# MarketingNews

# THE ULTIMATE RESEARCH ASSISTANT

## HOW MARKETING RESEARCHERS CAN EFFECTIVELY COLLABORATE WITH LLMS

# Inside This Issue

# The Ultimate Research Assistant

How Marketing Researchers Can Effectively Collaborate with LLMs

**BY NEERAJ ARORA, ISHITA CHAKRABORTY. AND YOHEI NISHIMURA**

**G**enerative AI (GenAI), and large language models (LLMs) in particular, are transforming marketing. According to a 2023 BCG study, over 70% of chief marketing officers have embraced this technology, and experts predict GenAI will revolutionize marketing research—a $84.3 billion dollar industry in 2023—by automating and enhancing data collection, analysis, and insights generation.

In a new *Journal of Marketing* study, we find that LLMs offer significant efficiency and effectiveness gains in the marketing research process for both qualitative and quantitative research. We show that LLMs serve as excellent assistants for insights managers through different stages of the research process: study design, sample selection, data collection, and data analysis.

## The AI–Human Hybrid Approach

Consider a business context in which a brand manager collaborates with a consumer insights manager to formulate the problem the research is trying to address and come up with a set of research questions. The two may collaboratively agree on a research design that, for example, begins with exploratory research (e.g., in-depth interviews) followed by descriptive research (e.g., a survey). These first two steps of the research process are largely led by humans. Although the brand and insight managers could consult an LLM to gather secondary research on the topic and explore use cases that could help inform the research questions or research design, they would still largely rely on their knowledge of the business context to formulate the research problem, questions, and design.

Our central premise is that a human–LLM hybrid approach can lead to efficiency and effectiveness gains in the marketing research process. For this study, we partnered with a Fortune 500 food company and replicated two studies the company had conducted using an LLM. The first study was qualitative and centered around business questions for the Friendsgiving celebration. The second study focused on testing a new refrigerated dog food. For each study, we treated the original (human) studies as the "ground truth" and benchmarked the LLM-generated studies against them. This approach allowed us to objectively evaluate the quality of synthetic data and investigate the role LLMs could play in knowledge generation.

For qualitative research, we find that LLMs are excellent assistants for data generation and analysis.

- On the data generation front, LLMs effectively create desirable sample characteristics, generate synthetic respondents that match those characteristics, and conduct and moderate in-depth interviews. Our results show that LLM-generated responses are superior in terms of depth and insightfulness.

- On the analysis front, LLMs perform well, matching human experts in identifying key ideas, grouping them into themes, and summarizing information. Although LLMs missed some themes that humans detected, they generated some that humans did not. Expert judges find that human–LLM hybrids outperformed their human-only or LLM-only counterparts.

The upshot here is that LLMs and humans bring unique, complementary insights that managers should leverage.

## A Handy Research Assistant

An LLM can be an excellent starting point for creating the first draft of a survey and can generate survey introductions, screener questions, and demographic questions with relative ease. The LLM can focus on the laborious, repetitive, and uninteresting tasks while the human expert can use this time savings to think more creatively about answers to the business questions and the quality of the insights.

A significant advantage of LLMs as an assistant is their low cost. We believe that this single factor will contribute toward rapid adoption of LLMs for insight generation. The gains here are likely to be higher for hard-to-reach respondents (e.g., doctors, senior managers) because synthetic respondents do not get tired and can provide lengthy answers to many questions. In the B2B arena where the end users and buyers are not easy to reach, LLMs could be quite helpful in supplementing the information gathered from human respondents. As an intelligent engine, an LLM could be a revolutionary generator of prior information for a wide variety of business questions at a low cost.

It is important to note that LLMs can be wrong, be biased, or hallucinate when not trained on the relevant data. Therefore, a human supervisor is a necessary part of the marketing research knowledge production process. For example, the human can make decisions about when not to ask an LLM for help. This could occur when the information sought is new not only to the company but also to the world. Other examples include marketing research in cultural contexts to understand local customs and traditions, topics with ethical considerations such as targeting vulnerable populations, and obtaining insights from data containing personal information, where LLMs may lack the necessary safeguards for data security and privacy. **MN**

**FURTHER INSIGHTS ON USING GENERATIVE AI IN RESEARCH FROM AMA JOURNALS**

"New Tools, New Rules: A Practical Guide to Effective and Responsible Generative AI Use for Surveys and Experiments in Research," *Journal of Marketing*, doi:10.1177/00222429251349882. (For more on this article, see Research Insights on page 24.)

