Annual Meeting of the Marketing Section within the VHB
– Research Presentations –

Sascha Alavi, Anna Gabriel (Ruhr-Universität Bochum)

Customer Personality Prediction Tools in Sales – Boon or Bane?

Companies such as Crystal or Humantic AI offer tools that predict customer personality, and indications on how to deal with the customer promising to enable better adaptive selling. These tools classify customer personality according to various personality typologies. While such tools promise enhancing knowledge about customers, salespeople's natural intuition on evaluating customers' personality and needs might counteract its potential benefits. Thus, the important question is to what extent such tools improve sales performance and what factors might undermine such useful effects.

Victoria Kramer, Manfred Krafft (Westfälische Wilhelms-Universität Münster), Stefan Worm (BI Oslo), Sundar Bharadwaj (University of Georgia)

Enhancing Solution Effectiveness: The Role of Customer Adaptiveness

Previous research has focused mainly on the supplier's perspective on solution selling. Therefore, this research examines the impact of customer adaptiveness on solution effectiveness on the one hand, and key drivers of customer adaptiveness on the other hand, applying a transaction-cost theoretical perspective. The authors develop an extended conceptualization and measure of customer adaptiveness and collect data from the trade show industry to test their hypotheses. The findings show that customer adaptiveness is positively associated with solution effectiveness. In addition, the authors show that an interplay of preference ambiguity, trust, and references affects customer adaptiveness. This work complements existing work on solution selling by providing insights into the customer perspective.

Anne Cordts (KIT), Johannes Habel (University of Houston), Martin Klarmann (KIT)

Zooming In on the Customer? How the Communication Format Affects Employee Learning About Customers and Relationship Outcomes

The digital transformation of our society - accelerated by the pandemic - is associated with an increasing importance of digital communication formats, especially chat and video calls. With a set of three lab experiments, two online experiments, and a survey, we study how digital communication formats affect what frontline employees learn about the customer. We find that the communication format has little effect on task-related knowledge. However, it affects strongly what employees can learn about the customer's personality - which is associated with a number of important relationship outcomes.

Manuel Reppmann (Universität Mannheim), Laura Marie Edinger-Schons (Universität Hamburg), Stephan Harms (Universität Hannover), Johann Nils Foege (Universität Hannover)

Activating the Sustainable Consumer: The Role of Customer Involvement in Corporate Sustainability

Although many consumers claim they favor sustainable products over conventional ones, there is a gap between intentions and actual purchasing decisions. We develop a conceptual framework to demonstrate how companies can trigger sustainable consumption behavior among their customers by involving them in their corporate sustainability (CS) activities. We introduce psychological ownership as an underlying mechanism and argue that this mechanism depends on the type of CS activities a company undertake, that is, whether they are embedded in or peripheral to its core business. Results from three experiments, including one field experiment with customers of a fashion retailer, support our theorizing.

Pascal Güntürkün (WU Vienna), Sinika Studte (HSBA Hamburg School of Business Administration), Michel Clement (University of Hamburg), Eva-Maria Merz (VU Amsterdam), Jonathan Tan (Nanyang Technical University), Elisabeth Huis in 't Veld (Tilburg University), Eamonn Ferguson (The University of Nottingham)

Why Opt-Out Defaults Diminish Living Organ Donations

Opt-out defaults can motivate people towards more prosocial behavior and many countries have adopted opt-out defaults to increase deceased organ donation, energy conservation, or childhood vaccination. Prior studies show that opt-out defaults are powerful for increasing a specific cooperative behavior (e.g., deceased organ donation). However, little is known about how they may spillover to influence related cooperative behaviors (e.g., living organ donation) and how they may interact with mechanisms known to support human cooperation. The present research addresses these gaps by investigating how an opt-out default policy for deceased organ donation influences the supply of living organs and how exposure to different default policies (opt-in or opt-out) alters perceptions of trust in others and reputation building considerations.

Stefan Worm (BI Norwegian Business School), Ashkan Faramarzi (ESDES Lyon), Mariia Koval, Shekhar Misra (Grenoble Ecole de Management)

Does Corporate Social Responsibility Matter for Marketing Performance?

