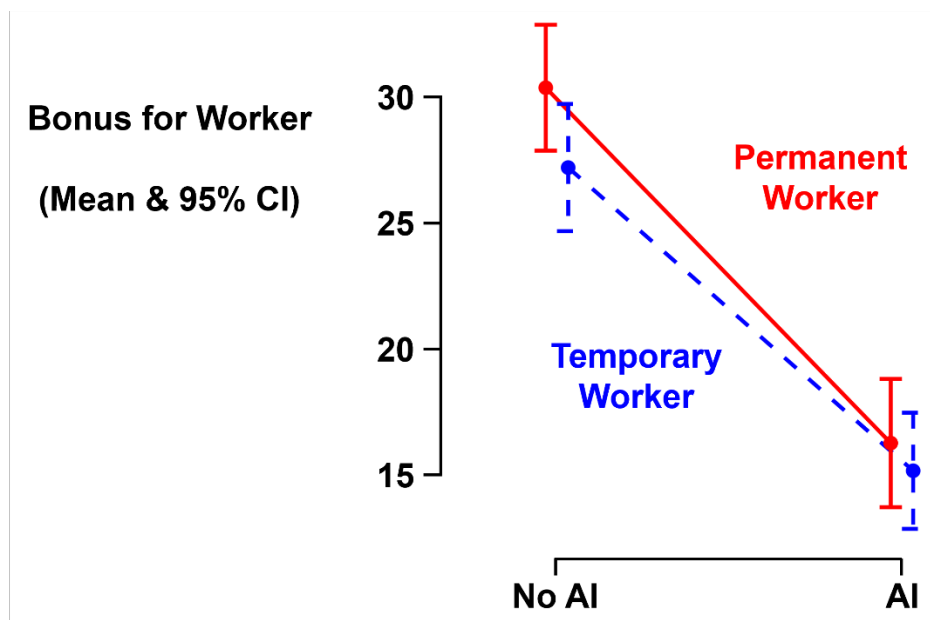
As predicted (<https://aspredicted.org/swb2-j6d3.pdf>) and replicating the results of Study 1, participants offered a smaller payment for the graphic designer in the AI condition ($M = \$35$, $SD = \$14$) than in the No AI condition ($M = \$47$, $SD = \$9.4$), $t(357) = -9.74$, $p < .001$, $d = -1.03$. The AI Penalization effect from Study 1 was thus replicated in Study 2. Both the mean payments and effect size in Study 2 were comparable to those of Study 1.

Section 15. Study 3 Detailed Results

A two-way ANOVA revealed only the main effect of the AI condition to be significant, $F(1, 396) = 112.86, p < .001$; see Figure S1. Neither the interaction between the AI condition and Worker Type condition, $F(1, 396) = 0.69, p = .41$, nor the main effect of Worker Type, $F(1, 396) = 3.59, p = .087$, were significant at $\alpha = .05$ level.

Figure S1

Results of Study 3



A simple effects analysis showed that, in the Temporary Worker condition, participants gave a smaller hypothetical bonus when the worker used an AI system ($M = \$15, SD = \12) than when the worker did not use an AI system ($M = \$27, SD = \13); simple effects analysis $b = 6.07, SE = 0.88, t(396) = 6.91, p < .001$. Likewise, in the Permanent Worker condition, participants gave a smaller hypothetical bonus when the worker used an AI system ($M = \$16, SD = \13) than when the worker did not use an AI system ($M = \$31, SD = \13); simple effects analysis $b = 7.10, SE = 0.87, t(396) = 8.12, p < .001$.

In sum, both for temporary workers and permanent workers, people reduced hypothetical compensation when the worker in question used an AI system to complete a task, even when the quality of the output was held constant.

Section 16. Study 4 Detailed Results

A 2-way ANOVA revealed that only the main effect of the AI condition was significant, $F(1, 394) = 68.93, p < .001$. Neither the interaction between the AI condition and Worker Type condition, $F(1, 394) = 1.42, p = .24$, nor the main effect of Worker Type, $F(1, 394) = 0.20, p = .66$, were significant.

