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Turning Purpose into Profit

Strategies from Industry Leaders

BY LEONARD L. BERRY, TRACEY S. DANAHER, TIMOTHY KEININGHAM, LERZAN AKSOY, AND TOR W. ANDREASSEN

The groundbreaking Rise Ahead Pledge commitment that emerged following the 2024 Davos Annual Meeting saw leading companies vow to invest in enterprises primarily focused on societal well-being. This initiative aims to raise $1.1 trillion to build a more sustainable, equitable world.

In a new *Journal of Marketing* study, we explore similar transformative strategies, offering insights into how organizations can significantly enhance the common good through a social profit orientation.

Addressing the complex problems of the world—climate change, poverty, hunger, human rights, pandemics, wars, education, and more—requires business involvement. The field of services marketing, guided by the transformative service research agenda, can play a crucial role in helping executives develop service-specific solutions to these challenges.

The Benefits of a Social Profit Orientation

Organizations with a social profit orientation integrate the creation of sustainable, positive social and environmental impacts into their core mission. This approach goes beyond traditional corporate social responsibility by embedding social goals directly into business strategies, creating sustained societal impact alongside business growth.

We find that organizations adopting this orientation not only contribute positively to society but also achieve competitive advantages, including enhanced reputation, becoming an employer of choice, and driving innovation.

Our study is based on 62 in-depth interviews with leaders from 21 diverse for-profit and non-profit organizations globally. These organizations demonstrate how integrating social profit goals into business operations can align business success with social progress. Practical examples from these enterprises offer valuable guidance to others seeking to invest in societal well-being.

From reducing carbon footprints to enhancing healthcare accessibility and promoting financial inclusion, these organizations are setting industry benchmarks. Some have developed products that are both profitable and socially beneficial, while others have transformed their supply chains to be more sustainable and ethical. This dual focus on profitability and social impact is proving to be a powerful strategy for business sustainability and societal enhancement.

This alignment not only attracts top talent motivated by purpose but also helps retain them, driven by the
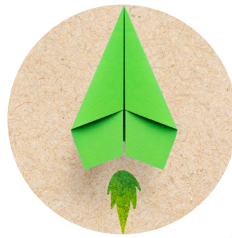
meaningful work they are engaged in. Externally, this orientation strengthens customer and stakeholder relationships, as more consumers engage with brands that demonstrate genuine concern for societal issues.

Recommendations for Chief Marketing Officers

Our study offers lessons for CMOs and other organizational leaders:

- **Performance metrics must balance financial and nonfinancial goals, and short-term and long-term outcomes.** Metrics such as employee satisfaction, turnover, customer experience, product and service quality, vendor relations, carbon footprint, and the impact of social initiatives should factor into leadership compensation.

- **We developed a decision tree to guide leaders in identifying social initiatives with the greatest potential.** Key questions include:
    1. Is the initiative directed toward an important, underserved social need?
    2. Does it create synergy with the organization's broader mission?
    3. Will it bolster primary operations and goals?
    4. Will it strengthen or create new stakeholder relationships?
    5. Is it scalable?
    6. Is its impact measurable?

- **Managers should link initiatives to a "theory of change" and document how they impact beneficiaries.** Frameworks such as ESG (Environmental, Social, and Governance) and the UN Sustainable Development Goals can guide managers

Organizations that adopt a social profit orientation not only contribute positively to society but also achieve competitive advantages, including enhanced reputation, becoming an employer of choice, and driving innovation.

in assessing the societal and environmental impact of social initiatives.

- **Hiring employees whose personal values align with the organization's mission is more likely to result in deeply engaged, motivated, and passionate workers.**

- **Clearly conveying the organization's purpose and commitment through storytelling and other communications enhances internal and external stakeholder engagement.** Monitoring stakeholder sentiment allows for timely corrective action when needed.

- **Prize the developing of stakeholder trust and collaboration.** Creating social profit requires the pooling of talents and judicious sharing of resources.

Our research suggests that organizations across all sectors should consider realigning their strategies to support broader societal goals. We urge leaders to evaluate their operations and strategies to incorporate social profit goals, driving not just economic but also social progress. This approach will help bridge global inequalities and create more resilient and innovative organizations. **MN**.

The Transformative Role of Marketing in Driving Social Change

BY LERZAN AKSOY, LEONARD BERRY, AND TIMOTHY KEININGHAM

Research consistently shows that both consumers and other stakeholders believe companies must play a significant role in addressing systemic societal and environmental issues. A recent PwC study found that 83% of consumers expect businesses to actively shape best practices in areas like sustainability and social responsibility, and 76% of consumers say they will stop supporting companies that fail to meet these expectations. At the same time, however, many—if not most— shareholders remain focused solely on maximizing profits. How can companies balance these seemingly competing priorities?

The answer lies in rethinking marketing's role in society. Marketing— services marketing in particular, which began with a focus on the marketing of intangible services—has recognized the need for an additional imperative: guiding managers in serving society. This evolution reframes marketing's potential, positioning it as a strategic force for helping to address some of the world's most pressing challenges. By embracing this role, marketing can help businesses generate both societal value and sustainable profits.

Importantly, all organizations— professional services, retailers,
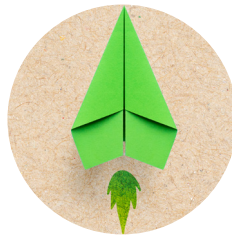
manufacturers, and others—are service organizations to some degree. Whether they offer services exclusively or provide both goods and services, services now dominate economic output, add value, and contribute to employment in both developed and developing economies. Even manufacturers are increasingly offering services to complement the sale of goods, underscoring the reality that all organizations play a role in the service economy.

Moving Beyond Traditional Corporate Social Responsibility

For decades, corporate social responsibility (CSR) has been the primary way businesses give back to society. CSR initiatives are often well-intentioned but typically operate separately from the core business functions. Many CSR programs are viewed as external efforts, disconnected from what companies fundamentally do to create value.

However, today's challenges require more than the traditional CSR approach. Many consumers and other stakeholders demand greater accountability and integration of social impact into a company's central strategy. Enter social profit orientation (SPO)—a cultural imperative that moves beyond isolated acts of goodwill and weaves social impact directly into the company's mission. SPO shifts the focus to proactively making societal benefits a core element of business operations.

In a recent *Journal of Marketing* article, we examined how companies can adopt SPO to make social impact an integral part of their operations, ensuring that societal contributions move beyond peripheral initiatives to become central to business strategy.

This transition reframes the question: How can companies address social and environmental challenges without sacrificing profitability? The answer, as SPO demonstrates, is by embedding purpose into their business DNA, leading to long-term sustainable value creation that benefits both society and shareholders.

The Role of Services Marketing in Social Profit Orientation

By nature, services marketing is boundary-spanning—it requires deep integration across functions like operations, human resources, and management. This integration facilitates marketing professionals connecting various business functions in service of a larger purpose.

In SPO, services marketing plays a critical role in aligning a company's societal contributions with its business objectives. Marketing leaders can craft campaigns, initiatives, and partnerships that showcase the company's commitment to solving pressing social problems—whether it's addressing climate change, improving community access to better housing, education, or healthcare, or promoting inclusivity. In this new paradigm, marketing no longer functions as an afterthought or add-on—it becomes the driving force behind societal and business growth.

For example, World Central Kitchen has redefined disaster relief, providing sustainable solutions for hunger while addressing systemic issues around food insecurity. Similarly, Gundersen Health System has achieved energy independence while delivering exceptional healthcare, demonstrating the profound impact of combining social responsibility with business goals. These examples highlight how SPO can be applied across sectors, with services marketing at the core of these efforts to align societal contributions with business objectives.

From CSR to SPO: A Practical Guide for Marketing Professionals

For businesses looking to make this transition, moving from CSR to SPO requires a significant shift in mindset and operations. Marketing professionals are uniquely positioned to lead this transformation. Here's how companies can successfully transition and implement SPO:

1. SECURE BOARD COMMITMENT

The first step in embedding SPO into a company's strategy is securing top-level commitment. Without strong support from the board, SPO initiatives often face underfunding or lack priority. Marketing leaders must advocate for the business case behind SPO, showing how social impact initiatives can generate brand loyalty, customer and employee retention, and even revenue growth. Board-level buy-in is crucial to ensuring that SPO is implemented as a core business function rather than a peripheral program.

