1

A bounded rationality model of information search and choice in preference measurement [Texto impreso] / Liu (Cathy) Yang, Olivier Toubia and Martijn G. de Jong

Este artículo se encuentra disponible en su edición impresa y electrónica. Los datos para su localización y/o acceso electrónico están accesibles a través del enlace al título de la publicación.

References: p. 182-183

Abstract: It is becoming increasingly easier for researchers and practitioners to collect eye-tracking data during online preference measurement tasks. The authors develop a dynamic discrete choice model of information search and choice under bounded rationality, which they calibrate using a combination of eye-tracking and choice data. Their model extends Gabaix et al.'s (2006) directed cognition model by capturing fatigue, proximity effects, and imperfect memory encoding and by estimating individual-level parameters and partworths within a likelihood-based hierarchical Bayesian framework. The authors show that modeling eye movements as the outcome of forward-looking utility maximization improves out-of-sample predictions, enables researchers and practitioners to use shorter questionnaires, and allows better discrimination between attributes.

Journal of marketing research. -- 2015, v. 52, n. 2, april, p. 166-183

1. Preference measurement 2. Eye tracking 3. Dynamic discrete choice models

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2

The challenge of retaining customers acquired with free trials [Texto impreso] / Hannes Datta, Bram Foubert and Harald J. Van Heerde

Este artículo se encuentra disponible en su edición impresa y electrónica. Los datos para su localización y/o acceso electrónico están accesibles a través del enlace al título de la publicación.

References: p. 233-234

Abstract: Many service firms acquire customers by offering free-trial promotions. However, a crucial challenge is to retain the customers acquired with these free trials. To address this challenge, firms need to understand how free-trial customers differ from regular customers in terms of their decisions to retain the service. This article conceptualizes how marketing communication and usage behavior drive customers' retention decisions and develops hypotheses about the impact of free-trial acquisition on this process. To test the hypotheses, the authors model a customer's retention and usage decisions, distinguishing usage of a flat-rate service and usage of a pay-per-use service. The model allows for unobserved heterogeneity and corrects for selection effects and endogeneity. Using household panel data from a digital television service, the authors find systematic behavioral differences that cause the average customer lifetime value of free-trial customers to be 59% lower than that of regular customers. However, free-trial customers are more responsive to marketing communication and usage rates, which offers opportunities to target marketing efforts and enhance retention rates, customer lifetime value, and customer equity.

Journal of marketing research. -- 2015, v. 52, n. 2, april, p. 217-234

1. Free trials 2. Customer retention 3. Usage behavior 4. Customer lifetime value 5. Acquisition mode

3

Diagnosing Brand performance [Texto impreso] : accounting for the dynamic impact of product availability with aggregate data / Denish Shah, V. Kumar and Yi Zhao

Este artículo se encuentra disponible en su edición impresa y electrónica. Los datos para su localización y/o acceso electrónico están accesibles a través del enlace al título de la publicación.

References: p. 164-165

Abstract: The extent to which a brand's individual products (relative to competing products) are available to consumers for purchase in a retail store can critically affect the brand's overall performance. However, store-level product availability information is lost in aggregate market-level data sets and has been ignored by extant demand studies in general, which can create the risk of misinformed managerial decision making. In this research, the authors propose a unique methodology to enable manufacturers to infer retailers' joint stocking probability of products from aggregate data and, thus, enable consumers' choices to be contingent on the assortment of products available in retail stores. The application of the proposed framework in the context of an emerging market results in unbiased demand parameter estimates, a significantly better model fit, and richer managerial insights (compared with conventional approaches) pertaining to how brand performance is affected by the (1) dynamics of retailers' stocking preferences, (2) assortment of products that retailers are more (vs. less) likely to jointly stock, and (3) cannibalization of retailers' shelf space resulting from product line extensions.

Journal of marketing research. -- 2015, v. 52, n. 2, april, p. 147-165

1. Emerging markets 2. Brand management 3. Marketing mix 4. Aggregate demand model

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4

The impact of category prices on store Price image formation [Texto impreso] : an empirical analysis / Carlos J.S. Lourenço, Els Gijsbrechts and Richard Paap

Este artículo se encuentra disponible en su edición impresa y electrónica. Los datos para su localización y/o acceso electrónico están accesibles a través del enlace al título de la publicación.

References: p. 215-216

Abstract: The authors empirically explore how consumers update beliefs about a store's overall expensiveness. They estimate a learning model of store price image (SPI) formation with the impact of actual prices linked to category characteristics on a unique data set combining consumers' store visit and purchase information with their price perceptions. The results identify characteristics that drive categories' store price signaling power for different store formats. "Big ticket" categories with a narrow price range strongly shape consumers' store price beliefs, whereas (volatile) prices of frequently or deeply promoted categories are less influential. At traditional supermarkets, consumers anchor and elaborate on prices of storable categories bought in large quantities and for which quality differentiation is high. For hard discounters, however, SPI is mostly shaped by frequently bought categories with narrow assortments. Notably, categories' SPI signaling power is not proportional to their share of wallet at either type of chain. Managers can use these results to identify "Lighthouse" categories that signal low prices, yet make up a small portion of store spending, and in which price cuts do not overly hurt revenue.

