Dynamic Choice and Repetition Aversion

Abstract

Even highly pleasurable experiences can give rise to extended periods of satiation. We model an agent who holds an intrinsic preference over alternatives but also experiences *repetition aversion*—a dislike for choosing the same object repeatedly over time. A long sequence of choices made by the agent is observed. Repetition aversion fundamentally disrupts the usual connection between preference and choice: even if x is both strictly intrinsically preferred to y and less repetition aversive, it may not be chosen more frequently than y . We provide a full characterisation of repetition-averse choice sequences in terms of observable behaviour. The key property in the baseline model is the *Worse Follows Faster* property: if x is intrinsically (revealed) preferred to y , then whenever y follows x in the sequence before x is chosen again, it must do so *faster* than x ever follows itself. We extend our baseline model and results in several directions.