2. CHAMPION THE CHAMPION

While one or more visionary executives or change champions will be responsible for leading the SPO transformation, marketing must play a critical role in supporting the champion(s). This includes providing essential stakeholder research, market insights, and promotions that highlight the benefits of SPO, helping to secure buy-in from key stakeholders. Marketing professionals can provide the data and narratives needed to rally the organization behind the transformation. And marketing professionals themselves may perform the "champion" role.

3. DEVELOP AN INITIATIVE FRAMEWORK

SPO is not about supporting every social initiative available. Companies need to be strategic in selecting societal initiatives that align with both their core values and business objectives. Marketing professionals, particularly service marketers, with their boundary-spanning capabilities, can facilitate collaboration across departments in designing a decision framework. Departments such as operations, finance, human resources, and corporate strategy should be involved in this process to ensure that the initiatives selected are aligned with the company's strengths and potential for long-term societal impact. This approach ensures that resources are allocated wisely, contributing to both the community and the bottom line.
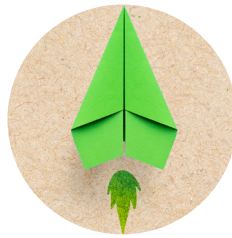
Marketing professionals are at the forefront of this movement, equipped with the skills and knowledge to drive SPO forward.

4. ACHIEVE EARLY WINS

As with any major change, quick wins are crucial. Early successes demonstrate the value of SPO and build internal and external support for further initiatives. Marketing teams should focus on highlighting these early wins through targeted campaigns that show the positive effects of SPO.

5. FOSTER LEADERSHIP SYNERGY

For SPO to succeed, there must be alignment between senior leadership and grassroots efforts within the company. Marketing professionals are in a unique position to facilitate this connection, ensuring that social impact initiatives are supported from the top while engaging employees at all levels. This fosters a culture where SPO is a company-wide priority, not just an executive initiative.

6. FORGE STRATEGIC PARTNERSHIPS

No company can drive large-scale social change alone. Strategic partnerships with external organizations—whether nonprofits, governments, or other businesses—are often essential to amplifying the reach and impact of SPO. Marketing professionals are well-versed in building relationships and can lead efforts to form partnerships that fill resource gaps and expand the company's influence. These alliances further the company's ability to create meaningful social profit.

7. INTEGRATE IMPACT METRICS

Measuring the impact of SPO is critical to proving its effectiveness. Marketing professionals must incorporate tools like social return on investment (SROI) to track both the societal and financial outcomes of SPO initiatives. By integrating impact metrics into marketing dashboards, companies can clearly communicate progress to stakeholders, ensuring transparency and accountability.

8. LEVERAGE STORYTELLING

One of marketing's greatest strengths is its ability to tell stories that resonate. By crafting compelling narratives around the company's social impact, marketing professionals can engage customers, employees, and investors in a meaningful way. Storytelling humanizes the organization and demonstrates how its actions are making a tangible difference in society. These stories are powerful tools for building loyalty and trust, showcasing the value of SPO initiatives.

The Future of Marketing: A Catalyst for Change

As businesses continue to evolve, marketing will play an even greater role in shaping the future of society. SPO is not just a model for integrating social good into a company's mission—it's the next frontier in marketing strategy. By embedding SPO into their core operations, companies can foster customer, employee, and other stakeholder loyalty, build sustainable growth, and help address the urgent challenges facing society.

In a world where purpose increasingly drives purchase decisions, SPO offers a clear pathway for businesses to succeed both financially and socially. Many consumers and employees are demanding that companies step up and address the urgent issues facing society. Meanwhile, managers increasingly recognize that "doing well by doing good" isn't just a slogan—it's a reality. In fact, McKinsey found that 48% of executives view sustainability as contributing positively to shareholder value, underscoring the growing alignment between social responsibility and business success.

Despite the growing recognition of the value of socially responsible business practices, there has been notable pushback. Some critics argue that these practices can detract from immediate financial returns or advance political agendas. However, as societal challenges like climate change and inequality become more pressing, such resistance is likely to diminish over time. SPO, by focusing on long-term value creation for both society and businesses, ensures that companies remain resilient and committed to addressing these challenges, even in the face of short-term political opposition.

Marketing professionals are at the forefront of this movement, equipped with the skills and knowledge to drive SPO forward. As companies transition to being more socially profit-oriented, they will discover that doing good isn't just beneficial for society—it's essential for sustained business success. **MN**

READ THE FULL ARTICLE

Leonard L. Berry, Tracey S. Danaher, Timothy Keiningham, Lerzan Aksoy, and Tor W. Andreassen, "Social Profit Orientation: Lessons from Organizations Committed to Building a Better World," *Journal of Marketing*.

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The New Paradigm in Volunteering

How Nonprofits Can Adapt to
"Neither-Growing-nor-Fading"
Brand Relationships

BY VERENA GRUBER AND JONATHAN DESCHÊNES

Volunteers stand as vital pillars in the operation and survival of nonprofit organizations. Across the globe, over 850 million volunteers give their time to support a variety of causes, according to a 2021 report by United Nations Volunteers.

Traditionally, volunteers were thought to be motivated by the altruistic act of giving, and many chose nonprofits due to a strong sociocultural fit and personal convictions. However, volunteers now interact differently with brands in the nonprofit sector. Individuals devote fewer hours to their causes and want flexible schedules. They seek opportunities for personal growth and pick activities with potential work-related benefits. These new volunteers often show a weaker sense of affiliation with organizations.

This raises an important question: How can organizations effectively cultivate relationships with volunteers whose interests and motivations are shifting?

A new *Journal of Marketing* study finds that entertaining more distant relationships can mutually benefit nonprofit organizations and volunteers. Drawing on an in-depth analysis of the Red Cross in Vienna, Austria, our research

demonstrates that organizations can effectively manage both traditional and new types of volunteers by adopting tailored relationship management practices.

Relationship Growth for Traditional Volunteers

Nonprofit brands continue to need the vision, commitment, and initiative of traditional, growth-oriented volunteers who provide the backbone of organizational activities. To allow these relationships to thrive, managers should focus on a solid material presence.

Nonprofits should establish a physical infrastructure so that volunteers can gather, socialize, and bond. Managers should provide training and competence-building activities to assist the intensification of the brand relationship. They should supply branded clothing to facilitate easy visual identification of members and communicate with members by leveraging high quality content such as exclusive print magazines.

In addition, managers need to carefully create documentation that clearly presents the brand's history and values as well as provide a comprehensive and clear description of what volunteering entails in terms of expectations and duties. Communicating a compelling narrative consistently throughout the volunteer's journey is crucial to sustain the path of growth and intensification.

These brand relationship practices will enable volunteers to ascend, over time, to strategic roles within the organization, including mentoring and training of future generations of volunteers. These growth-oriented volunteers, when supported with the right managerial practices, progressively become practice champions and thus constitute valuable assets for the organization.

Activating New Volunteers

New volunteers seek flexibility and opportunity; they help out when they have time and when the task fits their agenda. Adopting a pragmatic approach to the relationship is crucial for nonprofit organizations. This involves accepting a certain degree of distance to and from these volunteers, who may be less emotionally attached to the organization, and respecting their desire for intermittent engagement. What matters is not their unwavering loyalty but their existing skills.

Consequently, the managerial focus needs to shift to acquiring and activating volunteers as needed. Organizations should initially build a diverse pool of volunteers whom they can subsequently activate as needed. The key lies in utilizing systems to identify potential volunteers and communicate with those possessing desired characteristics for specific tasks. The integration of a mobile application could greatly facilitate this process.

Such practices will allow nonprofit organizations to deploy the right volunteers, in the right quantity, at the right time.

Lessons for Managers

Our research offers insights for nonprofit managers grappling with the management of volunteer relationships. We show the value that lies in distant, non-escalating relationships when managed in symbiosis with classic growth-oriented relationships. Our results point to broader implications for brand relationship management, applicable to both nonprofit and for-profit entities.

Traditional volunteering mirrors consumer–brand relationships in which individuals develop strong ties with brands and often integrate in brand communities. This type of relationship permeates marketing and consumer studies. The new volunteers we study resemble consumers who maintain a more distant and seemingly disinterested relationship with brands that they consume sporadically but regularly, without a desire to intensify the relationship. We call this a "neither-growing-nor-fading" (NGNF) relationship. NGNF relationships arguably represent a significant proportion of the interactions that consumers typically have with brands, yet there is little research to date that has focused on them.

