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RESEARCH STATEMENT

My research focuses on voluntary payments, such as tips and donations, in experiential marketing, with an emphasis on identifying antecedents of prosocial behavior in a socio-economic world. I am motivated by topical questions in the emerging economy that can be examined with a theoretical lens using a multi-method approach, that allow me to make a contribution back to the literatures they draw from, while also allowing me to make substantive contributions to managerial practice, consumer welfare, and public policy.

In particular, I examine how context effects and the choice architecture used in the kinds of tipping platforms that are now widely seen in the marketplace affect prosocial behavior in for-profit and in non-profit scenarios. I use digital nudging interventions in the form of screen-based default tip options and examine the effect of these interventions on consumers' likelihood to leave a tip as well as on the amount they choose to leave. I also examine the effect of contextual factors, such as consumers' impression management goals and charities' fund allocation decisions, on prosocial behavior. I take a multi-method approach to my research inquiry combining field experiments, lab experiments, and secondary data analyses. This approach allows me to ensure the relevance and applicability of the findings and to identify the underlying mechanisms, without compromising their external validity.

My work demonstrates that consumers' voluntary payments decisions, as a function of the set of default options presented or of other contextual factors, are counterintuitive and novel; my research thus provides important theoretical implications for the consumer behavior and labor economics literature as well as for practices in the marketplace. I identify factors that trigger greater generosity among consumers in hopes of shedding new light on these less-researched areas.

Some of the novel effects that I have demonstrated in my on-going research stream include:

- how the denomination effect (where people are more likely to pay with smaller versus larger denominations), can be reversed when it is pitted against impression management goals in the context of tipping. This finding makes a contribution back to the subjective value of money and participative pricing literatures.
- how the choice architecture used in tipping systems for tipping options serves not only the purpose of recording tip amount decisions, but also sets norms for what is acceptable. This finding makes a contribution to the survey methods, choice architecture, and participative pricing literatures.
- how including an explicit numerical "0" option in a tipping choice set, counter-intuitively increases amounts tipped. This finding makes a contribution to the numerical cognition literature among others.
- how "tainted" money received by a charity will be accepted without tarnishing the image of the charity if it is used toward overhead. This finding contributes to the charitable giving literature which has found it challenging to overcome "overhead aversion."

- how “typos” can counter-intuitively make an automated bot appear more human and likeable. This finding contributes to the nascent areas of artificial intelligence and human interfaces.
- how consumers are more likely to exert effort and succeed when they start a task just before the end of a new hour (:55-:59) versus at the start of it (:00-:05). This novel finding adds to the literature on the effects of time on consumer behavior.
- how consumers’ substitution decisions when a product is out of stock are less likely to be in the same category if they have lower levels of construal. This finding adds to the literature on scarcity as well as construal level theory.

The methods I use to test my effects vary depending on what will best help me answer the research question. Across projects, I have analyzed secondary data sets, conducted field experiments to record actual behavior, and conducted relatively complicated lab experiments that required coding in JAVA and HTML. I have also conducted surveys and lab experiments to identify mediators and moderators of the effects I have uncovered. As a researcher, I believe that theoretical insights are made richer in the presence of novel empirical insights, and empirical insights are only as good as they are replicable. As such, a hallmark of my studies is that they are adequately powered and that they have been replicated prior to my submitting the paper. In recent years, I also have begun to pre-register my experiments; a practice I intend on continuing.

In the remainder of my statement, I describe each of my research projects.

In a paper with Priya Raghuram, published in the *Journal of the Association for Consumer Research (Special Issue on Behavioral Pricing)*, we explored the effect of **Impression Management Motivations on Consumers’ Generosity**. We used the context of tipping, an overlooked form of participative pricing, to show that motivational accounts may trigger prosocial behavior due to self-image considerations. Notably, we found that consumers often tip higher amounts the more they hold impression-management goals. Consumers use the amount of the tip, as well as the denomination used for the tip, as an impression formation strategy, providing implications for both the literature on consumer motives and the literature on behavioral pricing. The reversal of the denomination effect, when it is pitted against impression management goals in the context of tipping, makes further contributions to the subjective value of money and participative pricing literatures.

In today’s digital world, the definition of tipping has changed in many contexts as consumers are constantly encountering screen-based default payment and tipping collection systems in situations where tips were not previously or not commonly collected. Examples can be seen in rideshare apps, coffee shops, salons, food delivery apps, farmers markets, and airports. New tipping practices account for a multi-billion-dollar market, generating significant press and media attention, however, they have yet to receive much attention from the consumer behavior field.

In a working paper with Priya Raghuram, which is currently being prepared for submission to the *Journal of Marketing Research*, we explore **The Effect of Default Choice Alternatives on Consumers’ Voluntary Payments**. Across field and lab experiments and secondary data, we show that when payment options are presented as U.S. dollars [i.e., \$1.00, \$2.00, \$3.00], consumers are more likely to tip higher amounts than when the same amounts are presented as percentages [i.e., 15%, 20%, 25%]. This is particularly true in scenarios with total bills for lower amounts. This paper further shows that tipping options displayed with open-ended formatting lead to the highest amount of tips by consumers, especially for lower total bills. Our findings contradict the often-circulated assertion in the press and media that nudging default tip options often bullies consumers into tipping higher amounts than they may have otherwise intended. The choice architecture used in tipping systems not only serves the purpose to record the tip amount decision, but also

sets norms for what is acceptable. This finding makes a contribution to the survey methods, choice architecture, and participative pricing literatures.