A simple effects analysis showed that, in the Temporary Worker condition, participants gave a smaller hypothetical bonus when the worker used an AI system ($M = \$76.10, SD = \27.48) than when the worker did not use an AI system ($M = \$95.71, SD = \27.31); simple effects analysis $b = 9.80, SE = 1.95, t(394) = 5.03, p < .001$. Similarly, in the Permanent Worker condition, participants gave a smaller hypothetical bonus when the worker used an AI system ($M = \$74.04, SD = \25.71) than when the worker did not use an AI system ($M = \$100.21, SD = \29.36); simple effects analysis $b = 13.08, SE = 1.95, t(394) = 6.71, p < .001$.

Replicating the findings of Study 3, participants in Study 4 reduced compensation for the worker who used AI compared to the worker who did not use AI—regardless of whether the worker was hired temporarily (as a “freelancer”) or permanently (as a “full-time” employee).

Study 4 addresses a notable limitation of Study 3. Specifically, Study 3 participants might have made different inferences about the quality of workers’ outputs in the AI and No AI conditions, due to our weak scenario detail employed to hold the quality constant (“The quality of the ad matche[d] that of other ads...recently used for business”). Unlike in Study 3, however, Study 4 not only held the quality constant with more details (“The page is visually appealing and functional”), but it also described the workers’ output as “impress[ive]” in both the AI and No AI conditions. Such descriptions make it less likely that participants in the AI and No AI condition would make different inferences about the quality of workers’ outputs. Study 4 thus provides

evidence against the alternative explanation for the AI Penalization effect. In other words, people reducing compensation for workers using AI is unlikely to be a result of the perception that the AI-assisted output is of lower quality in certain aspects.

Section 17. Study 5 Detailed Results

A two-way ANOVA revealed a nonsignificant interaction between the History condition and AI condition, $F(1, 196) = 0.03, p = .86$. However, the main effect of the History condition was significant, $F(1, 196) = 9.07, p = .003$, as was the main effect of the AI condition, $F(1, 196) = 74.97, p < .001$.

A simple effects analysis showed that, in the No History condition, participants made a smaller hypothetical payment to the worker who used an AI system ($M = \$35.65, SD = \11.83) than to the worker who did not use an AI system ($M = \$48.24, SD = \7.56); simple effects analysis $b = 6.29, SE = 1.04, t(196) = 6.06, p < .001$. Similarly, in the Long History condition, participants made a smaller hypothetical payment to the worker who used an AI system ($M = \$39.86, SD = \13.97) than to the worker who did not use an AI system ($M = \$52.96, SD = \6.98); simple effects analysis $b = 6.55, SE = 1.06, t(196) = 6.18, p < .001$.

Participants again reduced compensation for the worker who used AI compared to the worker who did not use AI—regardless of whether the worker was newly hired or had worked with them for the past four years. Thus, prior history of collaborating with workers does not seem to attenuate people's tendency to reduce compensation for workers using AI.

Although not the focus of our primary investigation, we probed the significant main effect of prior collaboration history on worker's payment. Collapsing across the AI conditions and conducting an independent t -test revealed that workers were offered a larger payment in the Long History condition ($M = \$46.41, SD = \12.81) than in the No History condition ($M = \$41.94, SD = \11.73), $t(198) = 2.57, p = .011, d = 0.36$. More importantly, however, this factor of prior collaboration history did not moderate the AI Penalization effect.

Section 18. Study 6 Detailed Results

Unlike the previous studies where there was no mention of productivity growth, Study 6 specifically described an increase in workers' productivity, either because of AI tools or unspecified reasons. Likely due to this productivity growth, most participants showed the intent to *increase* compensation for the workers. Specifically, the percentage indicating the intent to increase compensation ranged from 50% in the AI & Temporary Worker condition ("Part-Time Employees") to 83% in the No AI & Temporary Worker condition; see Table S2.