Journal of marketing research. -- 2015, v. 52, n. 2, april, p. 200-216

1. Store Price image 2. Price perceptions 3. Product category characteristics 4. Bayesian learning

5
Managerial empathy facilitates egocentric predictions of consumer preferences [Texto impreso] / Johannes D. Hattula ... [et al.]

Este artículo se encuentra disponible en su edición impresa y electrónica. Los datos para su localización y/o acceso electrónico están accesibles a través del enlace al título de la publicación.

References: p. 250-252

Abstract: Common wisdom suggests that managerial empathy (i.e., the mental process of taking a consumer perspective) helps executives separate their personal consumption preferences from those of consumers, thereby preventing egocentric preference predictions. The results of the present investigation, however, show exactly the opposite. First, the authors find that managerial empathy ironically accelerates self-reference in predictions of consumer preferences. Second, managers' self-referential tendencies increase with empathy because taking a consumer perspective activates managers' private consumer identity and, thus, their personal consumption preferences. Third, empathic managers' self-referential preference predictions make them less likely to use market research results. Fourth, the findings imply that when explicitly instructed to do so, managers are capable of suppressing their private consumer identity in the process of perspective taking, which helps them reduce self-referential preference predictions. To support their conclusions, the authors present four empirical studies with 480 experienced marketing managers and show that incautiously taking the perspective of consumers causes self-referential decisions in four contexts: product development, communication management, pricing, and celebrity endorsement. Journal of marketing research. -- 2015, v. 52, n. 2, april, p. 235-252

1. Consumer 2. Preference predictions 3. Managerial empathy 4. Managers' consumer identity 5. Managerial decision making 6. Responsiveness to market research

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6
Money, time and stability of consumer preferences [Texto impreso] / Leonard Lee ... [et al.]

Este artículo se encuentra disponible en su edición impresa y electrónica. Los datos para su localización y/o acceso electrónico están accesibles a través del enlace al título de la publicación.

References: p. 197-199

Abstract: Consumers often make product choices that involve the consideration of money and time. Building on dual-process models, the authors propose that these two basic resources activate qualitatively different modes of processing: while money is processed analytically, time is processed more affectively. Importantly, this distinction then influences the stability of consumer preferences. An initial set of three experiments demonstrates that, compared with a control condition free of the consideration of either resource, money consideration generates significantly more violations of transitivity in product choice, while time consideration has no such impact. The next three experiments use multiple approaches to demonstrate the role of different processing modes associated with money versus time consideration in this result. Finally, two additional experiments test ways in which the cognitive noise associated with the analytical processing that money consideration triggers could be reduced, resulting in more consistent preferences.

Journal of marketing research. -- 2015, v. 52, n. 2, april, p. 184-199

1. Money 2. Time 3. Consumer choice 4. Preference consistency 5. Dual process models

7
Perceived risk, product returns and optimal resource allocation [Texto impreso] : evidence from a field experiment / J. Andrew Petersen and V. Kumar

Este artículo se encuentra disponible en su edición impresa y electrónica. Los datos para su localización y/o acceso electrónico están accesibles a través del enlace al título de la publicación.

References: p. 284-285

Abstract: Relatively few retailers include metrics such as product returns in their customer selection and optimal resource allocation algorithms when measuring and maximizing customer value. Even when they do include this metric, increases in product return behavior are usually considered merely an economic cost that must be managed by decreasing the marketing resource allocations toward the customers making the returns. However, recent research has suggested that satisfactory product return experiences can actually benefit firms by lowering the customer's perceived risk of current and future purchases. To better understand the role of this perceived risk in the firm-customer exchange process, the authors conduct a large-scale customer selection and optimal resource allocation field experiment with 26,000 customers from an online retailer over six months. They find that the firm is able to increase both its short-and long-term profits when accounting for the perceived risk related to product returns in addition to managing product return costs. Furthermore, the authors find that by including this risk, rather than simply implementing traditional customer lifetime value-based models generically, the firm can target more profitable customers.

Journal of marketing research. -- 2015, v. 52, n. 2, april, p. 268-285

1. Customer perceived risk 2. Product returns 3. Field experiment 4. Optimal resource allocation 5. Customer lifetime value

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8
Stockpiling points in linear loyalty programs [Texto impreso]/ Valeria Stourm, Eric T. Bradlow and Peter S. Fader

Este artículo se encuentra disponible en su edición impresa y electrónica. Los datos para su localización y/o acceso electrónico están accesibles a través del enlace al título de la publicación.

References: p. 267

Abstract: Customers often stockpile reward points in linear loyalty programs (i.e., programs that do not explicitly reward stockpiling) despite several economic incentives against it (e.g., the time value of money). The authors develop a mathematical model of redemption choice that unites three explanations for why customers seem to be motivated to stockpile on their own, even though the retailer does not reward them for doing so. These motivations are economic (the value of forgone points), cognitive (nonmonetary transaction costs), and psychological (customers value points differently than cash). The authors capture the psychological motivation by allowing customers to book cash and point transactions in separate mental accounts. They estimate the model on data from an international retailer using Markov chain Monte Carlo methods and accurately forecast redemptions during an 11-month out-of-sample period. The results indicate substantial heterogeneity in how customers are motivated to redeem and suggest that the behavior in the data is driven mostly by cognitive and psychological incentives.

Journal of marketing research. -- 2015, v. 52, n. 2, april, p. 253-267

1. Prospect theory 2. Mental accounting 3. Loyalty programs 4. Bayesian estimation