Here are some strategies for managers to acquire and activate NGNF members:

- Actively embrace the new volunteering logic and accept that volunteers become dormant between activations.
- Develop partnerships with broadcasters to reach large audiences and communicate the organization's volunteering story and needs via social media to generate traffic on the organization's platforms.
- Know volunteer needs by identifying volunteer profiles for each specific volunteer job. Identify key skill-set information to include in the registration form, such as education and training.
- Develop some material element to identify volunteers during their activation (light jackets, baseball caps, etc.). These materials could be lent to volunteers for the duration of their activation. **MN**

Using Identity to Secure Nonprofit Donations

BY KAREN PAGE WINTERICH AND AMERICUS REED II

Individual charitable giving in the United States reached a record high of $324.1 billion in 2020, growing 2.2% from 2019 during a year beset by a global pandemic and racial turmoil. The donations, however, were split among more than 1.5 million nonprofit organizations, all competing for dollars, time, and other gifts.

Individual nonprofits might be lucky to launch one successful charity campaign, such as the viral ALS Ice Bucket Challenge. Most simply seek to maintain steady donations year-over-year.

To boost their donation rate, nonprofits must ensure potential donors identify with their charitable appeals. The following five research-based strategies can allow nonprofits to use identity to increase charitable donations and remove the guesswork from their campaigns.

Make It Moral

Extensive research has shown that social identities, the categories into which people place themselves based on profession, gender, family, and religion, influence behavior. Individuals also have moral identities, which define the extent to which traits like being kind are important to them.

Research has found that moral identity affects charitable giving. Reed, Aquino, and Levy (2007) find that those reporting a strong moral identity believe giving time is more ethical than giving money. Importantly for nonprofits, even consumers not consistently valuing moral traits can shift donation patterns when the traits are made salient, such as in donation appeals referencing kindness and compassion.

In their 2007 study, Reed and colleagues found individuals were 458% more likely to donate time than money when the researchers made moral traits salient by asking participants to donate to a moral organization, such as the American Red Cross.

In a *Journal of Marketing Research* study, Shang et al. (2020) found donating reduced the gap in participants' desired level of moral identity versus what they perceived as their actual moral identity. The change subsequently increased participants' donation amount.

Gender Matters

In Shang and colleagues' 2020 research, eliciting moral identity in donation appeals boosted giving among males and females differently. Women, socialized to be communal, nurturing, and interdependent, tended to find giving reinforced their moral identity more than it did for men. In a field experiment, women calling into a nonprofit radio station fundraiser increased donations by 21% on average when the experimenter answering the phone said, "Thank you for being a caring and helping [station name] member."

Gender also affects donation targets. Because women tend to place greater importance on relationships than men do, they typically show moral regard to a broader circle. Winterich, Mittal, and Ross (2009) found women therefore donated more than men to outgroup individuals. The researchers asked American study participants to donate to Indian Ocean tsunami victims or Hurricane Katrina victims or make no donation. Women with a self-reported strong moral identity donated nearly twice as much to the outgroup tsunami victims than did men with a self-reported strong moral identity. Both men and women donated equally to Hurricane Katrina victims. Nonprofits must therefore align their donation appeals with their targets, heightening moral identity particularly among women when the recipient may be perceived as an outgroup.

Hit a Moving Target

Nonprofits sometimes find it challenging to encourage consumers in developed countries, such as the United States, to donate to individuals in developing countries. However, Wang, Kirmani, and Li (2021) recently found the number of residential moves a person makes in a given period of time can increase outgroup donations.
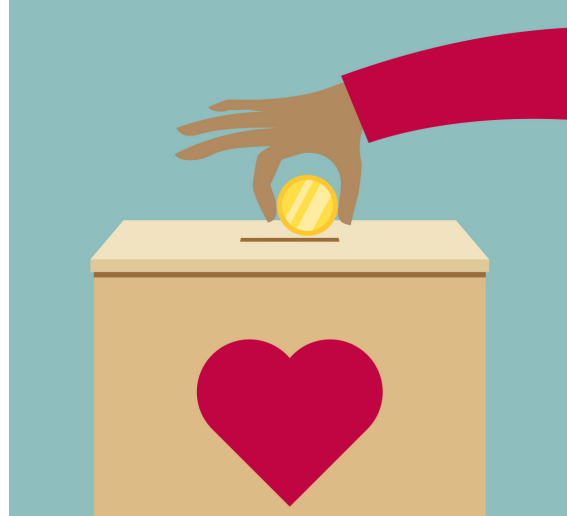
When the researchers asked U.S. residents to donate to hungry children in another country, participants who had moved donated 40% more than did those who had never moved. The researchers suggest the increase occurred because consumers with great mobility have a strong global identity, seeing themselves as world citizens and donating accordingly.

Match Identities

Just as individuals donate more to ingroups than outgroups, donors are more likely to give when they identify with a charity than when they do not. For example, university students in one study were more likely to purchase a product when it precipitated a donation to a local charity than when the donation was made to a non-local charity or the purchase price was discounted (Winterich and Barone 2011). In other words, the individuals preferred a donation to a discount, but only when they identified with the receiving charity.

Winterich and Barone suggest that, fortunately, all consumers represent a multitude of target markets, as they hold an array of identities, such as those pertaining to their alma mater, profession, gender, and hobbies. Charitable organizations must therefore identify and target the identities aligned with their mission.

In addition to identity congruence with a charity, consumers' identity congruence with other donors can influence giving. During another public radio station fundraising experiment, Shang, Reed, and Croson (2008) told new call-in donors that a separate male or female member contributed $240. Participants' donations increased by 27% on average, from $105 to more than $140, when the stated gender matched their own.

Motivate with Recognition

Donor recognition can be costly. One study found that approximately 50% of givers donate without requiring recognition (Winterich, Mittal, and Aquino 2013). Nonprofits should therefore not use their limited resources to recognize such individuals.

However, a segment of givers motivated by recognition exists among the remaining 50%. According to the 2013 study, the individuals tend to report a strong moral identity rooted in the social expression of their morality to others. Notably, the researchers point out nonprofits can motivate the individuals to donate through low-cost recognition channels, such as social media posts.

Summary

Identities drive many individuals' behaviors, including donation decisions. When donors value morality or are prompted to think about being kind, donations increase. Nonprofits should therefore use morality-priming language in donation solicitations, particularly when targeting women. Individuals are more likely to donate when they identify with a charity, the recipients, or even other donors. And when nonprofits seek donations for outgroups, they are likely to be most effective when targeting women and individuals with high residential mobility. Lastly, not all donors are motivated by recognition of their efforts, but nonprofits can offer it at minimal cost to motivate those seeking to demonstrate their morality to others. **MN**

Karen Page Winterich is Gerald I. Susman Professor in Sustainability and Professor of Marketing at the Smeal College of Business, Pennsylvania State University. Americus Reed II is Whitney M. Young Jr. Professor and Professor of Marketing at The Wharton School, University of Pennsylvania. For sources cited, see ama.marketing/ IdentityNP.

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Pictured: Nita Umashankar, Madhubalan Viswanathan and Ashley Goreczny

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"'How Do I Carry All This Now?' Understanding Consumer Resistance to Sustainability Interventions" (*Journal of Marketing,* May 2021)

Claudia Gonzalez-Arcos, Alison M. Joubert, Daiane Scaraboto, Rodrigo Guesalaga and **Jörgen Sandberg**

"A War on Sugar? Effects of Reduced Sugar Content and Package Size in the Soda Category" (*Journal of Marketing,* September 2023)

Kristopher O. Keller and **Jonne Y. Guyt**

"Common Cents: Bank Account Structure and Couples' Relationship Dynamics" (*Journal of Consumer Research,* December 2023)

Jenny Olson, Scott Rick, Deborah Small and **Eli Finkel**

"Dark Defaults: How Choice Architecture Steers Political Campaign Donations" (*Proceedings of the National Academy of Sciences*, October 2023)

Nathaniel Posner, Andrey Simonov, Kellen Mrkva and **Eric J. Johnson**

"Increasing Organ Donor Registrations with Behavioral Interventions: A Field Experiment" (*Journal of Marketing,* May 2021)

Nicole Robitaille, Nina Mazar, Claire I. Tsai, Avery M. Haviv and **Elizabeth Hardy**

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2023 Journal of Interactive Marketing Best Paper Award

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WINNER:

🔗 "Content That Engages Your Customers: The Role of Brand Congruity and Promotions in Social Media" (*Journal of Interactive Marketing,* February 2023)

Elisa Montaguti, Sara Valentini and **Federica Vecchioni**

Pictured: Sara Valentini and Elisa Montaguti

Journal of International Marketing Awards

2023 S. Tamer Cavusgil Award

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WINNER:

🔗 "Marketing Agility in Subsidiaries: Market Orientation and Marketing Program Standardization as the 'Twin Engines' of Performance" (*Journal of International Marketing,* June 2023)

Ayşegül Özsomer, Bernard Simonin and **Timo Mandler**

Pictured: Ayşegül Özsomer and Bernard Simonin

2024 Hans B. Thorelli Award

This award honors a *Journal of International Marketing* article published at least five years prior that has made the most significant and long-term contribution to international marketing theory or practice.