Table S2

Participants' Choice on Compensation by Condition After Productivity Growth

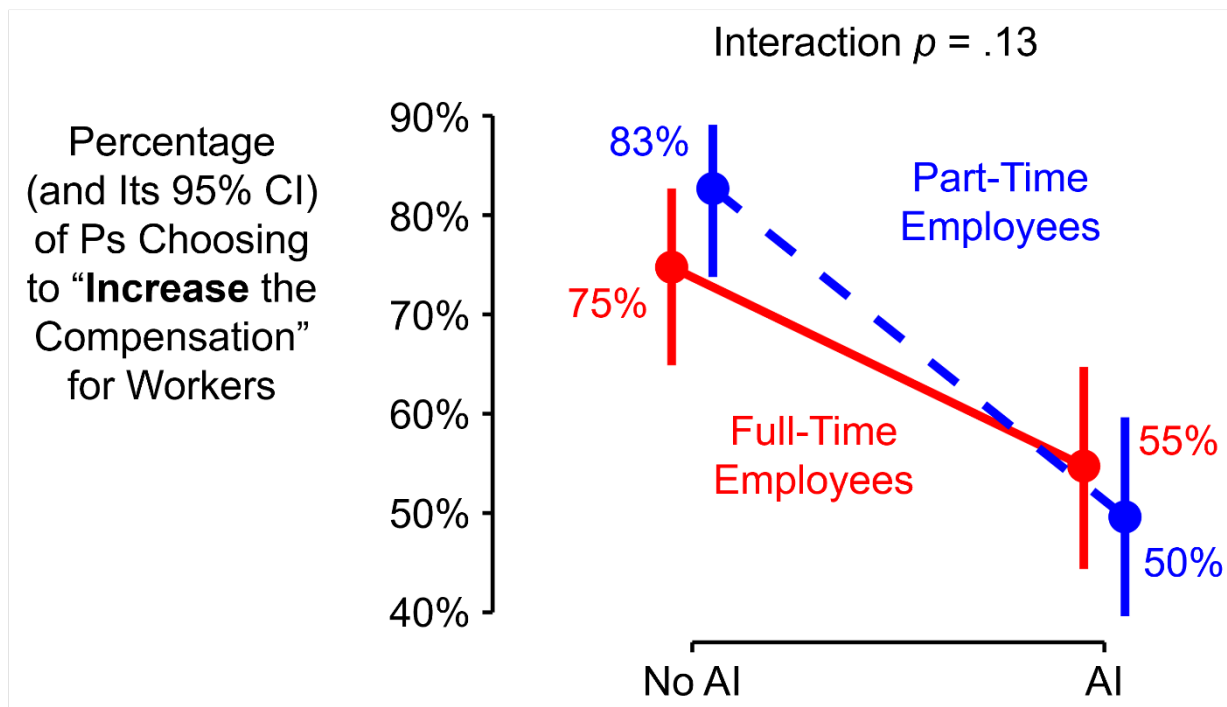
Response	% of Response Within Each Condition <i>each condition's sample size</i>			
	Part-Time Employees <i>205</i>		Full-Time Employees <i>196</i>	
	No AI <i>104</i>	AI <i>101</i>	No AI <i>99</i>	AI <i>97</i>
Increase the compensation	83%	50%	75%	55%
Keep the compensation the same	16%	50%	24%	44%
Decrease the compensation	1%	0%	1%	1%

More importantly, however, we still find that the use of AI tools had a negative effect on compensation. As shown in Figure S2, the percentage of participants increasing the compensation for part-time workers in the No AI condition was 83%, but this percentage significantly decreased to 50% in the AI condition, $\chi^2(1) = 23.81, p < .001$. Similarly, the percentage of participants increasing the compensation for full-time workers in the No AI condition was 75%, but it significantly decreased to 55% in the AI condition, $\chi^2(1) = 7.83, p = .005$. Regressing the binary variable of choosing to increase the compensation versus not (1 = "Increase the compensation" vs. 0 = "Decrease the compensation" or "Keep the compensation the same") on the two condition variables and their interaction in a logistic regression revealed that the interaction was not significant, $b = 0.68, SE = 0.45, z = 1.52, p = .13$. Thus, it seems that

the use of AI had a negative effect on workers' compensation—regardless of whether the workers were part-time or full-time employees.

Figure S2

Results From Study 6



Study 6 presents results that clarify the nature of the AI Penalization effect. As hypothetical small business owners, most participants chose to *increase* the compensation for workers even when AI was used—given that workers' productivity slightly increased for the year and that this increased level was expected to be sustained in the next year. In other words, even in cases of AI use, participants did not directly cut or trim worker compensation (especially given the productivity growth, which presumably helped the company's bottom line). Rather, AI use led participants to reduce worker compensation *relative to* the increased compensation they would have offered in the absence (or nonsalience) of AI use. The AI Penalization effect in Study 6, then, manifested as a *dampened increase in worker compensation for AI use* following

productivity growth. Hence, the AI Penalization effect is more nuanced than “people simply slashing or trimming compensation as a result of AI use”; instead, it describes a negative impact on worker compensation as a result of AI use that can take on various forms, such as a *dampened increase* in compensation.