**AMA members have access to all AMA journals. Log in at ama.org for full-text access.**

**READ THE FULL ARTICLE**
Neeraj Arora, Ishita Chakraborty, and Yohei Nishimura, "AI–Human Hybrids for Marketing Research: Leveraging Large Language Models (LLMs) as Collaborators," *Journal of Marketing*.

# Skills for a Career on the Move

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# Reinventing Segmentation

Moving Beyond Communications to Driving Impactful Strategy

**BY JORIS ZWEGERS, ALEX FOWLER, AND PAUL RICCIUTI**

**F**indings from surveys of marketers and their respective organizations by the American Marketing Association (AMA) and Kantar about segmentation[1] reveal that segmentations are often underutilized and therefore don't have the organizational impact they could have. Ensuring representation from across the organization and looking beyond the current market are what is needed to turn segmentation from an insights project into something that truly drives customer-centric change.

Marketers appear to be facing a crisis of confidence. In the AMA and Kantar's recent survey of marketers,[2] respondents' confidence that their marketing team is doing the right things to drive growth is at its lowest point in the

**EXHIBIT 1:** How confident are you that your organization's marketing team is doing the right things to drive growth? (showing top 2 boxes)

| 2022 | 2023 | 2024 | 2025 |
|------|------|------|------|
| 61%  | 49%  | 54%  | 43%  |
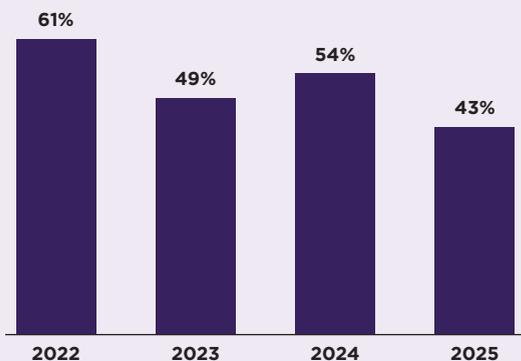
last four years (see Exhibit 1), and only half believe their organization has a clear strategy in place.

Many marketers and strategists consider segmentation to be the foundation of customer-driven (marketing) strategy, and it is often seen as one of the key tools to build a more customer-centric organization. However, while 72% of marketers agree segmentation is pivotal for truly understanding customers, the use of segmentation is

1 Segmentation here includes any demand or segmentation framework. For example, it can feature people, occasions, needs, or demand spaces.
2 Survey among members of the American Marketing Association in May–June 2025; sample size N = 182.

**EXHIBIT 2:** Was the segmentation designed to help the organization…

SET STRATEGY ➤ ENABLE EXECUTION

| | |
|---|---|
| Guide decisions on the markets or categories the business is active in (e.g., expansion into new categories or M&A-driven new offer expansion) | 34% |
| Determine brand positioning/portfolio strategy | 36% |
| Inform innovation strategy | 24% |
| Inform product/assortment strategy | 22% |
| Inform channel/distribution strategy | 33% |
| Improve customer experience/engagement (within a store or digital environments) | 42% |
| Improve overall communications and messaging | 57% |
| Identify key audiences and improve media strategy/targeting | 59% |

often limited to the *execution* of strategy (messaging/communications, media planning) rather than being a key driver of the strategy itself (see Exhibit 2).

At their best, segmentations provide a single source of truth about the customer, what demand looks like, what customers need, and which needs are not being met. It should drive strategy through coordinated and synchronized execution across the entire organization. Without this unified view of the customer, organizations run the risk that personal biases distort decision making and that decisions across different parts of the organization are not aligned or, worse, conflict with one another. This misalignment will result in poor prioritization and inefficient investment across the organization, further eroding institutional trust in the marketing function.

