The Graduate Field Committee in Decision Science is dedicated to encouraging intellectual exchange among academic fields and disciplines. The committee is co-chaired by Michael Dougherty, Professor of Psychology and Director of the Decision, Attention, and Memory Lab, and Rebecca Ratner, Professor of Marketing and Assistant Dean of Academic Affairs in the Smith School.

On May 2, 2015, the committee hosted the Decision Science Symposium. Three prominent researchers were invited to present their work. Jennifer Lerner, the first speaker of the event, is a Professor of Public Policy and Management at Harvard Kennedy School and Co-founder of the Harvard Decision Science Laboratory. Jennifer led a captivating discussion on the revolution in the science of emotion and decision making. Uri Simonsohn, an Associate Professor of Operations and Information Management at the University of Pennsylvania, and Associate Editor of Management Science and the International Journal of Research Marketing, presented his research on “False Positive Economics,” which investigates simple solutions to the selective reporting of economics research. John Lynch, Ted Anderson Professor of Free Enterprise at the Leeds School of Business and Director of the Center for Research on Consumer Financial Decision making, presented his research on “Resource Slack: A Theory of Perceived Supply and Demand.”

The event concluded with lunch and an panel discussion with the speakers. Attendees were able to ask follow up questions about the presentations. Ph.D. students in multiple departments also received valuable career and research advice from the panel.

The Smith Behavioral Lab at the Robert H. Smith School of Business provides faculty and Ph.D. students with resources to conduct experimental research on human behavior. For more information visit www.rhs smith.umd. edu/behavioralab or contact participate@rsmith.umd. edu.

Smith Behavioral Lab: A Vital Resource for M&O Research

by Bradford Baker, Ph.D. Student, M&O

The Smith Behavioral Lab has been a phenomenal and critical resource for me and my colleagues in the Management and Organization (M&O) Department. In my first two years at Maryland, I ran four different lab studies for two separate projects and it feels like the behavioral lab has almost become a second home considering how much time is spent there.

The first two studies were related to a project looking at when supervisor monitoring would prevent employees (i.e. students in the session) from engaging in counterproductive work behaviors (such as not sharing important information) and when monitoring would, ironically, cause them to engage in that same behavior. The study found that when a supervisor monitors inputs (versus just outcomes) and is pro-team (versus pro-self) oriented, employees engaged in less counterproductive behaviors. The second set of studies looked at the likelihood of people supporting nepotism within an organization and the role that the power of the endorser and the perceived motives of the hiring manager had on the likelihood to accept an endorsement (i.e. engaging in nepotism). We found that when the person making the endorsement has high (versus low) power, people perceive the decision making (i.e. a hiring manager) to be more self-interested and this led to a reduced likelihood to support a candidate being hired by fellow employees (i.e. students). Each of those studies have played a tantamount role in helping to move my overall research pipeline forward. Though participation is never 100%, I am continually impressed by the turn out.

It is necessary to understand causality and the mechanisms that influence and lead to our outcomes of interest. Though observational and correlational studies have their place and are important, the ability to explore causality is necessary for our field to advance – which the lab directly allows us to address. The behavioral lab is a vital resource to the Smith School and will continue to serve as a critical enabler in advancing behavioral research.

By the Numbers

During the 2014 calendar year...

6,800+ Participant hours were spent in all lab sessions for Mktg and M&O courses.

102 Academic research studies were conducted in the behavioral lab.

Since the lab opened in 2003...

62 Academic papers have been published based on research conducted in the lab.

www.rhs smith.umd.edu/behavioralab/journalsrticles.aspx
New Research: Contagious Effects of Customer Misbehavior in Access-Based Services

by Rosellina Ferraro, Associate Professor, Marketing

Service firms often face instances of customer misbehavior (e.g., vandalism, shoplifting). The consequences of such misbehavior range from recovery costs to deterioration of other customers’ satisfaction. Dr. Rosellina Ferraro, Associate Professor of Marketing, along with Drs. Tobias Schaefers, Kristina Wittkowski, and Sabine Moeller, examines another negative consequence—the possibility that misbehavior is contagious.

Their research focuses on the context of access-based services, which allow customers to access a good for a defined period of time in return for an access fee (e.g., car sharing, fashion rentals). These services may be more prone to customer misbehavior. Because customers commonly use the product in the absence of the service provider, there is a higher likelihood of “indirect customer misbehavior”, which is misbehavior directed at the product and occurs without others being present. Moreover, in several business models the product passes directly from one customer to the next, which makes it difficult for providers to detect and eliminate signs of previous misbehavior and may lead to contagious effects.

The authors find that encountering misbehavior is indeed contagious. This effect is explained by customers’ perception that misbehavior is the social norm. Moreover, the research shows that the brand of the accessed product and the anonymity of its owner affect the level of contagion. Contagion is lower when the accessed product is of a strong brand and when the owner is an identified individual compared to an impersonal service provider. Moreover, the authors identify a reversal of the contagious effect based on communal identification among customers. Among customers high in communal identification, encountering previous customers’ misbehavior encourages them to eliminate the signs of misbehavior.

The findings have important managerial implications. Generally speaking, managers should be aware of the contagious effect of customer misbehavior. The research suggests three approaches to reduce misbehavior contagion that can be implemented without complex processes or infrastructure. First, companies should understand that the accessed product serves as an enduring signal, such that a strong brand can be used to reduce misbehavior contagion. To continuously achieve this, however, regular investments in brand building are required. Second, managers should decrease the anonymity between the firm and its customers by creating more personal customer relationships, for instance, by featuring employees in virtual customer contacts. Third, service providers should work to build a sense of brand community among customers. Communal identification reverses misbehavior contagion. Thus, giving customers the feeling that they are part of a community should be of high priority for access-based service providers. Overall, the present research provides the first empirical evidence for misbehavior contagion in access-based services and suggests a set of mechanisms that managers can use to address this contagion.

Smith Behavioral Lab GA Reflects on Marketing Research Experience

by Yuri Rattanachaitavorn

I have been working at the Smith Behavioral Lab as a Graduate Assistant in the 2015-2016 school year. It was a very eye-opening experience since I am an MBA student who is focusing in Finance. But why was I interested in working as a Graduate Assistant in the marketing department? Here are my reasons.

In the marketing field, I am most interested in consumer behavior. Before beginning the MBA program, I read several articles related to the psychological processes operating on decision making. For example, when a person plans to buy stocks, they may have attention bias towards good news about a particular company or firm. Given the nature of the corporate finance field, this type of psychological influence can impact my job. So understanding consumer behavior would be beneficial for my future.

I envision myself as a well-rounded manager in business. Personally, I have experience in finance, accounting, data analysis, but little in marketing. To fulfill my lack of marketing experience, I chose to participate in many MBA marketing workshops, enrolled in some marketing classes, and work as The Lab Graduate Assistant. I had a chance to experience first-hand how to use the Behavioral Lab’s eye-tracking equipment and software. I had hands-on experience of how marketers conduct research examining people’s behavior. I also observed how PhD students and faculty discuss and brainstorm about their research projects. I am sure I can apply my new found knowledge to my future career.

In the past, I had to work with marketers to determine the financial feasibility for a new product or service. Many times it was a challenge using my limited marketing knowledge to come up with the solutions that would best benefit both financial and marketing aspects of the business. To have insight in both finance and consumer behavior would improve my recommendations to management and the board of directors.

Don’t limit yourself to just one field. Be a well-rounded Terp!