Section 19. Study 7 Detailed Results

Testing the AI Penalization Effect

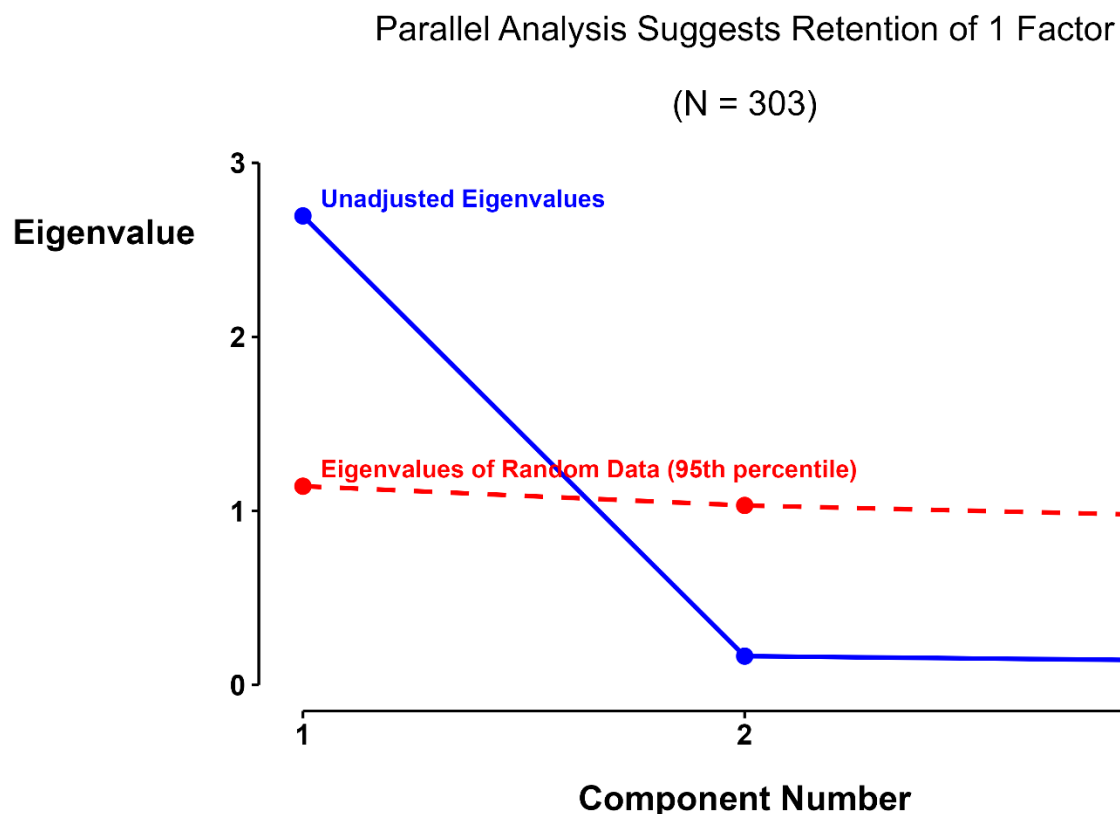
As predicted (<https://aspredicted.org/3nfn-p23y.pdf>), we replicated the findings of Studies 1 and 2. Specifically, participants offered a smaller payment for the graphic designer in the AI condition ($M = \$37$, $SD = \$14$) than in the No AI condition ($M = \$48$, $SD = \$11$), $t(301) = -7.47$, $p < .001$, $d = -0.86$.

Factor Analysis for the Items Measuring Credit Deservingness

To confirm that there is one factor underlying the three items measuring credit deservingness, we first conducted a parallel analysis using the R package ‘kim’ which relies on the R package ‘paran’ (3, 4).

Figure S3

Parallel Analysis of the Items Measuring Credit Deservingness



As shown in Figure S3, only the first component's eigenvalue exceeded the eigenvalues derived from random data at the 95th percentile, while second and third components' eigenvalues did not. Thus, the parallel analysis suggests only one factor accounts for variance beyond what would be expected by chance, supporting the retention of a single factor for further analysis.

