

Coles Seminar Series

Spring 2020



JANUARY 17TH, 2020

Colleen Harmeling

Assistant Professor of Marketing and Deans Emerging Scholar
College of Business, Florida State University

Topic: *Marketing, Through the Eyes of the Stigmatized*

FEBRUARY 7TH, 2020

Arun Rai

Regents' Professor, Robinson Chair of IT-Enabled Process
Innovation and Supply Chains, Director of the Center for Digital
Innovation
Robinson College of Business, Georgia State University

Topic: *How Will the AI Genie Behave*

FEBRUARY 14TH, 2020

Mona Sinha

Associate Professor of Marketing
Coles College of Business, Kennesaw State University

Topic: *Is the Price Fair? How Intangibility Reduces Price Fairness Perceptions*

FEBRUARY 21ST, 2020

Solomon Negash

Professor of Information Systems
KSU FinTech Director
Coles College of Business, Kennesaw State University

Topic: *Token Economics*

MARCH 6TH, 2020

Mary Hill

Assistant Professor
School of Accountancy
Coles College of Business, Kennesaw State University

Topic: *Paid-in Capital, Earned Capital, and Cross-sectional Differences in Financial Risk*

APRIL 24TH, 2020

Nikki MacKenzie

Assistant Professor
Scheller College of Business, Georgia Tech

Topic: *How Alumni Affiliation and Fatigue Affect the Likelihood of Evidence Collection*

JANUARY 17TH, 2020

Colleen Harmeling

Assistant Professor of Marketing and Deans Emerging Scholar
College of Business, Florida State University

Marketing, Through the Eyes of the Stigmatized

ABSTRACT

A stigma is an attribute of a person that deviates from what others consider normal and is a source of social devaluation. It can affect consumer behavior and represents a major hurdle to marketers in certain industries (e.g., healthcare). Two field experiments—manipulating the marketing communications sent to 1,453 consumers diagnosed with 88 diseases of varying stigma levels—and two laboratory studies reveal that stigmatized consumers decode aspects of marketing communications as audience cues that they use to identify observers of their potential consumption. With these cues, they infer whether an audience will devalue them due to their stigma and determine how to respond to marketing communications. Among stigmatized consumers, only cues that signal that the audience (1) possesses similar deviant attributes and (2) has benevolent intentions reduce anticipated social devaluation, which affects consumption behaviors (program enrollment, long-term engagement; e.g., 200% click-through increase). When these cues imply unfavorable audiences, stigmatized consumers are more interested in products that promise to alleviate the stigma but that might be associated with higher risk (e.g., bodily harm).

FEBRUARY 7TH, 2020

Arun Rai

Regents' Professor, Robinson Chair of IT-Enabled Process Innovation and Supply Chains, Director of the Center for Digital Innovation
Robinson College of Business, Georgia State University

How Will the AI Genie Behave

ABSTRACT

We are witnessing the increasing ubiquity of AI, with accelerating deployment in a wide variety of task domains, entrepreneurial activity across industries, and embedding in the core processes of digital platforms and firms. Alongside the increasing ubiquity of AI, we are encountering broad unintended consequences, both beneficial and harmful. These unintended consequences are arising from unexpected behaviors and downstream effects that emerge through interactions of AI agents with the environment and other agents. To be able to control the actions of AI in ways that harvest its benefits while minimizing harm, we need to develop an integrated understanding of AI behavior in the environments in which it is deployed. I will offer a perspective to develop this integrated understanding through research that investigates how AI agents acquire their behavior, how the behavior is triggered and enacted, the interaction dynamics of AI agents with other agents that lead to unintended consequences, and the influence of policy decisions on how AI systems evolve.

