

Battle of Sexes:

Best response Dynamic

		q	$1-q$
	B	C	H
P	C	10,5	0,0
$1-P$	H	0,0	5,10

Payoff of girl if she
chooses C is,

$$U_G(C) = 5p + 0(1-p) \\ = 5p$$

Similarly, payoff of the
girl if she always
chooses H,

$$U_G(H) = 0p + 10(1-p) \\ = 10(1-p)$$

$$\text{if } U_G(C) > U_G(H)$$

$$5p > 10(1-p)$$

$$\Rightarrow 15p > 10$$

$$\Rightarrow$$

$$p > \frac{2}{3}$$

$$\text{if } p > \frac{2}{3}$$

then girl is always watching cricket

Best response $q^* = 1$

$$\text{if } U_G(C) < U_G(H)$$

$$5p < 10(1-p)$$

$$\Rightarrow 15p < 10$$

$$\Rightarrow$$

$$p < \frac{2}{3}$$

If $p < \frac{2}{3}$, then girl chooses to always watch H, therefore best response $q^* = 0$

when $U_G(C) = U_G(H)$

$$\Rightarrow 5p = 10(1-p)$$

$$\Rightarrow 15p = 10$$

$$\Rightarrow \boxed{p = \frac{2}{3}}$$

at $p = \frac{2}{3}$

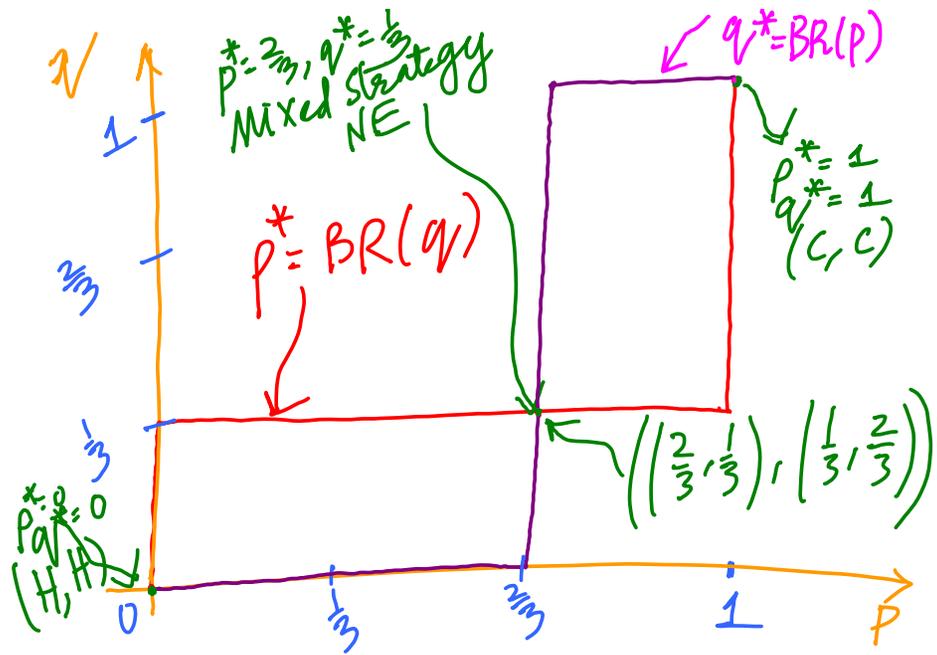
$$U_G(C) = 5 \times \frac{2}{3} = \frac{10}{3}$$

$$U_G(H) = 10(1 - \frac{2}{3}) = \frac{10}{3}$$

If $p = \frac{2}{3}$, best response
(q_j^* is any $0 \leq q_j^* \leq 1$)
↓
since both cricket (C) and
HP movie (H) yield the
same payoff.

Best response q_j^* of girl.

$$q_j^* = \begin{cases} 1 & \text{if } p > \frac{2}{3} \\ 0 & \text{if } p < \frac{1}{3} \\ 0 \leq q_j^* \leq 1 & \text{if } p = \frac{1}{3} \end{cases}$$



Girl is employing mixture $q, 1-q$
 if Boy always chooses cricket (C), his payoff $U_B(C)$ is,

$$U_B(C) = 10q + 0(1-q) \\ = 10q$$

$$U_B(H) = 0q + 5(1-q) \\ = 5(1-q)$$

IF $U_B(C) > U_B(H)$
ie $10q > 5(1-q)$
 $\Rightarrow q > \frac{1}{3}$

Since cricket yields a higher payoff, Boy chooses to watch cricket all the time. $\Rightarrow p^* = 1$

$$U_B(L) < U_B(H)$$
$$10q < 5(1-q)$$
$$\Rightarrow q < \frac{1}{3}$$

IF $q < \frac{1}{3}$, boy chooses
to always watch H,

$$p^* = 0$$

$$1 - p^* = 1$$

if $q = \frac{1}{3}$, then
we have

$$U_B(C) = 10q = \frac{10}{3}$$

$$U_B(H) = 5(1-q) = \frac{10}{3}$$

If $q = \frac{1}{3}$

Any $0 \leq p^* \leq 1$ is
a best response.

$$p^* = \begin{cases} 1 & \text{if } q > \frac{1}{3} \\ 0 & \text{if } q < \frac{1}{3} \\ 0 \leq p^* \leq 1 & \text{if } q = \frac{1}{3} \end{cases}$$