

MICHAL ANN STRAHILEVITZ

Office: 320Q: Marketing Department
University of Arizona
Tucson, AZ 85721-0108
Tel: (520) 621-9320
Email: strahile@bpa.arizona.edu
ConsumerBehavior@yahoo.com

Chronology of Education

University of California at Berkeley, Haas School of Business
M.Sc., Business Administration: 1993.
Ph.D. in Marketing: 1994.

Dissertation: "Adding the Utility of Giving to the Utility of Receiving: Implications for Cause-Related Marketing," with John Myers, Danny Kahneman, Itamar Simonson and Rashi Glazer.

Tel Aviv University, Recanati School of Management
MBA, Marketing and International Business, Dean's Honor List: 1987.

University of Washington
BA, Economics, Phi Beta Kappa, Magna Cum Laude, Dean's Honor List, Highest Distinction in Economics: 1984

Chronology of Employment

University of Arizona
Assistant Professor of Marketing: January, 2001- present.

University of Miami
Assistant Professor of Marketing: 1996-2000.

University of Illinois at Urbana-Champaign
Jointly appointed Assistant Professor of Advertising and Assistant Professor of Marketing: 1994-1996.

Pac Hardware, West Berlin Germany
Marketing Analyst: Worked with engineers in growing firm to plan expansion into software market.
(AIESEC Internship) March 1989-May 1989.

Memsar Ariely Advertising Ltd., Tel Aviv Israel
Account Executive: Worked with international clients of largest advertising agency in Israel.
September 1987- February 1989.

Tel Aviv Open University, Tel Aviv Israel
English Instructor: Taught classes in Conversational English and English for Business Executives in Adult Education Program.
Fall 1986, Spring 1987, Fall 1988, Spring 1989.

Bikuben Bank, International Division, Copenhagen Denmark
Marketing Development Analyst: Investigated export opportunities for business clients of the bank.
(AIESEC Internship): July 1987-October 1987.

Royal Insurance, Group Personal, Liverpool England
Assistant Coordinator of Training Program: Assisted in planning and evaluating educational seminars for company employees. (AIESEC Internship): July 1986- October 1986.

Honors and Awards: Research

Financial Service Exchange: Behavioral Finance Research Grant: 2002/2003
University of Arizona Foundation, Small Grants Program: 2001/2002.

Honors and Awards: Teaching

American Marketing Association, University of Arizona Chapter: Teacher of the Year Award : 2004.
Eller College Teaching Innovation Grant, University of Arizona, 2004.

Service/OutreachNational/international outreach

Co-Editor of Special Issue: "Gender Issues in Consumer Research" in the *Academy of Marketing Science Review*, 2001.

Program committee member: Association for Consumer Research 1999 Conference.

Chair of the 1998 Behavioral Decision Research in Management Conference: Managed review process, developed final program, edited conference proceedings.

I have been an ad-hoc reviewer for the following journals: *Journal of Consumer Research*, *Journal of Marketing Research*, *Journal of Marketing*, *Journal of the Academy of Marketing Science*, *Journal of Consumer Psychology*, *Journal of Business Research*, *Journal of Retailing*, *Marketing Letters*, *Journal of Advertising Research*, *Journal of Advertising*, *Research in Consumer Behavior*, *Journal of Innovation and Corporate Change*.

I have also served as a reviewer for the following conferences: Association of Consumer Research Conference, Summer Conference of the American Marketing Association, Winter Conference of the American Marketing Association, Society of Consumer Psychology Conference, Behavioral Decision Research in Management Conference.

I have chaired over one dozen special sessions at the following conferences: Association for Consumer Research, Society for Consumer Psychology, American Marketing Association, Behavioral Research in Management: 1999-2004.

Department Level

Marketing department recruiting committee member: 2003/2004.

Guest Speaker for Marketing Careers Course (focus on academic careers): 2003, 2004.

Marketing department's Honors Program co-representative, 2004/2005.

College Level

Marketing department representative for Eller College MBA graduation: 2001.

Marketing department representative for Eller College undergraduate graduation: 2001, 2002, 2003.

Marketing department representative for Eller College Outstanding Senior Luncheon: December, 2003.

Marketing department representative for Eller College Undergraduate Committee: 2002, 2003.

University level

None.

Other service and committees

Supervised Independent Study Honors Project Course for U of A's Bio5 at the University of Arizona: Fall, 2004.

Supervised Honors Project Course for Bureau of Land Management Marketing Communications: Spring 2004.

Supervised Honors Project for Institute of Biotechnology & Biomedical Sciences Marketing Communications Course: Spring, 2004.

Supervised Second Year MBA Institute of Biotechnology & Biomedical Sciences Marketing Communications Project: Spring, 2004.