We followed up the parallel analysis by conducting a confirmatory factor analysis (5, 6). As shown in Table S3, the factor analysis results indicated that a single component accounted for 90% of the total variance in the mediator items, with high factor loadings observed across all items, $\lambda_s > 0.94$. These high loadings suggest that each item strongly reflects the latent construct of credit deservingness.

The communalities were also high across all the items ($h^2s > 0.89$), indicating that the factor of credit deservingness explained a substantial proportion of the variance in each item.

In addition, a reliability analysis showed high reliability for the three items ($\alpha = 0.94$, average inter-item correlation = 0.85), suggesting that the mediator items were highly consistent in measuring the construct of credit deservingness.

Table S3

Factor Analysis of the Items Measuring Credit Deservingness

#	Item	Factor Loading	Communality
1	How much credit do you think the graphic designer deserves for creating the ad? (1 = <i>No credit at all</i> , 7 = <i>All the credit</i>)	.95	.90
2	How responsible do you think the graphic designer was for creating the ad? (1 = <i>Not at all responsible</i> , 7 = <i>Completely responsible</i>)	.95	.91
3	How important do you think the graphic designer's role was in creating the ad? (1 = <i>Not at all important</i> , 7 = <i>Extremely important</i>)	.94	.89

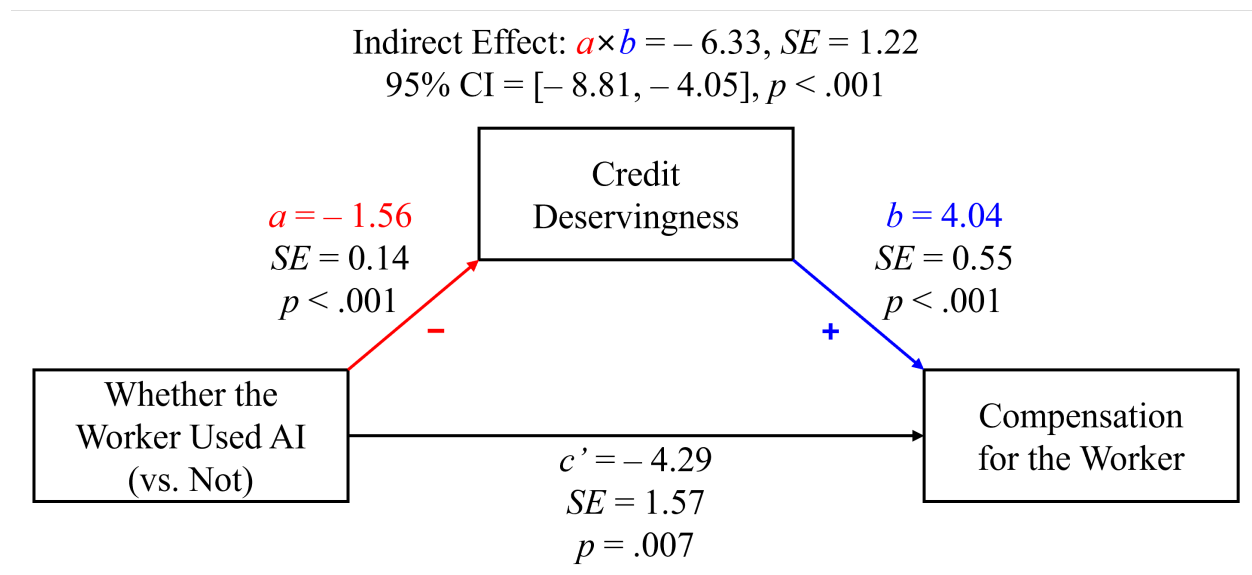
Note. % of variance explained = 90%. $\alpha = 0.94$. Average inter-item correlation = 0.85.

Mediation Analysis

Now that we had a measure of credit deservingness, we estimated a mediation model in which the use of AI (or not) affected the compensation for the designer indirectly through credit deservingness (see Figure S4). Consistent with our preregistration, the estimated indirect effect was significant and negative, $a \times b = -6.33$, $SE = 1.22$, 95% CI = [-8.81, -4.05], $p < .001$. That is, when participants were told about the designer's use of an AI system (vs. when they were not told anything about their use of an AI system), they perceived that the designer deserved less credit for their work output (i.e., the social media ad), which in turn led the participants to give a smaller hypothetical payment to the designer. In addition, we find that the indirect effect accounted for 60% of the total effect (95% CI = [38%, 88%]) that the independent variable (use of AI) had on the dependent variable (worker compensation).