WINNER:

🔗 "Global Versus Local Consumer Culture: Theory, Measurement, and Future Research Directions" (*Journal of International Marketing,* March 2019)

Jan-Benedict E.M. Steenkamp

Pictured: Jan-Benedict E.M. Steenkamp and Journal of International Marketing Editor in Chief Kelly Hewett

Journal of Marketing Awards

2023 AMA/Marketing Science Institute/H. Paul Root Award

This award is given to the *Journal of Marketing* article that has made the most significant contribution to the advancement of the practice of marketing in the latest full calendar year.

WINNER:

🔗 "Finding Goldilocks Influencers: How Follower Count Drives Social Media Engagement" (*Journal of Marketing,* May 2023)

Simone Wies, Alexander Bleier and **Alexander Edeling**

Pictured: Alexander Bleier, Simone Wies and Alexander Edeling

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2023 Shelby D. Hunt/Harold H. Maynard Award

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WINNER:

🔗 "Learning from Data: An Empirics-First Approach to Relevant Knowledge Generation" (*Journal of Marketing,* May 2023)

Peter N. Golder, Marnik G. Dekimpe, Jake T. An, Harald J. Van Heerde, Darren S.U. Kim and **Joseph W. Alba**

Pictured: Jake T. An, Peter Golder and Darren Kim

2024 Sheth Foundation/Journal of Marketing Award

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WINNER:

🔗 "How to SHIFT Consumer Behaviors to be More Sustainable: A Literature Review and Guiding Framework" (*Journal of Marketing,* May 2019)

Katherine White, Rishad Habib and **David J. Hardisty**

Pictured: Kate White and Rishad Habib

Journal of Marketing Research Awards

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This award recognizes the best *Journal of Marketing Research* article published in the last full calendar year that shows or demonstrates the most potential to contribute significantly to the practice of marketing research.

WINNER:

🔗 "How Do Nutritional Warning Labels Affect Prices?" (*Journal of Marketing* Research, February 2023)

Max J. Pachali, Marco J.W. Kotschedoff, Arjen Van Lin, Bart J. Bronnenberg and **Erica Van Herpen**

Pictured: Marco J.W. Kotschedoff and Max J. Pachali

2024 Weitz-Winer-O'Dell Award

The Weitz-Winer-O'Dell Award honors *Journal of Marketing Research* articles published five years earlier that have made the most significant, long-term contribution to marketing theory, methodology and/or practice. Two winning articles were chosen this year.

WINNERS:

🔗 "Service Robots Rising: How Humanoid Robots Influence Service Experiences and Elicit Compensatory Consumer Responses" (*Journal of Marketing Research,* August 2019)

Martin Mende, Maura L. Scott, Jenny Van Doorn, Dhruv Grewal and **Ilana Shanks**

Pictured: Martin Mende, Jenny Van Doorn, Maura L. Scott and Dhruv Grewal

🔗 "When Words Sweat: Identifying Signals for Loan Default in the Text of Loan Applications" (*Journal of Marketing Research,* December 2019)

Oded Netzer, Alain Lemaire and **Michal Herzenstein**

Pictured: Michal Herzenstein and Alain Lemaire

AM> AMERICAN MARKETING ASSOCIATION | **Foundation**

Journal of Public Policy & Marketing Award

2024 Thomas C. Kinnear/Journal of Public Policy & Marketing Award

This award recognizes *Journal of Public Policy & Marketing* articles that make the most significant contribution to the understanding of marketing and public policy issues within a three-year time period.

WINNER:

🔗 "Institutionalizing Diversity-and-Inclusion-Engaged Marketing for Multicultural Marketplace Well-Being" (*Journal of Public Policy & Marketing,* April 2021)

Eva Kipnis, Catherine Demangeot, Chris Pullig, Samantha N.N. Cross, Charles Chi Cui, Cristina Galalae, Shauna Kearney, Tana Cristina Licsandru, Carlo Mari, Verónica Martín Ruiz, Samantha Swanepoel, Lizette Vorster and **Jerome D. Williams**

Pictured: Samantha Cross and Eva Kipnis

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This award recognizes a marketing practitioner or educator who has devised and successfully implemented a research/insight procedure within the last five years that has practical implications for use by others.

WINNER:

Simon J. Blanchard
Provost's Distinguished Associate Professor and Dean's Professor
McDonough School of Business, Georgetown University

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Strategies for Leveraging AI in the Customer Experience

BY AARON GARVEY AND LUCA CIAN

Companies today are tapping into artificial intelligence (AI) more than ever, using it to interact with consumers in various ways. In contrast to other forms of technology, AI is a computer-based system capable of performing and integrating multiple tasks that otherwise require human intelligence. AI technologies currently serve as customer-facing agents of the firm (e.g., online chatbots, service robots), as core attributes of interactive products (e.g., Siri, Alexa), and are integral in the new product development process (e.g., social media content algorithms). Benefits affecting all the steps in the customer journey (e.g., fewer costs, higher ability to meet customer needs and process complex information) have driven this trend (Puntoni et al. 2021). However, simply having AI technology doesn't automatically lead to a better customer experience and could, in some cases, deter customers. Although it is not yet clear if consumer responses to AI differ from responses to technology more generally, recent research has shown that firms should be judicious in how they incorporate and depict their use of AI in consumer-related contexts.

Below, we provide three research-based strategies that can help firms improve customer experience when using AI-based services and products (see Kim et al. [2023] for a more comprehensive review of the academic literature in this area). Our first section focuses on the **_design_** of AI interfaces; our second considers whether to **_implement_** AI systems that replace humans; and our third looks at AI **_mistakes_** after implementation, consumer reactions to these mistakes, and how to respond as an organization.

Designing AI Interfaces: Giving AI a Human Touch

A cornerstone of customer experience is positive interactions with representatives of the firm, and AI chatbots and robots are increasingly used to engage directly with customers. AI agents and products can be designed to possess humanlike traits; for example, a chatbot can display a human avatar, a robot can have an expressive face, or a voice assistant can have a masculine voice. Many marketing managers might believe that the more humanlike an AI agent appears, the better consumers will respond. However, researchers have discovered that making an AI more humanlike can have decidedly mixed effects on customer experience.

Recent research has revealed that humanizing an AI agent can indeed _harm_ customer experience in

many situations. Garvey, Kim, and Duhachek (2023) found that AI humanization can undermine customer experience when product and service offerings fall short of expectations. In their study, when an AI representative of the rideshare firm Uber was depicted as humanlike (rather than machinelike), consumers faced with an unexpectedly overpriced offer were less satisfied, less likely to purchase, and less likely to reengage with the firm in the future. This effect was due to consumers perceiving the humanlike AI as more self-serving when offering the unexpectedly "unfair" price.

Consumers are also less likely to disclose sensitive personal information, such as medical history or embarrassing life experiences, to a humanlike (vs. machinelike) AI, according to work by T. Kim et al. (2022). The authors revealed that humanlike AI introduces worries about social judgment, but machinelike AI lessens this concern. Similarly, studies by Usman et al. (2024) revealed that when an AI representative provided flattering feedback to a consumer (e.g., "You have a wonderful personality!"), humanization led to suspicion of ulterior motives on the part of the AI that decreased purchase intentions.

Humanized AI, particularly robots, can also "creep out" consumers. In an article published in the *Journal of Marketing Research* (*JMR*), Mende et al. (2019) found that service robots with humanlike faces and anatomies can seem uncanny and threatening to consumers, harming the service experience. The authors revealed that making service robots more machinelike alleviated this discomfort.