In recent years, there has been increasing interest among society, consumers, investors, and managers in firms' Corporate Social Responsibility (CSR), or, Environmental, Social, and Governance activities. For example, many investors place an increasing focus on ESG risks. Why should firms invest in CSR activities? Research has indeed shown that CSR improves financial performance. However, from a marketing perspective, CSR's impact is much less obvious. Should Marketing managers care about CSR activities? They struggle to understand if and how CSR activities affect their key performance indicators (KPIs) such as brand, customer relationships, and innovation. The present meta-analysis examines if and how firms' CSR affects their marketing performance. The initial empirical results show that CSR affects three important Marketing KPIs. CSR enhances consumers' brand perceptions, it boosts corporate reputation, and it triggers innovation.

Christian Schulze (Frankfurt School of Finance & Management), Maximilian Kaiser (GRIPS Intelligence), Florian Elsaesser (Frankfurt School of Finance & Management)

ROAS Management

ROAS (Return on Advertising Spend) is widely considered to be one of the most important metrics for measuring and managing the effectiveness of digital marketing efforts. Despite its popularity as a metric, many companies struggle to properly manage ROAS. In our research, we show analytically how companies should set their target ROAS - in particular when consumer demand is expected to vary over time, e.g., is greater around Christmas. We then translate the analytical model into a tool that helps managers make better ROAS-based budget allocation decisions. The tool analyzes companies' sales response curves and provides managers with company-specific target ROAS' for low- and high-demand periods, allowing them to optimize the effectiveness of their (fixed) advertising budget. Application of this tool to historical data from more than one hundred companies spanning various industries and countries suggests ample potential for optimization.

Melanie Clegg (WU Wien)

Unveiling the Mind of the Machine

Algorithm-controlled products are widely available to consumers. This research investigates consumer reactions to different types of algorithms within these products: low-adaptivity algorithms, which are entirely pre-programmed and high-adaptivity algorithms, which can learn and adapt. Seven studies show that algorithm types influence product preferences depending on the product's outcome range (POR; the number of solutions expected for a given task). High-adaptivity algorithms are preferred for wide POR because they are perceived as more creative and low-adaptivity algorithms are preferred for narrow POR because they are perceived as more predictable. These findings extend prior research that focused on comparing algorithms against humans.

Alina Herting, Ronny Behrens, and Thorsten Hennig-Thurau (Westphälische Wilhelms-Universität Münster)

How Consumer Experiences in the Metaverse Affect Existing Channels: The Case of Virtual Movie Watching

This research provides a first empirical assessment whether virtual movie theaters in the metaverse constitute viable alternatives for consumers to watching films in physical cinemas and via streaming services and identifies potential determinants of virtual theaters attractiveness. The authors equipped 37 dyads of consumers with state-of-the-art virtual reality headsets and ask them to jointly watch films in a virtual movie theater visit while being physically separated. Combing this experience with a multistep survey and a choice experiment, multinomial logit regressions support the competitiveness of virtual movie theaters and reveal conditions in which they offer most value to consumers.

Lukas Jurgensmeier, Bernd Skiera (Goethe University Frankfurt)

Measuring Fair Competition on Digital Platforms

On digital platforms, platform actors such as sellers and buyers exchange goods, services, and information ("offers"). Platform providers support these exchanges by recommending specific offers on the platforms through rankings and labels. Often, however, the platform provider also serves as a platform actor. This dual role creates a potential conflict of interest: the platform provider could discriminate against third-party platform actors by recommending its offers more favorably than those from other platform actors. This manuscript describes a novel approach to detect such discriminatory recommendations and applies it to the search engine on the Amazon Marketplace. Despite popular belief, our two studies covering more than a million daily observations from three countries hardly find discriminatory rankings through Amazon's search engine. Though best-selling products with Amazon holding the buy box are more visible than other sellers' buy box products, fair factors such as prices and ratings justify it. Furthermore, Amazon Basics products are only half as visible organically as non-discriminatory rankings allowed. The presented approach enables platform actors, regulators, and lawmakers to test for discrimination on platforms. Applying this approach to the Amazon Marketplace challenges the notion that Amazon uses organic search results to discriminate against third parties.

