



CURRENT RESEARCH TOPICS IN MARKETING

Professor Joel Steckel

Fall 2014

You may have come across any or all of the following statements in previous marketing classes:

- First movers have advantages in the marketplace;
- Many consumers are more responsive to a higher price followed by discounts than they are to an equivalent lower price;
- Click through rates are bad measures of the effect of online advertising.

These statements were not always common wisdom. Prior to appearing in textbooks, they were results that emerged from academic research.

Academic research journals that chronicle the research that professors do and are the original source for findings, methodologies, and theories that eventually become common wisdom. In this course, we will study some of the articles that have appeared in these journals in recent years. These contain the findings and theories that the next generation will find in their textbooks. We will study these articles with an eye towards seeing which findings have the potential to eventually become common wisdom.

After this course, the student will

1. Be aware of a set of findings that the general student population is not yet aware of;
2. Become familiar with the research process and scientific method. This will prove advantageous in any problem solving activity; and
3. Have the opportunity to investigate in depth a marketing topic that has intrigued them.

The articles we will study focus on topics that are of current commercial interest. These topics will include some or all of the following:

- The value of a customer
- The value of a brand
- The relationship between the stock market and marketing activity
- The impact of clicks on brick and mortar sales
- The impact of scandal on product markets (e.g. Tiger Woods)
- Influencing consumer food choices
- The impact of online advertising on consumer behavior
- Marketing in times of economic volatility, and

- Others.

The class will meet twice a week in a regular seventy-five minute time slot. Each class will discuss 2 or 3 articles. We will focus on the interest and importance of the research idea in each article, the approach used to address the idea, potential limitations of the work, and possible extensions of it.

Students will be expected to have some basic familiarity with quantitative skills acquired in two semesters of Calculus and two semesters of Statistics. In particular, students will be expected to be acquainted with functions (univariate and multivariate), transcendental functions (e and ln), differentiation and integration, basic probability, conditional probability, hypothesis testing, and multiple regression. When quantitative concepts beyond these are required, the instructor will set the stage in the class prior to that in which the article will be discussed.

There will be no exams. Students will be expected to participate actively in class discussions. They will submit two article critiques throughout the semester. In lieu of a final exam, students will be required to draft a research proposal. It is an ideal course for those interested in SPUR activities.

Is this course for you? Only you can tell. The following pages include a preliminary reading list organized by topic area. The best way to determine whether this course is good for you is to examine a few of the articles below and see if reading and discussing them is appealing.

I hope to see you in the class.

THE VALUE OF CUSTOMERS

Gupta, Sunil, Donald R. Lehmann, and Jennifer A. Stuart (2004), "Valuing Customers," Journal of Marketing Research, 41 (February), 7-18.

Gupta, Sunil, Dominique M. Hanssens, Bruce Hardie, William Kahn, V. Kumar, Nathaniel Lin, et al, (2006) "Modeling Customer Lifetime Value," Journal of Service Research, 9 (2), 139-155.

Libai, Barak, Eitan Muller, and Renana Peres (2009), "The Diffusion of Services," Journal of Marketing Research, 46 (April), 163-175.

Kumar, V. and Denish Shah (2009), "Expanding the Role of Marketing: From Customer Equity to Marketing Capitalization," Journal of Marketing, 73 (November), 119-136.

Schultze, Christian, Bernd Skiera & Thorsten Wiesel (2012), "Linking Customer and Financial Metrics to Shareholder Value: The Leverage Effect in Customer-Based Valuation," Journal of Marketing, 76 (March), 17-32.

THE MARKETING IMPLICATIONS OF WORD OF MOUTH AND USER GENERATED CONTENT

Godes, David and Dina Mayzlin (2004), "Using Online Conversations to Study Word of Mouth Communication," Marketing Science, 23 (4), 545-560.

Van der Lans, Gerrit van Bruggen, Jehoshua Eliashberg, and Berend Wierenga (2010), "A Viral Branching Model for Predicting the Speed of Electronic Word of Mouth," Marketing Science, 29 (March-April), 348-365.