However, making an AI more humanlike can also *help* firm outcomes. Studies by T. Kim et al. (2022) revealed that humanized AI is seen as more able to empathize with users and provide emotional support. Luo et al. (2019) showed that letting consumers assume an AI chatbot was a human resulted in significantly higher purchase rates than if its artificial nature was revealed, again due to higher perceived empathy on the part of the humanized AI. Similarly, Garvey, Kim, and Duhachek (2023) found that in the case of a better-than-expected price offer, humanization led to perceptions of benevolent intentions on the part of an AI agent that improved satisfaction and reengagement with the firm.

The key takeaway? In situations where consumers are dealing with unexpectedly good news from the company, seeking empathy, or requiring emotional support, humanizing an AI can foster goodwill and improve the customer experience. However, when delivering unexpectedly bad news, soliciting sensitive information, or entering an adversarial interaction, humanizing an AI can drive suspicions that deter customers from engaging.

KEY TAKEAWAYS

Designing AI Interfaces

- AI can be strategically given humanlike or machinelike traits to enhance customer experience.
- Humanizing AI can enhance the customer experience when positive news delivery, empathy, or emotional support are crucial.
- However, humanlike AI may lead to suspicion and deter customers during negative interactions or when asking for sensitive information—use machinelike AI in these situations.

Using AI Instead of Human Employees

- Strategically blend AI and human employees for customer interactions.
- Consumers prefer human interaction for highly personalized, emotionally charged, or sensory tasks.
- AI is favored for analytical and routine decisions, especially when objectivity is paramount.

Recovering from AI Mistakes

- Transparency and adaptability in AI applications are vital to maintaining brand integrity.
- Consumers are generally more forgiving of AI (vs. human) errors due to perceptions of AI having less agency and, therefore, less responsibility.
- However, incorrect AI advice may be punished more harshly by consumers.

Implementing AI Instead of Employing Humans: A Delicate Balance

When attempting to maximize customer experience, managers should be aware that consumers prefer to interact with human employees over AI in some situations but prefer AI in other situations (J.H. Kim et al. 2022). Generally, consumers shy away from using AI for tasks that involve human emotions, tastes, or social awareness. For example, in an article published in *JMR*, Castelo, Bos, and Lehmann (2019) showed that consumers were less comfortable relying on an AI to provide dating advice or recommend jokes compared with a human. This aversion extends to situations involving sensory experiences, such as food or travel recommendations (Longoni and Cian 2022) or highly personalized tasks, such as medical diagnoses (Castelo, Bos, and Lehmann 2019; Longoni, Bonezzi, and Morewedge 2019; Longoni and Cian 2022). AI aversion is also more likely for products that enable self-expression (Leung, Paolacci, and Puntoni 2018) and for news production (Longoni, Cian, and Kyung 2023). In addition,

People find the best recommendations to be the ones made by an AI *and* a human together.

consumers react more positively when a decision made by a human (rather than an AI) favors the consumer (Garvey, Kim, and Duhachek 2023; Yalcin et al. 2022). For example, in a study by Yalcin et al. (2022) in *JMR*, consumers were happier when their application to a prestigious country club was approved by a person rather than an AI, as they assumed that a human was better equipped to understand their personal qualities and behaviors.

However, people prefer AI systems over humans under certain conditions, such as when objectivity and unbiased thought are important (e.g., scheduling events, analyzing data, giving directions; Castelo, Bos, and Lehmann 2019) and for utilitarian products such as financial advice (Longoni and Cian 2022).

Longoni and Cian (2022) also explore the case in which AI is leveraged to *assist* and *augment* human intelligence—that is, when humans and AI work together. The authors found that consumers will be more receptive to AI recommenders, even in the case of a hedonic goal (e.g., finding a tasty recipe), if the AI recommender assists and amplifies a human recommender who retains the role of ultimate decision maker. In this case, people believe that the human decision maker is able to compensate for the AI's relative perceived incompetence in the hedonic realm. The authors found the reverse effect in the case of a utilitarian goal. In other words, people find the best recommendations to be the ones made by an AI *and* a human together.

What does this mean for marketing practitioners seeking to maximize customer experience? It highlights the need for a strategic blend of AI and human interaction, recognizing that while consumers prefer a human touch for emotionally charged and personal tasks, they appreciate the efficiency and objectivity of AI for analytical and utilitarian decisions. This understanding should guide how AI is implemented, ensuring that technology enhances rather than detracts from the customer experience.

Recovering from AI Mistakes After Implementation

AI systems are susceptible to errors despite technological advancements. In the last three years, hundreds of high-profile AI failures have been reported across various sectors, from industry to government, with consequences ranging from financial losses to damaged brand reputation. For example, Michigan's flawed automated system erroneously charged tens of thousands of residents with fraud and seized millions of dollars in their wages (De la Garza 2024). Interestingly, researchers have found that consumers respond differently to AI failures compared

with human errors, presenting both challenges and opportunities for improving customer experience.

In instances where AI, rather than a human, is responsible for a mistake that reflects poorly on a company's brand, such as a product recall or a social media misstep, consumers often exhibit a more forgiving attitude. For example, Srinivasan and Sarial-Abi (2021) showed consumers a real tweet from the New York Times announcing the recall of 4.8 million Fiat Chrysler vehicles because of a defect in the cruise control. When the defect was due to an error made by an AI, evaluations of the Fiat Chrysler brand were less negative than when the error was attributed to a human. This phenomenon stems from the perception that AI possesses less agency and, therefore, bears less responsibility for adverse outcomes.

For firm representatives that provide advice and guidance, such as financial advisors or health consultants, incorrect AI advice is punished more harshly by consumers—unless the AI has the capacity to learn (Dietvorst, Simmons, and Massey 2015). This suggests that AI's perceived competence and learning capabilities play a significant role in shaping customer perceptions.

Moreover, AI failures in public services can lead to broader distrust in AI technologies as a whole, a phenomenon termed "algorithmic transference." Longoni, Cian, and Kyung (2023) found that algorithmic failures—in calculating benefits for low-income people or determining unemployment insurance fraud, for example—are generalized more broadly than human failures. That is, consumers tend to generalize negative experiences with one AI system to distrust AI in general, impacting the perceived legitimacy of core public institutions.

For marketers, understanding these nuances in consumer perceptions of AI errors is crucial for enhancing customer experience. Though AI can bring about a lot of benefits, there are potential unintended negative consequences if faulty AI systems are deployed prematurely. By prioritizing transparent and adaptable AI applications, particularly in areas where they excel, marketers can mitigate the risks associated with AI integration. Additionally, being mindful of sensitive contexts and proactively addressing potential failures can help maintain consumer trust and uphold brand integrity. **MN**

Aaron M. Garvey is Associate Professor and Bloomfield Professor of Marketing, Gatton College of Business and Economics, University of Kentucky. Luca Cian is the Killgallon Ohio Art Associate Professor of Business Administration, Darden School of Business, University of Virginia. For sources cited, see ama.marketing/AIinCX.
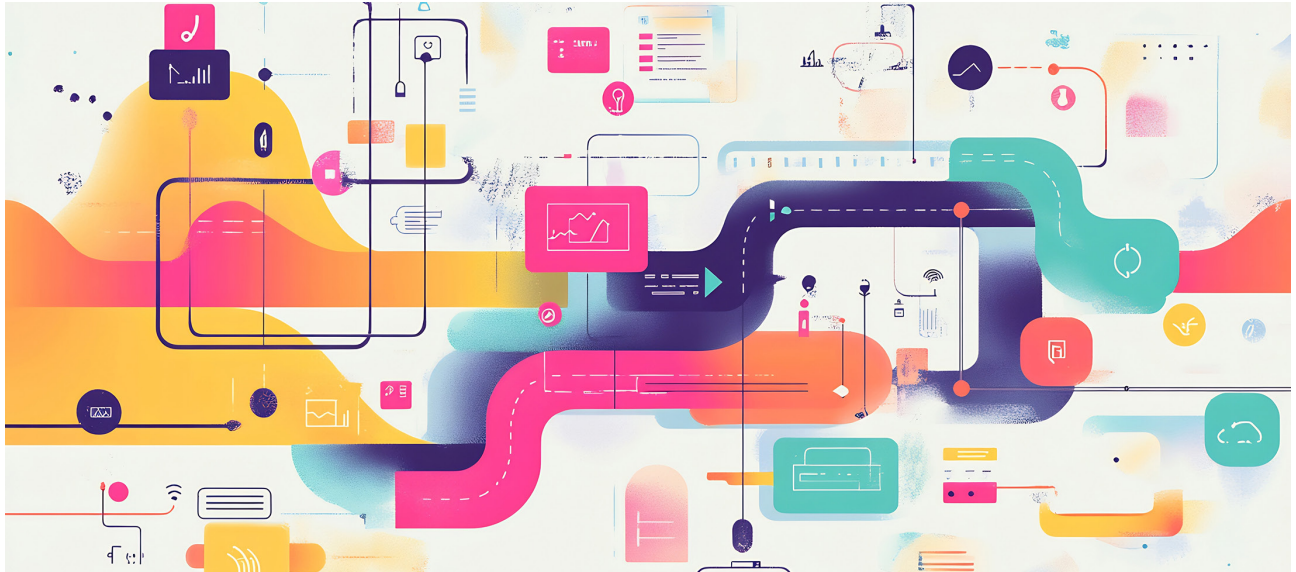
Using Tech Innovations to Enhance Customer Engagement