Wiebke I.Y. Keller, Dominik Papies (Eberhard Karls University Tuebingen)

The Impact of Price Transparency on Retailer Pricing

Determining optimal product prices is an ongoing challenge of modern retailing. In times of digitalization, dynamic pricing has become a convenient tool allowing retailers to gain from price discrimination in many settings. Especially in these markets, retailers are concerned about increases in price transparency as economic theory suggests that a larger price transparency leads to lower prices and lower margins.

We study empirically the impact of price transparency on retailer pricing with respect to (a) price level, (b) price dispersion, and (c) the presence of Edgeworth cycles. Further, we analyze the moderating effect of several market characteristics on the impact of price transparency on pricing.

Simeng Han (Goethe University Frankfurt), Werner J. Reinartz (University of Cologne), Bernd Skiera (Goethe University Frankfurt), Thomas P. Scholdra (University of Cologne)

Firms' Focus on Brand and Customer Management: Measurement, Development, and Financial Consequences

An ongoing, inconclusive debate in strategic marketing research centers on the relative importance of brand management versus customer management—two key dimensions of marketing strategy. Yet few empirical findings actually detail what firms do strategically, how their strategic foci have evolved, or what the consequences have been for their financial performance. Using longitudinal data collected from computer-aided text analyses of 80,845 earnings conference call transcripts involving 2,100 firms over 17 years, along with secondary data, the authors demonstrate that these foci exhibit characteristic patterns at industry levels, with growing importance in recent years. Furthermore, firms following a hybrid marketing strategy, such that they adopt both a brand and a customer management focus, exhibit the strongest financial performance. These findings establish not only the prevalence of different marketing strategies but also their economic implications.

Arash Laghaie (Nova School of Business and Economics), Thomas Otter (Goethe University Frankfurt)

Measuring Evidence for Mediation in the Presence of Measurement Error

Mediation analysis empirically investigates the process underlying the effect of an experimental manipulation on a dependent variable of interest. In the simplest mediation setting, the experimental treatment can affect the dependent variable through the mediator (indirect effect) and/or directly (direct effect). However, what appears to be an indirect effect in standard mediation analysis may reflect a data generating process without mediation, including the possibility of a reversed causal ordering of measured variables, regardless of the statistical properties of the estimate. To overcome this indeterminacy where possible, we develop the insight that a statistically reliable total effect combined with strong evidence for conditional independence of treatment and outcome given the mediator is unequivocal evidence for mediation as the underlying causal model into an operational procedure. This is particularly helpful when theory is insufficient to definitely causally order measured variables, or when the dependent variable is measured before what is believed to be the mediator. Our procedure combines Bayes factors as principled measures of the degree of support for conditional independence, with latent variable modeling to account for measurement error and discretization in a fully Bayesian framework. Re-analyzing a set of published mediation studies, we illustrate how our approach facilitates stronger conclusions.

Daniel Wentzel (RWTH Aachen)

Conceptual Contributions in Marketing Scholarship: Evolutionary Patterns, Underlying Mechanisms, and Rebalancing Options

This article analyzes the evolution of conceptual contributions in marketing scholarship at two complementary levels of analysis. First, based on a computer-aided text analysis covering the full texts of 5,923 articles published in the four major marketing journals between 1990 and 2021, we analyze how different types of contributions evolve over time. The evolutionary patterns of this analysis suggest that theory development is stuck in the middle: contributions increasingly focus on envisioning new and explicating known conceptual ideas, whereas efforts of relating and debating generated ideas decline. Second, a study relying on 42 in-depth interviews with editors, departments heads, and authors sought to validate these patterns and uncover their underlying mechanisms. Our findings indicate that the field has developed a prevalent thought style defined by the research ideals of novelty, clarity and quantification that shape the collective view of how to make a valuable contribution to marketing scholarship. This thought style favors the emergence of envisioning and explicating contributions, while disfavoring the emergence of relating and debating contributions. Jointly, the two studies point to several rebalancing options that can reinvigorate relating and debating contributions to theory development, yet preserve the strengths of the marketing field.