Publications/Creative Activity (Published or Accepted)

Chapters in Scholarly Books:

"Which Firms Benefit Most from Cause Related Marketing? How a Firm's Prior Behavior Affects the Motives Attributed to a Cause-Related Marketing Campaign" (2003), Michal Strahilevitz, book chapter in *Non Profit and Business Sector Collaborations: Social Enterprises, Cause-Related Marketing, Sponsorships, and other Corporate Nonprofit Dealings*, Edited by Wymer and Samu, Haworth Press Inc.

Refereed Journal Articles:

"Gender Differences in the Perceived Risk of Buying Online and the Effects of Receiving a Site Recommendation," (2004), Ellen Garbarino and Michal Strahilevitz, *Journal of Business Research*, Special Issue on Marketing and the Internet, June 2004 in the *Journal of Business Research* (Issue 57/7).

"The Effects of Prior Impressions of a Firm's Ethics on the Success of a Cause-related Marketing Campaign: Do the Good Look Better While the Bad Look Worse?" (2003), Michal Strahilevitz. *The Journal of Nonprofit & Public Sector Marketing*, Volume 11-1.

"Probability and Mode of Acquisition Effects on Choices Between Hedonic and Utilitarian Options," Sue O'Curry and Michal Strahilevitz. *Marketing Letters*, February (2001), 12, 37-49.

"The Effects of Product Type and Donation Magnitude on Willingness to Pay More for a Charity- Linked Brand," Michal Strahilevitz, *Journal of Consumer Psychology*, March (1999), 215-241.

"The Effect of Ownership History on the Valuation of Objects," Michal Strahilevitz and George Loewenstein, *Journal of Consumer Research*, December (1998), 276-289.

"Using Donations to Charity as Purchase Incentives: How Well They Work May Depend on What You Are Trying to Sell," Michal Strahilevitz and John Meyers, *Journal of Consumer Research*, March (1998), 434-446.

I have also published multiple papers, abstracts and special session summaries in various peer-reviewed conference proceedings. Most of these appear in the *Association of Consumer Research Conference Proceedings*. (Most of these projects are described under "Scholarly Presentations.")

Papers Under Review

"Once Burned, Twice Shy: How Naïve Learning and Counterfactuals Affect the Repurchase of Stocks Previously Sold," Michal Strahilevitz, Terry Odean and Brad Barber. Under review with *Management Science*. In this paper, we demonstrate two previously undocumented patterns in the purchase selections of individual investors and confirm a related pattern. These patterns hinge on investors' previous experience with a stock. We demonstrate that investors prefer to: (1) repurchase stocks they previously sold for a gain rather than stocks they previously sold for a loss, (2) repurchase stocks that have lost value subsequent to a prior sale, rather than stocks that have gained value subsequent to a prior sale, and (3) purchase additional shares of stocks that have lost value since being purchased rather than additional shares of stocks that have gained value since being purchased. We propose that the first trading pattern results from a simple form of learning whereby investors repeat

actions that previously resulted in pleasure while avoiding actions that previously led to pain (i.e., they repurchase their previous winners more readily than their previous losers). We argue that the second and third trading patterns are tied to counterfactuals. Investors who buy a stock at a higher price than they previously sold it are painfully aware that they are worse off than if they had simply never sold that stock. Investors who buy a stock at a lower price than they previously sold it experience the pleasure of knowing they are better off than if they had never sold that stock.

"The Differential Roles of Gender, Previous Ownership, and Time on Attachment to Possessions," Michal Strahilevitz and George Loewenstein. Being revised (invited) for the *Journal of Consumer Research*. A series of studies investigate gender differences in the effect of duration of ownership on object valuation. It is found that males and females increase their valuation of objects to a similar degree immediately after being endowed with them (the endowment effect). However, as time passes, women's valuation for objects in their possession continues to increase, whereas men's valuation remains roughly constant. These effects are observed in a series of lab studies in which subjects are endowed with objects for varying, but brief, amounts of time. Similar results are obtained in a field survey that examines the length of time that women and men of varied ages have owned their most prized possessions. After examining possible alternative psychological mechanisms, it is concluded that the male-female difference in the effect of duration of ownership on object valuations is mediated, at least in part, by gender differences in speed of adaptation to gains and losses.