BY MARTIN MENDE, MAURA SCOTT, AND DHRUV GREWAL

F irms are shifting from a transaction- to relationship-focused approach to build long-term bonds with customers, making them assets the firms can nurture, expand, and allow to evolve (Mende, Bolton, and Bitner 2013; Kumar, Leszkiewicz, and Herbst 2018). Technology is transforming these relationships in many industries including retail, healthcare, hospitality, financial services, education, and others. But technological transformations might not always benefit the firms attempting to leverage them.

Too often, firms focus on the efficiency benefits a technology can offer (e.g., an algorithm providing financial advice, a machine baking bread), rather than considering their broader c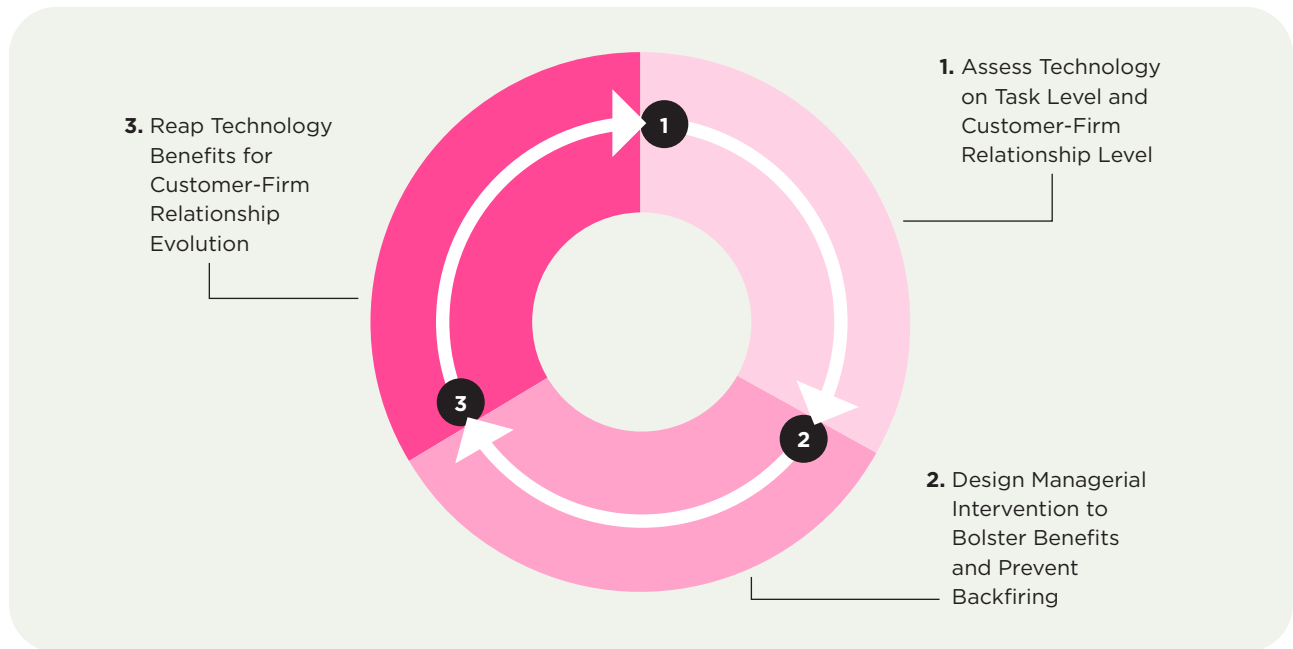ustomer-firm relationships. Businesses motivated primarily by creating "technology buzz" without considering customer implications can even destabilize or hinder their relationships.

Technology is a double-edged sword when it comes to customer relationships. Firms can use customer-technology encounters to gather useful information about how their relationships are likely to progress or regress. At the same time, firms must assess technology not only according to its efficiency or effectiveness, but also for its capacity to facilitate social elements of the customer-firm relationship. Managers must also consider technology's unintended consequences for consumer identity.

Mistargeted Technology

Several recent *Journal of Marketing Research* contributions underline technology's unintended consequences. For example, consumers often display systematic algorithm aversion (Castelo, Bos, and Lehmann 2019), despite technology objectively performing certain tasks better than human employees. The averse consumers are less likely to use algorithms, which undermines the technology's effectiveness, and they can lose trust in the administering firm.

Identity-driven consumers avoid using technology (e.g., electric bikes, automatic fishing rods) despite superior performance because it can deprive them of consumption's signaling utility (Leung, Paolacci, and Puntoni 2018). In other words, consumers identifying as dedicated bicyclists or fisherman resist automation, as it "prevents [them] from attributing consumption outcomes to their own skills" (Leung, Paolacci, and Puntoni 2018, p. 828). To address this, firms must establish new guidelines for consumer targeting (e.g., focus on beginners rather than enthusiasts

1. Assess Technology on Task Level and Customer-Firm Relationship Level

2. Design Managerial Intervention to Bolster Benefits and Prevent Backfiring

3. Reap Technology Benefits for Customer-Firm Relationship Evolution

when promoting automation), product innovation (e.g., understand consumer identity when seeking automation candidates), and communication (e.g., avoid blindly emphasizing convenience).

Technology and Consumer Identity

Social media can also have detrimental consequences at the intersection of technology and consumer identity. Although customers posting publicly about product-related experiences seems beneficial, it can backfire. Managers must understand that posting about products on social media fulfils consumers' identity-signaling needs and can reduce their intention to repurchase or buy related products (Grewal, Stephen, and Coleman 2019). Although social media marketing might be effective in the short term, it can undermine future revenue streams.

Technology can affect consumer identities even more fundamentally. For example, sophisticated technologies like humanoid service robots (HSRs) can threaten consumers' identity on a human level (Mende et al. 2019) and make them uncomfortable with the overall service experience. To mitigate the effects and reduce potential damage to the customer-firm relationship, companies might use HSRs in settings in which consumers sense strong belonging among other humans or increase their robots' mechanization.

Multiple *Journal of Marketing Research* papers have illustrated how a technology's task-level efficiency and effectiveness can be employed in the spirit of relationship marketing, including Gong et al. (2017) on tweets

and Zhang, Kumar, and Cosguner (2017) on emails as marketing tools. Additionally, Herhausen et al. (2020) detail how service firms can benefit from having their employees digitally present on their websites—employees' digital presence shapes quality perceptions and positively influences consumer memories of previous encounters. Each of these effects can increase companies' customer loyalty and improve financial performance.

Summary

Left untamed, advanced technology can undermine relationship marketing. To leverage technology for strong and profitable customer-firm relationships, managers must first assess each innovation on both its task-level efficiency/effectiveness and impact on broader relationship factors. Next, they can design interventions to bolster the technology's benefits and prevent undesirable consequences. Both these strategies help firms with (a) establishing a promising foundation for combining technology and relationship marketing and (b) reaping the corresponding benefits, as the figure above illustrates. **MN**

Martin Mende is Professor of Marketing and J. Willard and Alice S. Marriott Foundation Professor in Services Leadership at Arizona State University. Maura Scott is Professor of Marketing and the Edward M. Carson Chair in Services Marketing at Arizona State University. Dhruv Grewal is Toyota Chair in Commerce and Electronic Business and Professor of Marketing at Babson College. For sources cited, see ama.marketing/TechCR.