Berger, Jonah and Eric M. Schwartz (2011), "What Drives Immediate and Ongoing Word of Mouth?" Journal of Marketing Research, 48 (October), 869-80.

Krishnan, Trischy V., P.B. "Seethu" Seetharaman, and Demitrios Vakratsas (2012), "The Multiple Roles of Interpersonal Communication in New Product Growth," International Journal of Research in Marketing, Vol. 29 (3), 292-305.

Ludwig, Stephan, Ko de Ruyter, Mike Friedman, Elizabeth C. Bruggen, Martin Wetzels, & Gerard Pfann (2013), "More Than Words: The Influence of Affective Content and Linguistic Style Matches in Online Reviews on Conversion Rates," Journal of Marketing, 77 (January), 87-103.

Libai, Barak, Eitan Mueller, and Renana Peres (2013), "Decomposing the Value of Word-of-Mouth Seeding Programs: Acceleration Versus Expansion," Journal of Marketing Research, Vol. 50 (April), 161-176.

Thompson, Debora V. & Prashant Malaviya (2013), "Consumer-Generated Ads: Does Awareness of Advertising Co-Creation Help or Hurt Persuasion?," Journal of Marketing, 77 (May), 33-47.

Lovett, Mitchell J., Renana Peres, and Ron Schachar (2013), "On Brands and Word of Mouth," Journal of Marketing Research, 50 (August), 427-44.

Ho-Dac, Nga N., Stephen J. Carson, & William L. Moore (2013), "The Effects of Positive and Negative Online Customer Reviews: Do Brand Strength and Category Maturity Matter?," Journal of Marketing, 77 (November), 37-53.

Schulze, Christian, Lisa Scholer, and Bernd Skiera (2014), "Not All Fun and Games: Viral Marketing for Utilitarian Products," Journal of Marketing, 78 (January), 1-19.

BRAND EQUITY AND ITS IMPACT ON MARKETING

Keller, Kevin L. (1993), "Conceptualizing, Measuring, and Managing Customer Based Brand Equity," Journal of Marketing, 57 (January), 1-22.

Ailawadi, Kusum, Donald Lehmann, and Scott Neslin (2003), "Revenue Premium as an Outcome Measure of Brand Equity," Journal of Marketing, 67 (October), 1-17.

Madden, Thomas J., Frank Fehle, and Susan Fournier (2006), "Brands Matter: An Empirical Demonstration of the Creation of Shareholder Value Through Branding," Journal of the Academy of Marketing Science, 34 (2) 224-35.

Slotegraaf, Rebecca J. and Koen Pauwels (2008), "The Impact of Brand Equity and Innovation on the Long Term Effectiveness of Promotions," Journal of Marketing Research, 45 (June), 293-306.

Stahl, Florian, Mark Heitmann, Donald R. Lehmann, and Scott A. Neslin (2012), "The Impact of Brand Equity on Customer Acquisition, Retention, and Profit Margin," Journal of Marketing, 76 (July), 44-63.

ONLINE ADVERTISING

Ghose, Anindya and Sha Yang (2009), "An Empirical Analysis of Search Engine Advertising: Sponsored Search in Electronic Markets," Management Science, Vol 55 (October), 1605-22.

Godes, David, and Dina Mayzlin (2009), "Firm Created Word-of-Mouth Communication: Evidence from A Field Test," Marketing Science, Volume 28 (4), 721-39.

Tucker, Catherine and Juanjuan Zhang (2010), "Growing Two-Sided Networks by Advertising the User Base: A Field Experiment," Marketing Science, 29 (September-October), 805-814.

Goldfarb, Avi and Catherine Tucker (2011), "Search Engine Advertising: Channel Substitution When Pricing Ads to Context," Volume 57 (March), 458-70.

Goldfarb, Avi and Catherine Tucker (2011), "Online Display Advertising: Targeting and Obtrusiveness," Marketing Science, Volume 30 (3), 389-404.