Figure S4

Mediation Model Estimated in Study 7



Study 7 provides the initial evidence for a mechanism underlying the AI Penalization effect. Specifically, we find that people reduce compensation for workers using AI, likely

because they perceive that such workers deserve less credit for their work output. This explanation was supported by the highly significant indirect effect through credit deservingness estimated in the simple mediation model. In Study 8, we test this simple mediation model again and investigate whether this indirect effect may be moderated.

Section 20. Study 8 Detailed Results

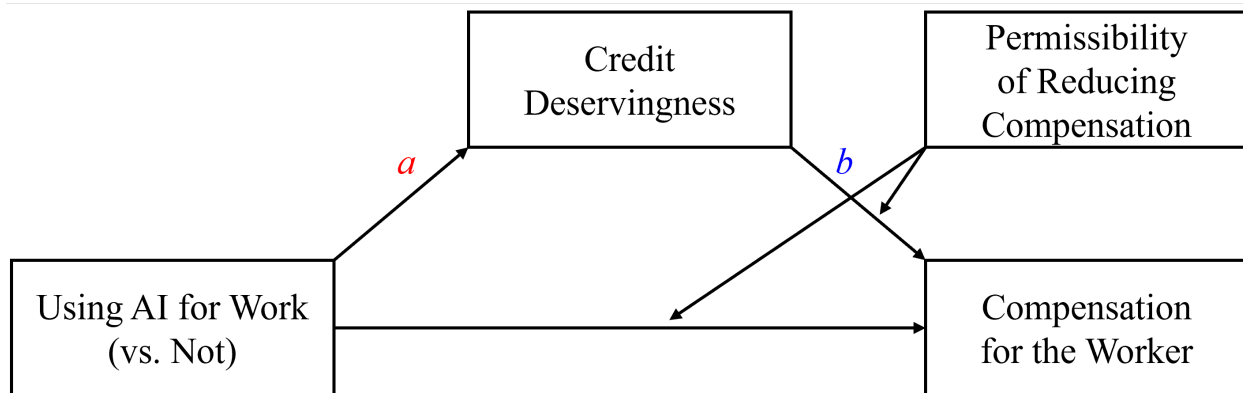
We first estimated the same simple mediation model as in Study 7. Replicating the finding of Study 8, the estimated indirect effect through credit deservingness was significant and negative, $a \times b = -22.67$, $SE = 3.23$, 95% CI = [-29.31, -16.55], $p < .001$. In other words, when participants learned that the designer used an AI system for their work (vs. when they did not learn anything about an AI system), they perceived that the designer deserved less credit for their work output, which in turn translated to a smaller hypothetical payment to the designer. The indirect effect through credit deservingness accounted for 85% of the total effect (95% CI = [62%, 117%]) that the independent variable (use of AI) had on the dependent variable (worker compensation). Although this simple mediation model represents what some researchers call a “complete” or “full” mediation, we refrain from making claims about partial or complete mediation regarding our mediation models, concurring with the opinion of Hayes (7). Nevertheless, these results suggest that the reduction in worker compensation caused by AI use is explained in large part by people’s judgment that the worker deserves less credit for the output aided by AI.

Next, we tested our moderated mediation model. Specifically, we tested whether the mediation through credit deservingness mentioned in the previous paragraph might be moderated by our manipulation of *permissibility* of reducing worker compensation. Using Hayes’s PROCESS Model 15 (7), we estimated the moderated mediation model depicted in Figure S5. The results showed that the indirect effect through credit deservingness was moderated by the binary variable representing our More or Less Permissible condition, the index of moderated mediation = 10.06, $SE = 5.09$, 95% CI = [0.37, 20.49]. Consistent with our speculation, the indirect effect through credit deservingness was weaker in magnitude in the Less Permissible

condition, $a \times b = -16.76$, $SE = 4.13$, 95% CI = [-25.41, -9.13], than in the More Permissible condition, $a \times b = -26.82$, $SE = 4.07$, 95% CI = [-35.25, -19.21]. Put differently, participants paid a smaller hypothetical bonus to the worker using AI (than to the worker supposedly not using AI), likely because they thought the AI-assisted worker deserved less credit for their work output, but the *extent* to which participants reduced the bonus for this reason was attenuated when participants learned that the bonus amount was specified in employment contracts (as compared to when the bonus amount reflected the company's past behavior). Study 8 thus demonstrates that the permissibility of reducing worker compensation sets a boundary condition for our finding that AI use can reduce worker compensation through credit deservingness.