Enjoy Your Work? Make It Known!

Buyers Are Willing to Pay More for Products You Enjoy Producing

BY ANNA PALEY, ROBERT W. SMITH, JACOB D. TEENY, AND DANIEL M. ZANE

Peer-to-peer marketplaces like Etsy, Fiverr, and Upwork are some of the fastest growing businesses in the world. These vertically integrated markets where a single actor is responsible for both creating and selling the item are projected to be worth $355 billion by 2025, according to a study by PricewaterhouseCoopers.

Compared to more traditional marketplaces, long-established signals of quality such as brand name are less relevant in the peer-to-peer space. Instead, sellers in these marketplaces directly tell potential buyers about themselves and the production processes behind their goods and services.

What should these sellers say in their bios and product descriptions? In a new *Journal of Marketing* study, we find that one of the best things they can mention is that they enjoy their work.

We suspect that many people who choose to sell things through peer-to-peer marketplaces enjoy making their

products, yet sellers rarely mention this. For example, in the profiles of 30,000 sellers across various peer-to-peer marketplaces, only about 1% of sellers mentioned production enjoyment. Over 15 experiments, we find consistent evidence that buyers are more interested in, are more likely to choose, and are willing to pay more for products or services that the seller enjoys producing.

We also explore how production enjoyment influences the sellers' decision to price products and services. Ironically, sellers are willing to accept a lower price—and do indeed charge less—for the products and services they enjoy producing. Although sellers also generally associate production enjoyment with higher quality, they do not rely on this inference in their pricing decisions.

In a field study, we test two ads on Facebook for a search engine optimization (SEO) specialist, one that mentioned production enjoyment ("I really enjoy SEO") and one that was otherwise identical but did not contain these words. We find that small business owners were more likely to click on the ad that mentioned production enjoyment. The positive reactions that buyers have to sellers' signals of production enjoyment occur over a broad range of jobs. Across our studies, we examine over 100 different jobs and, in all cases, signaling enjoyment increases buyers' willingness to pay.

Enjoyment vs. Quality

We find that this positive impact occurs because buyers interpret production enjoyment as a signal of a high-quality product or service. After all, someone who really enjoys making jewelry or loves painting probably spends more time and focus on it than others. When buyers learn of this enjoyment, they then presume the product/service is of high quality and are therefore more likely to buy it.

Notably, signaling production enjoyment works best when the production process requires a lot of skill. Automation has made many production processes much easier. In situations where buyers assume the production process is largely automated (or assume the offering does not require much skill overall), production enjoyment does not impact buyers nearly as much.

But even in high-skill contexts, why do sellers charge less for products and services they enjoy producing? Like buyers, sellers also associate production enjoyment with high quality products and services, which should increase prices. We think sellers instead charge lower prices because the joy that they experience during the production process already compensates them for their work. In any case, it seems that production enjoyment carries signals for sellers that lead to different pricing decisions.

Taken together, these findings are somewhat contradictory: sellers charge less money for products and services they enjoy producing, even though buyers are willing to pay more for them.

> We find consistent evidence that buyers are more interested in, are more likely to choose, and are willing to pay more for products or services that the seller enjoys producing.


Lessons for Sellers

- When sellers mention production enjoyment in their profiles and marketing, buyers are more interested in their products and services.

- By comparing production enjoyment to a variety of other established cues of product quality (e.g., production effort) and identifying several moderators that determine the impact of this signal (e.g., required skill), we give sellers a useful framework for when and how to signal production enjoyment.

- Sellers should reconsider their willingness to charge for different products/services. This knowledge can also benefit buyers, who can recognize production enjoyment as a signal of a potential discount, because sellers charge less when they enjoy the production process.

Overall, if you enjoy the work you do, make sure you tell people! They will think you do better work and should be willing to pay you more for it. **MN**

READ THE FULL ARTICLE
Anna Paley, Robert W. Smith, Jacob D. Teeny, and Daniel M. Zane, "Production Enjoyment Asymmetrically Impacts Buyers' Willingness to Pay and Sellers' Willingness to Charge," *Journal of Marketing*.
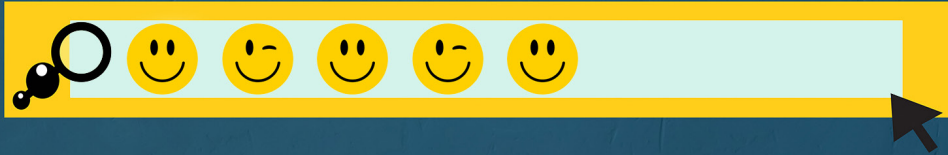
Happy Words, Higher Clicks

Harnessing Consumer Emotion to Boost Paid Search Ads

BY SARAH C. WHITLEY, ANINDITA CHAKRAVARTY, AND PENGYUAN WANG

Last year, advertisers spent approximately $110 billion in the U.S. on paid search ads. But despite increases in digital ad spend, marketers are questioning the effectiveness of digital advertising, and advertisers do not have a full understanding of why consumers click (or don't click) on ads.

Prior research has proposed that advertisers use deal-related words, brand names, retailer names, product category names, and location information for this purpose. When consumers' search queries include these keywords, advertisers can then provide more relevant ads as a way to increase clicks.

In a new *Journal of Marketing* study, we provide insight about how consumer emotions can impact search engine use and paid search ad click-through rates. As advertisers grapple with the challenges of reaching their target audience effectively, our research sheds light on a powerful, yet often overlooked, aspect of digital advertising.

Impact of Positive Emotion on Search Behavior

We examine the impact of positive emotion unrelated to the search task on consumer search engine behavior. Specifically, we look at how experiencing positive emotion when searching online for a product can impact what consumers search for in their search queries. This effect of emotion subsequently spills over to how consumers respond to paid search ads that appear in search results.

Using a search engine involves a sequence of decisions. We focus on how positive incidental emotion influences two steps of engaging in online search via a search engine: (1) keyword selection (i.e., the words a consumer chooses to describe a product and subsequently types into the search engine) and (2) ad clicks.

We find that experiencing positive emotion at the outset of an online product search primes emotionally congruent thoughts. This priming makes consumers more likely to use positive emotion keywords (e.g., a happy book) than neutral keywords (e.g., a paperback book) to describe the product they are searching for. Thereafter,

Emotions can impact how people think about products and how they search for them.

upon encountering sponsored content such as paid search ads in search results, consumers are unlikely to use their lay beliefs about advertisers' ulterior motives to manipulate them. As a result, consumers are more likely to click on paid search ads if they used a positive emotion keyword rather than a neutral keyword in their query.

Lessons for Chief Marketing Officers

Our study's findings are important for marketers and advertisers in the following ways:

- The study provides advertisers with insights into the psychological aspects behind consumer online search engine behavior. Emotions can impact how people think about products and how they search for them.

- Search queries containing positive emotion keywords are associated with higher paid search ad clicks. This suggests that digital advertising managers should consider incorporating positive emotion keywords in their paid search ad targeting strategies.

- Our anecdotal evidence suggests that advertisers are not currently targeting positive emotion keywords in their digital advertising strategies. Targeting these types of keywords would not only represent a novel strategy for marketing managers but it may also improve costs per click, as bid prices for these types of keywords are low yet consumer ad clicks in response to these keywords are higher.

- When targeting positive emotion keywords, our work suggests advertisers could be even more strategic by focusing their targeting strategies on time periods in which consumers are more likely to be experiencing

positive emotion. For instance, during weekends and holidays, there is an uptick in the number of consumer search queries that contain positive emotion keywords. This suggests that advertisers may want to consider a day or holiday-based scheme for bidding on positive emotion keywords.

- Positive emotion keywords are employed in search queries more often for products considered more hedonic in nature (e.g., clothes, entertainment, dining). Marketing managers for these types of products may have more success targeting positive emotion keywords in their digital advertising strategies.

In a competitive digital landscape where every impression counts, understanding the psychology behind consumer behavior is key to success. Our research challenges traditional approaches to search advertising, urging advertisers to rethink their strategies and embrace the power of emotions. By incorporating positive emotion keywords into their paid search ad targeting strategies, advertisers can unlock new opportunities for engagement and drive meaningful connections with their target audience.