Select Working Papers

"Comparing the Warm Glow of Giving to the Good Feelings Associated with Getting More for Ourselves: A Model of Donation Behavior," Michal Strahilevitz. This paper is actually a combination of two projects that are being combined and revised for a first submission to the *Journal of Consumer Research*. This paper examines the factors that affect the personal utility individuals derive from helping others. A model is developed to contrast the utility derived from giving (and the disutility of undoing a donation) with the utility obtained from receiving something for oneself (and the disutility of having to give something up). In the case of giving to charity, the personal utility derived by the donor is found to be a combination of the good feelings associated with knowing that a worthy cause is being supported and the more personal utility derived from "being the one" to make that donation. In the case of taking away from charity (by undoing a prior donation), the main disutility comes from guilt. This guilt is far stronger when an endowed donation is "undone" than when the initial decision is made to not donate. At various points in the paper, findings from a series of lab experiments are used to support the conceptual arguments. The paper concludes with a discussion of implications for understanding altruism as a form of consumer behavior. This research was presented in February 2004 at the Society for Consumer Psychology Conference.

"The Relationship between Survey Incentives and Response Effort: Going Beyond Response Rates to Look at Willingness to Go the Extra Mile" Michal Strahilevitz and John Myers. Being revised for the *Journal of Business Research*. This paper examines how the nature and timing of an incentive affect not only response rates, but also the effort and care exerted in responding. Two of the mediating variables are guilt (from non-response) and happiness from receiving the survey (with either a gift or promised reward)

Select Work in Progress

"Why Bad Service Will Destroy You Faster if You Are Targeting Women: The Effects of Gender and Customer Satisfaction on the Likelihood of Telling Friends About Experiences with Online Vendors," with Catherine Stickland. We have collected initial experimental data that demonstrate that women are more likely than men to tell their friends about both positive and negative experiences buying online. We have also found that females pay more attention to recommendations from friends. We will be collecting additional data in April 2004 to weed out alternative explanations. Target Publication: *Journal of Consumer Research*.

"Gender Differences in the Age and Value-Source of Favorite Memories and Favorite Possessions in China: The Roles of Sentiment and Duration of Ownership," Jainfeng Wang, Michal Strahilevitz, and Sue O'Curry. We have collected over 200 surveys from Chinese men and women and are in the process of analyzing the data. So far, we have found that women tend to cherish older objects and for more sentimental reasons. In contrast, men cherish more expensive objects, often for reasons related to status. In the case of memories, men are more likely to cherish their memories of accomplishments, whereas women are more likely to cherish their memories of emotional and social connection. Target Publication: *Journal of Consumer Psychology*.

“The Characteristics and Emotional Experiences of Frequent Traders: Investment Strategy or Addiction?” with Dan Ariely. We have collected initial data via an online survey, and I presented our results at the Association of Consumer Research Conference in 2002. We are continuing to collect data with the help of two larger scale online surveys. Initial findings suggest that intense emotional experiences and a sense of being out of control are quite common among frequent traders. Frequent traders are also much more likely to think that most investors are addicted to trading. Target publication: *Science*.

“The Effects of Time and Budget Constraints on Variety Seeking in Charitable Giving,” Michal Strahilevitz. Data collection is complete and the paper is being written for submission to the *Journal of Consumer Research*. This research explores the possibility that similar to “sensory specific satiation,” individuals may exhibit “cause-specific satiation.” Data from both hypothetical contribution decisions and choices involving real money demonstrate that, similar to the experience of individuals indulging in their favorite foods, “overindulging” in one cause (e.g., saving children, protecting endangered animals, supporting cancer research, or planting new forests) can lead to satiation. However, just as we can regain our cravings for certain foods if we allow time to pass after overindulging in them, the ability to enjoy giving to one's favorite charity may be renewed by taking breaks between donation experiences. The work also suggests that, in selecting a “portfolio” of causes to contribute to, many individuals tend to look for variety with a theme (i.e., sponsoring only females, but from a variety of ethnic backgrounds). Target Publication: *Journal of Consumer Research*.

“How Portfolio Fluctuations Affect Luxury Spending,” with Dan Ariely. We have collected initial data and are continuing to collect data with the help of an online experiment administered to investors. Initial findings suggest that upgrading on luxury consumption due to gains is more common than downgrading luxury consumption due to losses. Target publication: *Journal of Consumer Research*. (See <http://ilab.mit.edu/eller> for sample surveys).

Media

Television Appearances: Have appeared as a guest on CNBC morning show (to discuss my research on the psychology of investing), the Nightly Business Report (to discuss advertising trends), and Deco Drive (to discuss media). *Press Quotes:* Have been quoted by the Chicago Tribune, the Washington Post, Ms. Magazine and the Arizona Daily Star (about my work on gender differences), the Boston Globe, and the San Francisco Chronicle (about my research on investment behavior), and the Miami Herald and Tucson Citizen (about advertising trends).

Scholarly Presentations

(All conferences were submitted and competitively reviewed. Only the consortium and campus talks were invited)

“Once Burned Twice Shy, This Stock Was Good to Me So Far, and It Could Have Been Worse: The Influence of Reinforced Learning and Counterfactual Reasoning on Repurchase Decisions by Individual Investors” with Terrance Odean and Brad Barber. To be presented at the Association of Consumer Research, Portland Oregon, October 2004.