Rutz, Oliver J., Michael Trusov and Randolph E. Bucklin (2011), "Modeling Indirect Effects of Paid Search Advertising: Which Keywords Lead to More Future Visits?," Marketing Science, 30(4), 646-665.

Rutz and Randolph E. Bucklin, (2011), "From Generic to Branded: A Model of Spillover in Paid Search Advertising," Journal of Marketing Research, Volume 48 (1), 87-102.

Schumann, Jan H., Florian von Wangenheim, & Nicole Greene (2014), "Targeted Online Advertising: Using Reciprocity Appeals to Increase Acceptance Among Users of Free Web Services," Journal of Marketing, 78 (January), 59-75.

Urban, Glen L. Guilherme Liberali, Erin MacDonald, Robert Bordley, and John R. Hauser (2014), "Morphing Banner Advertising," Marketing Science, 33 (January-February), 27-46.

MULTICHANNEL MARKETS

Biyalagorsky, Eyal and Prasad Naik (2003), "Clicks and Mortar: The Effect of Online Activities on Offline Sales," Marketing Letters, Volume 14 (1), 21-32.

Thomas, Jacqueline S. and Ursula Y. Sullivan (2005), "Managing Marketing Communications with Multichannel Customers," Journal of Marketing, Volume 69 (October), 239-51.

Forman, Chris, Anindya Ghose, and Avi Goldfarb (2009), "Competition Between Local and Electronic Markets: How the Benefit of Buying Online Depends on Where You Live," Management Science, Volume 55 (January), 47-57.

Kwon, Wi-Suk and Sharron J. Lennon (2009), "Reciprocal Effects Between Multichannel Retailers' Offline and Online Brand Images," Journal of Retailing, Volume 85 (3), 376-90.

Danaher, Brett, Samita Dhanasobbon, Michael D. Smith, and Rahul Tetang (2010), "Converting Pirates Without Cannibalizing Purchasers: The Impact of Digital Distribution on Physical Sales and Internet Piracy," Marketing Science, 29 (November-December), 1138-51.

Avery, Jill, Thomas J. Steenburgh, John Deighton, & Mary Caravella (2012), "Adding Bricks to Clicks: Predicting the Patterns of Cross Elasticities Over Time," Journal of Marketing, 76 (May), 96-111.

SHOPPER MARKETING

Dickson, Peter R. and Alan G. Sawyer (1990), "The Price Knowledge and Search of Supermarket Shoppers," Journal of Marketing, 54 (July), 42-53.

Dhar, Ravi, Joel Huber, and Uzma Kahn (2007), "The Shopping Momentum Effect," Journal of Marketing Research, 370-378.

Hui, Sam K., J. Jeffrey Inman, Yanliu Huang, and Jacob Suher (2013), "The Effect of In-Store Travel Distance on Unplanned Spending: Applications to Mobile Promotion Strategies," Journal of Marketing, 77 (March), 1-16.

Van Ittersum, Brian Wansink, Joost M.E. Pennings, and Daniel Sheehan (2013), "Smart Shopping Carts: How Real-Time Feedback Influences Spending," Journal of Marketing, 77 (November), 21-36.

INFLUENCING CONSUMER FOOD CHOICES

Wansink, Brian and Pierre Chandon (2006), "Can 'Low-Fat' Nutrition Labels Lead to Obesity?," Journal of Marketing Research, 43 (November), 605-617.

Bublitz, Melissa G., Laura A. Peracchio, and Lauren G. Block (2010), "Why Did I Eat That? Perspectives on Food Decision Making and Dietary Restraint," Journal of Consumer Psychology, Vol. 20 (3), 239-258.

Dobson, Paul W. and Eitan Gerstner (2010), "For a Few Cents More Why Supersize Unhealthy Food?," Marketing Science, 29 (July-August), 770-8.

Raju, Sekar, Priyali Rajagopal, & Timothy J. Gilbride (2010), "Marketing Healthful Eating to Children: The Effectiveness of Incentives, Pledges, and Competitions," Journal of Marketing, 74 (May), 93-106.