FEBRUARY 14TH, 2020

Mona Sinha

Associate Professor of Marketing
Coles College of Business, Kennesaw State
University

Is the Price Fair? How Intangibility Reduces Price Fairness Perceptions

ABSTRACT

While the vulnerability of service offerings to price unfairness perceptions has long been recognized, most price fairness research has been conducted in the context of goods. Thus far, the few empirical studies have yielded inconsistent findings about the relationship between the goods/services nature of products and price fairness perceptions. This research addresses two gaps in the emerging empirical work on price fairness in the context of services: Which characteristics of services promote price unfairness perceptions? And what are the mechanisms that create those perceptions? We extend the existing research by demonstrating that of the four other key characteristics of services: intangibility, heterogeneity, inseparability and perishability, it is intangibility that diminishes price fairness perceptions. Drawing on the fairness and services literatures, we develop a framework showing how intangibility diminishes consumers' perception of value derived from a service, and heightens concerns about the reasonableness of seller profit. Thus, we demonstrate how value and seller profit mediate the influence of intangibility on price fairness evaluations. The framework is supported in a series of three studies. Our findings offer directions to managers crafting value propositions for services or products that are marked by intangibility.

FEBRUARY 21ST, 2020

Solomon Negash

Professor of Information Systems

KSU FinTech Director

Coles College of Business, Kennesaw State University

Token Economics

ABSTRACT

Token economics is the study, design, and implementation of economic systems based on emerging technologies. Emerging technologies are enabling transparent and immutable exchange of assets with quick confirmation of provenance, linked transactions in a distributed ledger, among parties which may not know or trust each other. In this paper, we discuss the innovation drivers including tokens, game theory, distributed ledger, cryptocurrency, digital signatures, and the feasibility of micropayments. New innovations has led to the development of different payment processing technologies that not only allow convenient transactions, but are also secure. These innovations are shaping the way we shop, pay and get paid globally that have enabled digital strategies, payment performance and security, and digital innovations that are transforming authentication and authorization delivering unique solutions that will help stakeholders including clients, merchants, cardholders, and partners.

MARCH 6TH, 2020

Mary Hill

Assistant Professor

School of Accountancy

Coles College of Business, Kennesaw State University

Paid-in Capital, Earned Capital, and Cross-sectional Differences in Financial Risk

ABSTRACT

We examine whether the distinction between two components of equity – paid-in capital and earned capital – is associated with cross-sectional differences in financial risk to claimants (e.g., shareholders and creditors). We define financial risk as the likelihood that a claimant will not receive the expected stream of future cash flows underlying its claim. We find that, after controlling for the amount of debt in a firm's capital structure, the amount of paid-in (earned) capital in its capital structure is positively (negatively) associated with idiosyncratic common equity risk, credit risk, and the likelihood of business failure. Our findings indicate that although paid-in capital and earned capital are similarly classified as equity for financial reporting purposes, they exhibit opposite relations to financial risk from one another, which, in turn, raises the question of whether this distinction is under-emphasized in financial accounting.

APRIL 24TH, 2020

Nikki MacKenzie

Assistant Professor

Scheller College of Business, Georgia Tech

How Alumni Affiliation and Fatigue Affect the Likelihood of Evidence Collection

ABSTRACT

In a profession with high turnover, auditors often transition from their firm to an audit client. However, regulators and researchers are concerned about lingering relationships between auditors and their former colleagues which might represent a threat to auditor independence. While the limited research investigates the influence of alumni affiliation during later phases of the audit, our study examines the effect of alumni affiliation during evidence collection. We predict and find that alumni affiliation can benefit the audit in some circumstances by reducing the perceived social mismatch between the auditor and client documented in the literature. Additionally, we expect a common feature of the audit environment, fatigue, may reverse any positive effects of affiliation. We find that non-fatigued auditors interacting with an affiliated client collect more evidence compared to those with a non-affiliated client. We also find that with an affiliated client, fatigued auditors collect less evidence than non-fatigued auditors, and this effect is minimal with auditors who have a non-affiliated client. The results inform regulators, practitioners, and financial statement users by demonstrating that alumni affiliation may not always have a negative impact on audits, as long as auditors are not experiencing fatigue.