So what should organizations do to ensure their investment in segmentation delivers broad impact? Our research identified three key principles:
1. Clarify the use cases
2. Look beyond the market today
3. Create new behaviors, not just new learnings

## Clarify the Use Cases

Best-in-class segmentations are designed to inform specific use cases and specific commercial objectives so that their impact can be targeted and measured. These use cases can and should go further than solely marketing, powering decisions across product, sales, innovation, and M&A. Similarly, setting clear commercial objectives for the segmentation to feed into is a vital but often overlooked part of the project: When rushed, expectations can be misaligned, leading to the wrong

program. Without complete clarity on its intended purpose, the design of the program is often muddled and generic, leading to disappointment:
- 37% of respondents indicate that specific design choices were made to answer precisely the intended use cases.
- 36% of respondents indicate that they are using the segmentation for all its intended purposes.

To solve this, it's essential to get the input of a broader set of functions beyond just marketing (and especially insights/

**EXHIBIT 3:** Thinking about the project or process to arrive at the segmentation framework, how strongly do you agree or disagree that… (showing top 2 boxes)

| | |
|---|---|
| Stakeholders across teams were aware of the questions the segmentation would and would not be able to answer | 23% |
| Stakeholders across teams were broadly aware of what the segmentation would deliver | 44% |
| Specific design choices were made in the design of the segmentation to answer precisely the use cases | 37% |
| The exact use cases and objectives were clear before the creation of the segmentation began | 49% |
| Deliberate choices were made in the segmentation design to ensure intended users could make effective use of it | 49% |

market research teams) before the program even starts. Understanding the needs of other teams and various levels in the organization is essential: Knowing how they make decisions and how the segmentation will be used is essential to creating the right tool and elevating it from a marketing execution tool to something driving broader organizational strategy and execution.

In those collaborative, multifunctional design discussions, however, it is crucial to be transparent about what the segmentation will and will not do. The best segmentations are deep, rich, multifaceted views of the marketplace rather than shallow catch-all datasets. Few respondents (23%; see Exhibit 3) indicate that stakeholders across teams were aware of what the segmentation would answer. Ensuring clarity from the start means expectations will be aligned, making it easier to embed the framework in the organization's ways of working.

## Look Beyond the Market Today

Businesses need to think beyond the current state of the market with their segmentations or risk missing huge opportunities to leverage them as a central strategic tool in future planning.

Many organizations are not using their segmentation to plan further than a year ahead (41% are only using them for short-term planning). The key pitfalls of this are:

1. The segmentation is not future-proofed in any way.
2. The focus is too narrow, aimed only at where the business plays today.

Segmentations are often unfairly maligned as a static snapshot in time. Great segmentation programs are dynamic, adaptable, and forward-looking. They are smartly designed to:
- Embed key customer and category trends into the program to arm teams with a better understanding of where change could be most profound.
- Integrate into other insight tools (such as tracker studies, social data, or panel data) to ensure an ongoing understanding of what is changing in the market.

Ensuring that the segmentation covers a market that is not too narrowly defined is equally critical. Too often, the segmentation captures a narrow scope, limited to the current (sub)categories the organization operates in, with the belief that a narrower focus means greater efficacy. Additionally, some teams take shortcuts by leveraging approaches that lack credible market sizing, essential for broader business buy-in. Not surprisingly, a mere 8% of respondents say their segmentation improved decisions on expansion opportunities. Broadening the aperture with provocative thinking about adjacent categories and shared consumer needs is critical to avoid missing the potential stretch and white-space opportunities the organization could go after.

## Create New Behaviors, Not Just New Learnings

Segmentations are a key tool to drive consumer-centricity across businesses, but a tool alone won't make change happen. To have an entire organization embrace it, extensive efforts need to be made to properly embed it within each team and integrate it into their ways of working. Many programs fall short on delivering this.

