



PennState
Smeal College of Business



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Ph.D. Poster Session

The Dark Side of Mobile App Adoption: Examining the Impact on Customers' Multichannel Purchase

Xian Gu and P. K. Kannan – University of Maryland

Conventional wisdom indicates that apps have a positive impact on customer spending. We critically examine this premise by estimating the impact of app adoption on customers' omni-channel spending in the context of a hotel chain and identifying the factors contributing to such impact. Exploiting the variation in customers' timing of app adoption and difference-in-differences approach, we find that app adoption has a significant negative impact on total customer spending. A survey of app adopters reveals that customers who adopt the focal app are also most likely to adopt competitors' apps, and therefore are likely to search more and shop around, leading to decreased share of wallet with the firm. Our analysis also reveals that the negative impact on spending is lower for those customers who use the apps for mobile check-in than those who use the apps for just searching.

The Impact of Reputation Systems on Peer-evaluations

Jin-Hee Huh, David Gobes, and Seshadri Tirunillai – University of Maryland

In this paper, we investigate how a reputation system affects peer-evaluations in an online community. In contrast to previous research on reputation systems, which has predominantly shown that reputation systems can induce posting activity and quality contributions, we study how reputation markers ("badges," for example) may change peer-evaluations. We rely on a unique and detailed data set and employ a difference-in-differences approach, combined with propensity score matching, that suggests that, all else equal, posters receive disproportionately-higher evaluations of their posts after they earn a reputation marker, irrespective of post quality.

Are Busy Consumers More Satisfied Consumers? It Depends! The Effect of Perceived Busyness on Satisfaction

In-Hye Kang, **Yuechen Wu** and Rosellina Ferraro – University of Maryland

This paper investigates whether and how the perception of being busy (vs. not busy) with required tasks (e.g., job-related tasks) influences consumers' satisfaction with a product. Five studies demonstrate an interactive effect of perceived busyness and objective product performance on satisfaction. When objective performance is low, high (vs. low) perceived busyness leads consumers to perceive that they spent their time less efficiently on obtaining the product, decreasing satisfaction. In contrast, when objective performance is high, high (vs. low) perceived busyness leads consumers to perceive that they spent their time more efficiently in obtaining the product, increasing satisfaction.

Signaling Fun: Anticipated Sharing Leads to Hedonic Choice

Nicole Kim and Rebecca Ratner – University of Maryland

Five studies demonstrate that consumers make hedonic (vs. utilitarian) choices for public (vs. private) decisions, such as when choices are made in the presence of an accompanying friend or when consumers anticipate sharing their choice on social media. This choice shift is driven by consumers' signaling motives.

Knowing What It Makes: Product Transformation Awareness Increases Recycling

Gabriel Gonzales, Karen Winterich, and Gergana Nenkov – Penn State University

This research proposes a novel approach to increasing consumers' recycling. We show that increasing consumers' product transformation awareness by informing them about what new products recyclables can be transformed into (e.g., showing how recycled plastic can be transformed into a new jacket) can significantly boost consumer' recycling rates.

Is Warm Always Trusting? The Effect of Seasonality on Perceived Firm Trustworthiness

Gretchen R. Wilroy, Margaret G. Meloy, and Simon J. Blanchard – Penn State University

In contrast to past research that has equated warm temperatures with individuals being more trusting, we find that the trustworthiness is a function of the incongruence between inside and outside temperatures (i.e., season). We show this effect in multiple experiments and a longitudinal study.

How Do Consumers Respond to Company Moral Transgressions?

Haiyue (Felix) Xu, Karen Winterich, and Lisa Bolton – Penn State University

This research examines whether consumer response to company moral transgressions varies by power distance belief (PDB). Drawing on moral foundations theory, we show that consumer response depends upon the joint effect of PDB and the moral foundation violated in the transgression such that low (high) PDB consumers react more negatively when a company transgression violates an individualizing (binding) moral foundation. This reversal is mediated by consumer perception of threat, which also aligns with company mitigation efforts to mitigate negative consumer reaction via apology (denial).

Is the Follower the Leader? How the First Follower Establishes the Group Norm in Sequential Behavior

Christian Hughes and Jeff Inman – University of Pittsburgh

Our research examines how group norms are determined in a sequential choice setting. We show that the group norm is determined by the behavior of the second person (i.e. the first follower) relative to the first person (i.e. the leader). In Study 1, we use a secondary data set of online reviews to demonstrate that group variation in review valence depends on the comparison of the first follower's review relative to the leader's review. In Study 2, we replicate the findings in an experimental setting and show that perceptions of a group norm mediate the effect of the first follower on within-group variation. In a restaurant field study, we show that when the first follower chooses similarly (differently) to the leader, the rest of the group seeks uniformity (variety).