Future research might extend our study and consider the possibility that different specific emotions and different levels of emotionality might impact the types of positive emotion keywords consumers employ in their queries. **MN**

READ THE FULL ARTICLE
Sarah C. Whitley, Anindita Chakravarty, and Pengyuan Wang, "Positive Emotions During Search Engine Use: How You Feel Impacts What You Search For and Click On," *Journal of Marketing*.

Research Insights

Quick Takes from AMA Journals Research

BY T.J. ANDERSON

Leveraging Consumers' Anger to Help Them Make Better Decisions

Anger can cause reductions in self-control, as angry consumers are more likely to engage in unhealthy behaviors to make themselves feel better. At the same time, anger activates a need to be dominant—a trait that can potentially be leveraged to help angry consumers make healthier choices. This study shows that policymakers can motivate angry consumers to exert more self-control by emphasizing the dominance benefits of the more virtuous option in a self-control dilemma. For example, angry consumers are more likely to choose healthy eating options when these behaviors are associated with becoming physically stronger (e.g., "eat healthy not to be skinny, but to be badass") rather than preventing illness (e.g., "eat healthy not to be skinny, but to be healthy"). The researchers test these effects across various domains of self-control, such as healthy eating, exercising, saving money, and studying. However, the positive effects of this approach occur only when angry consumers expect dominance benefits to accrue in the near—not distant—future.

WHAT YOU NEED TO KNOW
- Anger causes reductions in consumers' self-control.
- Policymakers can encourage angry consumers to exert more self-control by highlighting how virtuous behaviors like saving money, exercising, or eating healthily will bring strength, power, and other benefits related to dominance.
- These effects occur only when angry consumers expect dominance benefits to accrue in the near future.

READ THE FULL ARTICLE
Shruti Koley and Caleb Warren, "Anger and Self-Control: How the Need to Dominate Can Lead to Better Choices," *Journal of Public Policy & Marketing*, doi:10.1177/07439156241265076

Is Sustainability a Liability? How Consumer Beliefs About Eco-Friendly Products Have Shifted

In recent years, brands have increasingly promoted their sustainable production and environmental commitments—doing so despite the concern, based on prior research, that consumers think sustainable products perform worse than traditional products. This "sustainability liability" effect occurs, researchers have said, because consumers think strong performance in one area means weak performance in another.

Yet some of those findings are decades old, and markets evolve.

As technologies have improved and consumers gain more and more experience with sustainable products, this common wisdom may no longer hold true.

In new research, the authors look at how consumer perceptions of sustainable products have shifted over time. They revisit scenarios adapted from prior studies and show that, now, the effect is relatively small and unlikely to be meaningful. What's more, the effect differs by product attribute. For example, for products associated more with gentleness than with strength, sustainability boosts overall consumer preferences and strengthens product performance beliefs.

To explain these findings, the authors look at large media datasets, from Google News through 2013 and Wikipedia through November 2021, demonstrating that the link between sustainability and inferior product performance has indeed decreased.

For public policy makers, these findings provide important evidence that designing and promoting eco-friendly products can benefit society without detracting from perceived product performance.

WHAT YOU NEED TO KNOW
- Consumer perceptions of eco-friendly products have shifted.
- Sustainability is no longer a universal liability—it can even be a positive.
- Especially for products associated with gentleness rather than strength, sustainability can bolster consumer preferences and strengthen product performance beliefs.

READ THE FULL ARTICLE
Alexander Chernev, Sean Blair, Ulf Böckenholt, and Himanshu Mishra, "Is Sustainability a Liability? Green Marketing and Consumer Beliefs About Eco-Friendly Products," *Journal of Public Policy & Marketing*, doi:10.1177/07439156241264286

Who Shares Fake News? Insights from Social Media Users' Post Histories

This study addresses the challenge of identifying and understanding the characteristics of social media users who share fake news. Researchers utilize the text in users' past social media posts to extract insights into their traits that can help predict fake news sharing and mitigate the spread of misinformation. The authors examine the language patterns of fake news sharers by analyzing their Twitter post histories, categorizing these individuals on the basis of the type of fake news shared—political or nonpolitical—using sources like Snopes and Hoaxy. By comparing these sharers to various other groups, including random Twitter users and users with similar demographics or political leanings, they identify unique textual cues, such as the frequent use of words related to anger and power, which significantly enhance the predictive models' accuracy in identifying who shares fake news.

Marketers and managers can leverage the findings to develop targeted interventions that reduce the sharing of fake news by identifying key linguistic and psychological traits of fake news sharers and crafting messages that resonate with these users.

WHAT YOU NEED TO KNOW
- Social media users who share fake news exhibit distinctive linguistic patterns, such as higher usage of anger and power-related words, which may reflect their psychological traits.
- The linguistic patterns uncovered from past social media posts can also be incorporated into predictive models to better predict potential fake news sharers.
- Building profiles of fake news sharers using post history data can be useful in identifying promising interventions. For example, using empowering language in advertisements for fact-checking tools can encourage their adoption.

READ THE FULL ARTICLE
Verena Schoenmueller, Simon J. Blanchard, and Gita Venkataramani Johar, "Who Shares Fake News?

Uncovering Insights from Social Media Users' Post Histories," *Journal of Marketing Research*, doi:10.1177/00222437241281873

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How Community Gifting on Twitch Affects User Engagement

Live streaming has emerged as a dominant form of social media that attracts millions of users worldwide, with the Twitch platform leading the way. As this industry continues to grow exponentially, it becomes increasingly important to understand and optimize user engagement for advertising revenue. The incorporation of community engagement features such as live chat, emoticons, and gifting systems has shown promise in enhancing user interaction and loyalty. This study analyzes users' engagement after receiving a gift. Results indicate that, relative to nonrecipients within a five-minute window of a gifting event, community gift recipients exhibit a 69% chance of directing an additional message toward their peers, a 35% chance of directing an additional message toward the streamer, and a 5% chance of gifting an incremental subscription to the community. However, there is no observable increase in tipping behavior toward the streamer, suggesting a nuanced response to different forms of engagement incentives.

WHAT YOU NEED TO KNOW

• Encourage community gifting on live streaming platforms like Twitch to boost user engagement, as recipients show increased social interaction such as messaging peers and streamers after receiving a gift.
• Recognize the importance of timing and context in community gifting initiatives, as the effectiveness of recipient engagement may vary based on prior chat volume and dynamics.

• Recipients' gifting behavior is less frequent when there are more gifting events prior to the focal community gift.

READ THE FULL ARTICLE

Alexander Chaudhry, Yang Wang, and Erya Ouyang, "Community Gifting and Recipients' Engagement with Peers and Influencers: Evidence from Natural Experiments on Twitch," *Journal of Interactive Marketing*, doi:10.1177/10949968241257891

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Marketing's Role During War: Building Resilience in Ukraine

Since the start of Russia's war on Ukraine, marketing efforts expressing defiance, solidarity, and resistance have become commonplace in Ukraine. For example, brands in Ukraine have marketed chocolate figurines satirically depicting Russia's head of state as a prisoner under the brand line "Beware, Putin!" and jigsaw puzzles depicting Ukraine's destroyed historical buildings.

This research focuses on marketing's role in building community resilience in wartime—

crucial for people in Ukraine and in over 30 countries where war is ongoing. The authors show how and why people living in wartime adversity create, perceive, and respond to war-related marketing activism actions.

These marketing activism actions—if they are perceived as authentic actions of citizenship rather than pursuit of sales—can strengthen resilience for civilian populations affected by war, the authors find. In community dialogues, these marketing actions represent pathways of resilience—showing how the community can progress from survival to creativity and growth, and ultimately to recovery.

The authors recommend that governments, organizations, and marketing professional bodies establish policies encouraging a responsible approach to war-related marketing activism actions to safeguard against misuse.

WHAT YOU NEED TO KNOW

• War-related marketing activism can support community resilience of civilians living in war conditions.
• Consumers may engage with, question, or reject marketing activism actions during war.
• Mindful and systematic policies for war-related marketing activism can facilitate leveraging it as a community resilience resource and safeguard against its misuse and misappropriation.

READ THE FULL ARTICLE

Eva Kipnis, Nataliia Pysarenko, Cristina Galalae, Carlo Mari, Verónica Martín Ruiz, and Lizette Vorster, "The Role of War-Related Marketing Activism Actions in Community Resilience: From the Ground in Ukraine," *Journal of Public Policy & Marketing*, doi:10.1177/07439156241262983

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