“The Influence of Reinforced Learning and Counterfactual Reasoning on Repurchase Decisions by Individual Investors” with Terrance Odean and Brad Barber. Presented at the U.C. Berkeley Finance Colloquium Brown Bag Series, August 2004.

“Once Burned Twice Shy, This Stock Was Good to Me So Far, and It Could Have Been Worse: The Influence of Counterfactual Reasoning and Reinforced Learning on Repurchase Decisions by Individual Investors” with Terrance Odean and Brad Barber. Presented at the Arizona Marketing Consortium, Scottsdale, AZ, April 2004.

“Once Burned Twice Shy, This Stock Was Good to Me So Far, and It Could Have Been Worse: The Influence of Reinforced Learning and Counterfactual Reasoning on Repurchase Decisions by Individual Investors,” with Terrance Odean and Brad Barber. Presented at the Behavioral Decision Research in Management Conference, Durham, NC, April 2004.

“Take Aversion vs. The Joy of Giving: Another Case of Asymmetry.” Presented at the Annual Conference of the Society of Consumer Research, San Francisco, CA, February, 2004.

“The Influence of Counterfactual Reasoning and Reinforced Learning on Repurchase Decisions by Individual Investors” with Terrance Odean and Brad Barber. Presented at the Annual Conference of the Society of Consumer Research, San Francisco, CA, February, 2004.

“The Characteristics and Emotional Experiences of Frequent Traders: Investment Strategy or Addiction?” with Dan Ariely. Presented at the Annual Conference of the Association for Consumer Research, Atlanta, GA, October 2002.

“Gender Differences in Risk Perceptions and the Effectiveness of Various Methods for Reducing the Perceived Risks of Buying Online,” Ellen Garbarino and Michal Strahilevitz. Presented at the Annual Conference of the Association for Consumer Research, Salt Lake City, Utah, October 2000.

“Probability and Mode of Acquisition Effects on Choices Between Hedonic and Utilitarian Options,” Sue O’Curry and Michal Strahilevitz. Presented at the Annual Conference of the Association for Consumer Research, Salt Lake City, Utah, October 2000.

“Gender Differences in Attachment to Objects Over Time,” Michal Strahilevitz and George Loewenstein. Presented as part of the Stanford University Marketing Department Seminar Series, Stanford, California, May 1999.

“Warm-Glow Satiation Based on Context: Does Variety Seeking Occur on the Charity or Cause Level?” Michal Strahilevitz. Presented at the Annual Conference of the Association for Consumer Research, Columbus, Ohio, October 1999.

“Sensory Aspects of Charitable Giving: Seeking Variety in the Consumption of Warm Glow,” Michal Strahilevitz. Presented at the Annual Summer Conference of the American Marketing Association, San Francisco, California, August 1999.

“How Generous Are We Feeling Today: The Effects of Product Type, Donation Magnitude, and Price on Attitudes Towards the Brand,” Michal Strahilevitz. Presented at the Annual Conference of the Society of Consumer Psychology, St. Petersburg, Florida, February 1999.

“Possessive Women and Detached Men: The Differential Roles of Gender, Previous Ownership, Risk Seeking Tendencies and Time on Attachment to Possessions,” Michal Strahilevitz and George Loewenstein. Presented at the Annual Conference of the Society for Consumer Psychology, St. Petersburg, Florida, February 1999.

“Factors Mediating the Effectiveness of Product Bundling Strategies and Non-monetary Promotions: Brand Loyalty versus Short Term Sales,” Michal Strahilevitz. Presented at the Annual Conference of the Association for Consumer Research, Montreal, Canada, October 1998.

“Is Warm Glow Cheap? The Effects of Product Type, Donation Magnitude, and Price on Willingness to Pay More for a Cause-Related Brand,” Michal Strahilevitz. Presented at the European INFORMS Conference, Tel Aviv, Israel, July 1998.

“Gender Differences in Factors Affecting Attachment to Objects Over Time: The Roles of Sentimental Value and Adaptation,” Michal Strahilevitz and George Loewenstein. Presented at the Behavioral Decision Research in Management Conference, Miami, Florida, June 1998.

“Do Men Only Want What they Can’t Have?: Gender Differences in the Interaction Between Duration of Exposure and Duration of Ownership on Object Valuation,” Michal Strahilevitz and George Loewenstein. Presented at the Annual Conference of the Society of Consumer Psychology, St. Petersburg, Florida, February 1998.

“The Roles of Budget and Timing of Solicitation on Cause-Based versus Charity-Specific Satiation,” Michal Strahilevitz. Presented at the Annual Conference of the Society for Consumer Psychology, Austin, Texas, February 1998.