

More Options, More Money

IN TRADITIONAL MARKETS, offering consumers too many options can lead them to purchase nothing at all. In crowdfunding, however, the more options and price points consumers have to choose from, the more they tend to contribute, according to a study by three researchers at the University of Toronto's Rotman School of Management in Canada. They include Ming Hu, assistant professor of operations management; Xi Li, a doctoral student; and Mengze Shi, associate professor of marketing.



Ming Hu



Mengze Shi

Creators of typical crowdfunding campaigns inform people of their projects, post fundraising targets, and work to reach those targets by set deadlines. If their targets are not reached, any contributions made by funders—whom the researchers call “pre-buyers”—are refunded.

When campaigns set a range of higher-priced incentives (such as a VIP pass to a concert) and lower-priced incentives (a regular ticket), early pre-buyers may opt for the higher-priced option. The reason? They want the project to succeed, and they fear that others might not pay as much. By offering high-end pre-buyers a reason to commit early, campaigns also attract pre-buyers who are waiting for others to participate.

“Product and Pricing Decisions in Crowdfunding” is available online at papers.ssrn.com/sol3/papers.cfm?abstract_id=2405552.

RESEARCH RECOGNITIONS

In August, the Academy of Management presented its 2014 Greif Research Impact Award to **Robert A. Baron**, Regents Professor and William S. Spears Chair at the School of Entrepreneurship in Oklahoma State University's Spear School of Business in Stillwater. Baron received the award, along with US\$5,000, for publishing the article on entrepreneurship six years ago that has been the most cited over the past five years. Baron was recognized for his 2008 article “The Role of Affect in the Entrepreneurship Process,” which appeared in the *Academy of Management Review*. In it, he concluded that “although a propensity to experience positive affect provides several important benefits [to entrepreneurs], it also poses significant risks that should be recognized and carefully weighed in the balance.”

Portugal-based Regional Science Association International (RSAI) has elected two scholars as RSAI Fellows for 2014. The first professor is **Gilles Duranton**, Dean's Chair in Real Estate Professor and chair of the real estate department at the Wharton School at the University of Pennsylvania in Philadelphia. Duranton's research examines areas such as agglomeration, taxation, transportation, and wage distribution. The second is **William Strange**, the Smart Centres Chair in Real Estate and professor of business economics at the University of Toronto's Rotman School of Management in Canada. Strange's research explores topics such as agglomeration, industry clusters, labor market pooling, and real estate development and investment.

Craig R. Everett, director of the Pepperdine Private Capital Markets Project and an assistant professor

of finance at Pepperdine University's Graziadio School of Business and Management in Los Angeles, California, has been named co-editor-in-chief of the *Journal of Entrepreneurial Finance*. He will work with co-editor **James C. Brau** of Brigham Young University in Provo, Utah.

Ole-Kristian Hope, the Deloitte Professor of Accounting at the University of Toronto's Rotman School of Management in Canada, has received the Haim Falk Award for Distinguished Contribution to Accounting Thought. The Canadian Academic Accounting Association recognized Hope, in part, for his research on accounting practice, corporate governance, and public policy issues.

The Marketing Strategy SIG has named **Leigh McAlister** the winner of its 2014 Mahajan Award for Lifetime Contributions to Marketing Strategy Research. McAlister is the Ed and Molly Smith Chair in Business Administration and professor of marketing at the McCombs School of Business at the University of Texas, Austin. Her research focuses on the strategic implications of consumers' reactions to marketing intervention, as well as how marketing affects firm value and risk.

Brent Mainprize, a teaching professor in entrepreneurship and strategy at the University of Victoria Gustavson School of Business in Canada, has won the 2014 Desire2Learn Innovation in Teaching and Learning award from the Society for Teaching and Learning in Higher Education. Mainprize was recognized, in part, for the fact that his approach to teaching has been incorporated into Venture Intelligence Quotient, a web-based software platform for evaluating business risk. 