Van Ittersum, Koert, Joost M.E. Pennings & Brian Wansink (2010), "Trying Harder and Doing Worse: How Grocery Shoppers Track In-Store Spending," Journal of Marketing, 74 (March), 90-104.

Chernev, Alexander (2011), "The Dieter's Paradox," Journal of Consumer Psychology, Vol. 21 (2), 178-83.

Dhar, Tirha and Kathy Boylis (2011), "Fast Food Consumption and the Ban on Advertising Targeting Children: The Quebec Experience," Journal of Marketing Research, Vol. 48 (October), 799-813.

Argo, Jennifer J. and Katherine White (2012), "When Do Consumers Eat More? The Role of Appearance Self-Esteem and Food Packaging Cues," Journal of Marketing, 76 (March), 67-80.

Talukadar, Debabrata & Charles Lindsey (2013), "To Buy or Not to Buy: Consumers' Demand Response Patterns for Healthy vs. Unhealthy Food," Journal of Marketing, 77 (March), 101-121.

Ma, Yu, Kusum L. Ailawadi, & Dhruv Grewal (2013), "Drivers of Healthful Food Intake and the Impact of Diabetes Diagnosis," Journal of Marketing, 77 (May), 124-138.

THE RELATIONSHIP BETWEEN MARKETING AND FINANCE

Markovich, Dmitri, Joel Steckel, and Bernard Yeung (2005), "Using Capital Markets as Market Intelligence: Evidence from the Pharmaceutical Industry," Management Science, October.

McAlister, Leigh, Raji Srinivasan and MinChung Kim (2007), "Advertising, Research and Development, and Systematic Risk of the Firm," Journal of Marketing, 71 (January), 35-48.

Kumar, V. and Denish Shah (2009), "Expanding the Role of Marketing: From Customer Equity to Market Capitalization," Journal of Marketing, 73 (November), 119-36.

Krasnikov, Alexander, Saurabh Mishra, and David Orozco (2009), "Evaluating the Financial Impact of Branding Using Trademarks: A Framework and Empirical Evidence," Journal of Marketing, 73 (November), 154-66.

Joshi, Amit and Dominique M. Hanssens (2010), "The Direct and Indirect Effects of Advertising Spending on Firm Value," Journal of Marketing, 74 (January), 20-33.

Wiles, Michael A., Shailendra P. Jain, Saurabh Misra, and Charles Lindey (2010), "Stock Market Response to Regulatory Reports of Deceptive Advertising: The Moderating Effect of Omission Bias and Firm Reputation," Marketing Science, 29 (September-October), 828-845.

Luo, Xuening, Christian Homburg, and Jan Wieseke (2010), "Customer Satisfaction, Analyst Stock Recommendations, and Firm Value," Journal of Marketing Research, 47 (December), 1041-1058.

Kim, MinChung & Leigh McAlister, "Stock Market Reaction to Unexpected Growth in Marketing Expenditure: Negative for Sales Force, Contingent on Spending Level for Advertising," Journal of Marketing, 75 (July), 68-85.

Rao, Ramesh K.S. and Neeraj Bhardwaj (2008), "Marketing Initiatives, Expected Cash Flows, and Shareholders' Wealth," Journal of Marketing, 72 (January), 16-26.

Markovich, Dmitri and Joel Steckel (2012), "Do Initial Stock Price Reactions Provide a Good Measurement Stick for Marketing Strategies? The Case of Major New Product Introductions in the US," European Journal of Marketing, Vol. 46, Iss. 3, 2012, 406-421.

Kurt, Didem and John Hulland (2013), "Aggressive Marketing Strategy Following Equity Offerings and Firm Value: The Role of Relative Strategic Flexibility," Journal of Marketing, 77 (September), 57-75.

CELEBRITY ENDORSERS & SCANDALS

Agarwal, Jagdish & Wagner A. Kamakura (1995), "The Economic Worth of Celebrity Endorsers: An Event Study Analysis," Journal of Marketing, 59 (July), 56-62.

