

Abstract: We consider the problem of a buyer who wants to buy an experience good but is uninformed about the (stochastic) product quality. An expert owning the product himself may be paid to provide a signal on the quality. We investigate the consequences of introducing a possibility for the buyer to receive a credible signal. This can be realized through issuing the signal in a blockchain that provides build-in immutability, decentralization, privacy and transparency. Our results show that this storing device reduces the number of equilibria while retaining the “good equilibrium”, in which information is acquired and correctly transmitted. Therefore, the use of the blockchain technology reduces the equilibrium coordination problem and, in particular, enhances provision of accurate information.