In my job market paper, which is currently being prepared for submission to the *Journal of Consumer Behavior*, Priya Raghubir and I explore ***The Effect of an Explicit Zero Tip Option in a Choice Set*** on consumers' likelihood to tip and on tip amount. Specifically, we test how the manner in which the opt-out default options is displayed, in the choice architecture of tip options, affects consumers' generosity. We find that the presence of a numeric zero-tip option (i.e., "0%") has a unique and positive effect on consumers' tip payment decisions when compared to a more standard opt-out option commonly used in most markets (i.e., "no tip"). We find both in the field and in the lab, that compared to "no tip," when presented with a "0%" tip option, consumers are less likely to choose it, and instead choose one of the higher tip options in the set. The effect is stronger for those with greater self-image concerns, indicating that the zero option nudges consumers towards greater generosity. These results have theoretical implications for the choice architecture, prosocial behavior, behavioral pricing, and numerical cognition literatures, and has practical implications for businesses in the service industry.

In a working paper with Dafna Goor, Alix Barasch, and Vicki Morwitz, we explore ***Using Tainted Money to Mitigate Overhead Aversion***. Tainted donations have received large media coverage in the past few years as charities were forced to return money donated from sullied sources (i.e., Harvey Weinstein, the Sackler Family, those involved in the college admission bribery scandal). In this research, we posit and find that donors prefer charities that allocate money received from tainted donors to overhead expenses versus program expenses. Charities that communicate this allocation strategy receive more donations and are able to overcome donor overhead aversion (i.e., the common problem that donors avoid charities with relatively large overhead expense proportions, even as many experts argue that most charities do not spend enough on overhead to run efficiently). These findings show that money that is considered tainted can still be used for good causes without adverse perceptual consequences by the public. Our findings also present a novel way to alleviate overhead aversion. This research has theoretical implications for the literature on the psychology of prosocial behavior and managerial implications for nonprofits aiming to overcome "overhead aversion."

Additional Ongoing Research

I have several other research projects, outside of my work on voluntary payments, that I describe next. Specifically, I am currently working on research that investigates perception of humanness in written communication, and another project examining the effects of the time of the day on consumers' behaviors. I also examine the effects of scarcity on consumers' substitute decisions and goal driven behavior.

In a working paper with Xuan Zhao, Alixandra Barasch, and Juliana Schroeder, which is being prepared for submission to the *Journal of Marketing*, we examine ***How (Corrected) Errors Humanize a Communicator***. This research suggests a novel way to humanize writers through typographical errors ("typos"). We find that communicators (either programmed chatbots or real humans) who make and subsequently correct a typo, rather than making no typo or not correcting a typo, appear more humanlike, and, as a result, are viewed more favorably. This also leads to a more favorable perception of the company. This research has implications for the literatures on humanization and artificial intelligence, and practical implications for Internet privacy and for building trust in organizations. The stimuli used were coded chat programs (JAVA, HTML, and CSS, which can be embedded in Qualtrics) which I wrote specifically for this research. The knowledge I used in creating this code can be used to create new conversational programs in my ongoing research.

In a working paper with Jacob Goldenberg and Moshik Miller, we explore ***The Effect of within the Hour Time Landmarks on Consumers' Motivation, Effort, and Purchase Behavior***. Time pervades every aspect of human behavior. Relatively little systematic thought or empirical research seems to have been devoted to examining the role of objective time – in our case, specifically just when an hour is about to end or begin – on consumers' behaviors and intentions. Across a series of lab experiments, we show that people tend to exert more effort and, thus, succeed more on a given task when they start the task prior to an hour change (i.e., between minutes :55 to :59) compared to when they start after the hour has already changed (i.e., between minutes :00 to :05). We show that the notion that an hour is just about to change changes people's behaviors and consumption decisions. The effect occurs both when participants are aware of the actual time (standard clock) while performing the task and when they were unaware. Using secondary data we show similar effects on actual purchase behavior: consumers make significantly more purchase decisions when an hour is changing compared to any other time periods across the hour. We propose and aim to show that the reason for this effect is that consumers are more interested in engaging in important activities when a new hour starts.

In a working paper with Yaacov Trope, we explore ***The Effect of Construal Level on Consumers' Substitute Decisions***. In this paper, we demonstrate that individuals' mindsets affects their substitute decisions as a function of goal adherence. Research on how consumers react when a desired product is out-of-stock items is not new, however, the results from this research became much more relevant in light of the COVID-19 pandemic. In the first few months of the pandemic, many products were out of stock, leading customers to consider their preferences for substitute products. We show that consumers who hold low [vs. high]-construal level mindsets tend to choose random substitutes, either from the same category of the initial choice or from a different product category. Those in a high-level mindset tend to stick to the initial category. We propose that this effect occurs due to greater attention given to the higher goal within those who adopt higher construal level mindsets. The results have implications for the literatures on scarcity, goal maintenance, and construal level. Our results also have managerial implications for product assortment decisions

Concluding Remarks and Future Direction

The new world of emerging market trends combined with extensive transparent media coverage provides endless opportunities for new research. My research provides novel investigations into consumer's voluntary spending decisions in both the non-profit (charitable donations) as well as the for-profit sectors (tips). I continue to be fascinated by how consumers perceive and react to new marketing trends and the implications of this research for helping businesses, consumers, and charities thrive. To gain a deeper understanding of the marketplace and consumers' decisions, I have been using a multi-method approach in the lab and in the field, working with actual consumers. I have worked and shared data with business owners, who appreciate this timely research and who express great interest in the findings. I intend to stay committed to exploring under-researched areas in the marketplace involving contextual factors that may counterintuitively affect consumers' decisions. The Figure below depicts provides an overview of my research on voluntary payments which going forward I plan to merge to a conceptual model.