Louie, Therese A., Robert L. Kulik, and Robert Jacobson (2001), "When Bad Things Happen to the Endorsers of Good Products," Marketing Letters, 12(1), 13-23.

Berger, Jonah, Alan T. Sorensen, and Scott J. Rasmussen (2010), "Positive Effects of Negative Publicity: When Negative Reviews Increase Sales," Marketing Science, 29 (September-October), 815-827.

Ding, Haina, Alexander E. Molchanov (2011), "The Value of Celebrity Endorsements: A Stock Market Perspective," Marketing Letters, 22(2), 147-63.

Knittel, Christopher R. and Victor Stango (2013), "Celebrity Endorsements, Firm Value, and Reputation Risk: Evidence from the Tiger Woods Scandal," Management Science, Forthcoming.

Chung, Kevin YC, Timothy P. Derdenger, and Kannan Srinivasan (2013), "Economic Value of Celebrity Endorsements: Tiger Woods' Impact on Sale of Nike Golf Balls," Marketing Science, 32 (March-April), 271-293.

MARKETING IN TIMES OF ECONOMIC VOLATILITY

Srinivasan, Raji, Arvind Rangaswamy, and Gary L. Lilien (2005), "Turning Adversity into Advantage: Does Proactive Marketing During a Recession Pay Off?," International Journal of Research in Marketing, Vol. 22 (2), 109-25.

Lamey, Lien, Barbara Deleersnyder, Marnik G. Dekimpe, and Jan-Benedict E.M. Steenkamp (2007), "How Business Cycles Contribute to Private-Label Success: Evidence from the United States and Europe," Journal of Marketing, Vol. 71 (January), 1-15.

Deleersnyder, Barbara, Marnik G. Dekimpe, Jan-Benedict E.M. Steenkamp, and Peter S.H. Leeftang (2009), "The Role of National Culture in Advertising's Sensitivity to Business Cycles: An Investigation Across Categories," Journal of Marketing Research, Vol. 46 (October), 623-36.

Ma, Yu, Kasum L. Ailawadi, Dinesh K. Gauri, and Dhruv Grewal (2011), "An Empirical Investigation of the Impact of Gasoline Prices on Grocery Shopping Behavior," Journal of Marketing, Vol. 75 (March), 18-35.

Steenkamp, J-Benedict E.M. and Eric Fang (2011), "The Impact of Economic Contractions on the Effectiveness of R&D and Advertising: Evidence from U.S. Companies Spanning Three Decades," Marketing Science, Vol. 30 (4), 628-45.

Millet, Kobe, Lien Lamey, and Bram Van den Bergh (2012), "Avoiding Negative vs. Achieving Positive Outcomes in Hard and Prosperous Economic Times," Organizational Behavior and Human Decision Processes, Vol. 117 (2), 275-84.

Kamakura, Wagner and Rex Du (2012), "How Economic Contractions and Expansions Affect Expenditure Patterns," Journal of Consumer Research, Vol 39(2), 229-47.

Lamey, Lien, Barbara Deleersnyder, J.B. Steenkamp, and Marnik G. Dekimpe (2012), "The Effect of Business Cycle Fluctuations on Private-Label Share: What Has Marketing Conduct Got to Do With It?," Journal of Marketing, Vol. 76 (January), 1-19.

Gordon, Brett R., Avi Goldfarb, and Yang Li (2013), "Does Price Elasticity Vary with Economic Growth?: A Cross-Category Analysis," Journal of Marketing Research, Vol. 50 (February), 4-23.

Van Heerde, Harold J, Maarten J. Gigsenberg, Marnik G. Dekimpe, and Jan-Benedict E.M. Steenkamp (2013), "Price and Advertising Effectiveness over the Business Cycle," Journal of Marketing Research, Vol. 50 (April), 177-93.

Ozturan, Peren, Aysegul Ozsomer, and Rik Peters (2014), "The Role of Market Orientation in Advertising Spending During Economic Collapse: The Case of Turkey in 2001," Journal of Marketing Research, Vol. 51 (April), 139-52.