Figure S5

The Moderated Mediation Model Estimated in Study 8



When bound by employment contract:

Indirect Effect ($a \times b$) = -16.8, $SE = 4.16$, 95% CI = [-25.0, -8.84]

When not bound by employment contract:

Indirect Effect ($a \times b$) = -26.8, $SE = 4.05$, 95% CI = [-35.1, -19.3]

Index of moderated mediation = 10.06, $SE = 5.14$, 95% CI = [0.54, 20.47]

Section 21. Study 9 Detailed Results

A one-way ANOVA revealed a significant difference in payment for the graphic designer across the three conditions, $F(2, 468) = 61.57, p < .001$. Replicating the findings from Study 2, participants offered lower hypothetical payments to the designer assisted by AI ($M = \$35.3, SD = \16.6) than to the designer who received no assistance ($M = \$48.6, SD = \11.2), $t(312) = -8.29$, Holm-adjusted $p < .001, d = -0.94$. More importantly, however, participants offered significantly *higher* hypothetical payments to the designer assisted by another human ($M = \$53.6, SD = \16.8) than to the designer who received no assistance ($M = \$48.6, SD = \11.2), $t(312) = 3.13$, Holm-adjusted $p = .002, d = 0.35$. That is, instead of observing a reduction in compensation in the Help From Human condition, we observed an *increase* in compensation. These results suggest that people reducing compensation for workers assisted by AI is indeed an “AI Penalization” effect rather than a mere “Assistance Penalization” effect, as such reduction seems unique to assistance from AI and does not seem to extend to assistance from other entities like another human.

Section 22. Study 10 Detailed Results

Dependent t-Test

Following the preregistration (<https://aspredicted.org/9tsh-78jy.pdf>), for each manager, we summed their bonus amounts for two workers who purportedly used AI and their bonus amounts for two workers who purportedly did not use AI. We then compared the total bonus for workers using AI and the total bonus for workers not using AI across all managers by conducting a dependent *t*-test. As predicted, managers gave smaller bonuses to workers who used AI ($M = \$0.35$, $SD = \$0.21$) than to workers who did not use AI ($M = \$0.65$, $SD = \$0.21$), $t(139) = -8.74$, $p < .001$, $d_z = -0.74$. As noted in the Methods section of the main text, these decisions by the managers were used to calculate and pay the average bonus amount to each of the four workers within a few days of data collection. We thus find the AI Penalization effect with real bonuses to real gig workers.

Multilevel Modeling and Regression Analyses Accounting for Workers' Performance

In previous studies, we estimated the effect of AI use on worker compensation while holding constant workers' performance through scenario details. However, Study 10 enabled us to estimate the effect of AI use on worker compensation *while statistically controlling for* workers' performance, because we could now directly measure workers' performance by having third-party judges evaluate their outputs. For this analysis, we recruited from Prolific yet another separate sample of 30 participants (hereafter, *the judges*). We presented these judges with each of the same four social media posts presented to the managers and asked them to rate the likelihood that the social media post would "encourage readers to learn more about the product" on a 7-point scale (1 = *Not likely at all*, 7 = *Extremely likely*); see *SI, Section 10*, "Part 3." We then computed the mean of the likelihood ratings for each of the four social media posts so that each

mean value would represent the level of performance by the worker who produced the given social media post.

Next, we estimated a multilevel model in which the bonus amounts allocated by managers were predicted by (1) the within-subjects binary variable of whether workers purportedly used AI (Purported Use of AI by Worker) and (2) workers' performance, while controlling for the fixed effects of different managers; see Model 1 in Table S4. Consistent with the results from the dependent *t*-test, we find that the purported use of AI by workers led the managers to significantly reduce their compensation, $b = -15.45$, $SE = 1.46$, $t(418) = -10.61$, $p < .001$, even when the model controlled for the effects of workers' different levels of performance. Although workers' performance positively predicted the bonus allocated to them ($b = 2.20$, $SE = 2.29$), this relationship was not statistically significant, $t(418) = 0.96$, $p = .34$. When we estimate a multiple regression model that does not control for the fixed effects of different managers (Model 2 in Table S4) to address possible overfitting in the previous multilevel model (implied by the negative adjusted R^2 value of $-.05$ in Model 1), we essentially obtain the same results: Purported use of AI by workers significantly reduced the bonuses allocated by managers.

Table S4

Multilevel Modeling and Regression Analyses Accounting for Workers' Performance

Model	Fixed Effects of Managers Added?	Variable	<i>b</i>	<i>SE</i>	<i>p</i>
1	Yes	Purported Use of AI by Worker	-15.45	1.46	< .001
$R^2 = .21$ Adj. $R^2 = -.05$		Worker's Performance	2.20	2.29	.34
2	No	(Intercept)	22.06	9.65	.023
$R^2 = .21$ Adj. $R^2 = .21$		Purported Use of AI by Worker	-15.45	1.26	< .001
		Worker's Performance	2.20	1.99	.27

Note. Dependent variable: Bonus in number of cents (allocated by manager to workers).

The results from both (1) the dependent *t*-test and (2) multilevel and regression models replicate the findings from our scenario studies with real monetary compensation for real workers. That is, the managers who oversaw a group of gig workers gave smaller bonuses for workers who used AI, as compared with workers who did not use AI. Thus, even when paying real workers with real money, people penalized workers for using AI. Moreover, these results held even after statistically controlling for workers' actual performance levels, suggesting the robustness of the AI Penalization effect in real-world compensation decisions.

Section 23. Study 11 Detailed Results

Following the preregistration (<https://aspredicted.org/q4zz-yb4h.pdf>), we conducted an independent t -test to compare the bonuses that managers gave to their workers when the workers purportedly used AI and when the workers supposedly did not use AI. As predicted, managers gave smaller bonuses to their workers when they purportedly used AI ($M = \$2.28$, $SD = \$1.58$) than when they did not ($M = \$3.27$, $SD = \$1.46$), $t(503) = -7.25$, $p < .001$. As noted in the Methods section in the main text, we used these decisions by the managers to calculate and pay the average bonus amount to each of the four workers within a few days of data collection. Thus, we replicate the AI Penalization effect with real bonuses to gig workers.

The independent t -test above tests the effect of workers' AI use on their compensation without accounting for their actual performance. It is possible that the AI Penalization effect might disappear once we account for workers' actual performance (8). To test whether the AI Penalization effect may still be observed even after workers' actual performance was taken into account, we used the workers' mean performance ratings from Study 10 and conducted regression analyses. Specifically, for each of the 505 managers in Study 11, we identified their worker's social media post and recorded the mean performance rating associated with that worker (i.e., the mean rating on the item, "How likely is this post to encourage readers to learn more about the product?" from Study 10, Part 3; see Study 10 Materials in Section 11 of this document). We then regressed managers' bonus decisions on these performance ratings in the first regression model; see Model 1 in Table S5. Next, we regressed managers' bonus decisions on both the performance ratings and the binary variable of whether a given manager's worker purportedly used AI ($0 = \text{Their worker did not use AI}$, $1 = \text{Their worker used AI}$); see Model 2 in Table S5.

Not surprisingly, workers' actual performance significantly predicted the managers' bonus decisions. Specifically, higher performance (i.e., creating a higher-rated social media post) was associated with higher bonus for the worker, $b = 0.55$, $SE = 0.22$, $t(503) = 2.47$, $p = .014$ (Model 1 in Table S5). More importantly, however, managers gave lower bonuses to their workers when the workers purportedly used AI, $b = -0.98$, $SE = 0.14$, $t(502) = 7.29$, $p < .001$, even after accounting for the positive effect of workers' performance (Model 2 in Table S5). In other words, we continued to observe the AI Penalization effect with real bonuses allocated to real gig workers—even after accounting for actual and varying levels of worker performance.

Table S5*Regression Analyses Accounting for Workers' Performance*

Model	Variable	b	SE	β	p
1 $R^2 = .012$ Adj. $R^2 = .010$	(Intercept)	0.092	1.09	-	.93
	Worker's Performance	0.55	0.22	0.11	.014
2 $R^2 = .11$ Adj. $R^2 = .10$	(Intercept)	0.60	1.04	-	.56
	Worker's Performance	0.55	0.21	0.11	.010
	Purported Use of AI by Worker	-0.98	0.14	-0.31	< .001

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