The reason is that embedding is often an afterthought: Only 1 in 3 give embedding significant thought during the design phase. One-off briefing meetings are by far the most common medium for sharing the results of the segmentation. Not surprisingly, only 15% of teams feel more motivated and energized by this approach. This reveals a telling misalignment in how organizations think of segmentations, treating them as a research project aimed at uncovering new insight, not an organizational change project where the goal is establishing powerful new behaviors. The outcome is then very predictable and disappointing, with a lack of understanding and use (see Exhibit 4).

Providing learning programs and inspiration tailored to each use case and reinforced with multiple touchpoints can help teams adopt meaningful changes in their ways of working and unlock significant value for organizations.



**EXHIBIT 4:** To what extent do you agree with the following statements about your organization's segmentation? (top 2 boxes)

37% — Our segmentation is completely understood by all (relevant) functions in the organization

46% — Our segmentation is really used by all (relevant) functions in the organization
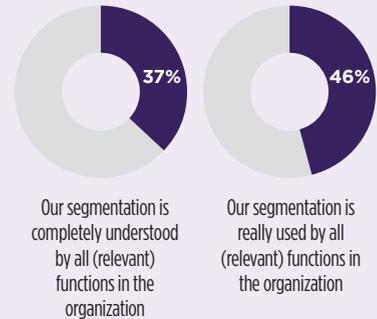
## Conclusion

With turbulent market conditions and uncertainty likely to remain a key challenge in times ahead, joined-up thinking across teams and clear strategy has never been more important. Segmentations are uniquely placed to meet this challenge, but to do so, there needs to be a shift. They should no longer by viewed solely as an insights project but should be considered an organizational transformation initiative where a consistent and compelling view of the customer is fully ingrained across teams and functions, from business planning to execution.

To deliver this, segmentation must be:
- Forward-looking in terms of both the decisions it needs to drive and the market it will cover.
- More clearly tied to business outcomes rather than research outcomes, integrated as part of key KPIs and commercial objectives.
- Supported beyond the completion of the initial project with an engaging learning plan guiding teams to integrate it as a crucial part of their planning cycle and day-to-day processes.

Segmentations can unlock strategic clarity and drive growth—they just need to evolve. **MN**

*Joris Zwegers is a partner at Kantar. Alex Fowler is an associate director at Kantar. Paul Ricciuti is a director at Kantar.*

# Best Cities in the U.S. to Launch a Marketing Career in 2025

**BY YIYUN YANG**

For college students studying marketing and planning to enter the profession, selecting the right city is a crucial first step in building a successful career. Gallup data shows that 51% of jobs are hybrid in 2025, with this preference continuing to grow. Hybrid is the new norm, with fully remote jobs becoming more scarce, which makes the geographical location more important. What makes a city an attractive destination for aspiring marketers? Key factors include the strength of the local marketing profession, cost of living, and long-term growth potential.

Some cities offer a strong concentration of marketing opportunities but have the downsides of shrinking population and high living costs. Others have an industry focus that shapes local demand for marketing talent. There are also cities that may not be top of mind but show promising conditions for career growth. Together, these insights help paint a more nuanced picture of where future marketers might thrive.

## Where the Jobs Are

The number of marketing professionals is a useful indicator of the job opportunities in any given city. According to LinkedIn member data, New York City and Los Angeles are by far the leading hubs for marketing professionals, with 410K and 190K professionals respectively. Following them, in order, are the San Francisco Bay Area, Dallas, Miami, Chicago, Washington, DC, and Atlanta.

## Cost of Living

According to the NUMBEO Living Expense Index, the top 10 most expensive cities in the U.S. are New York, San Francisco, Honolulu, Boston, Seattle, Washington, DC, San Diego, Los Angeles, Sacramento, and Philadelphia. Many of the largest marketing hubs fall within this high-cost group. However, some key marketing cities offer more affordable living options. Chicago, Miami, and Atlanta are all among the top 10 cities by number of marketers from LinkedIn member data, but they rank between 10th and 20th in NUMBEO's living expense rankings. Dallas and Houston also stand out as particularly affordable options while still being major marketing hubs.

**MAJOR HUBS FOR MARKETING PROFESSIONALS: NYC AND LOS ANGELES LEAD THE NATION**

Map districts correspond to Designated Market Areas (DMA)
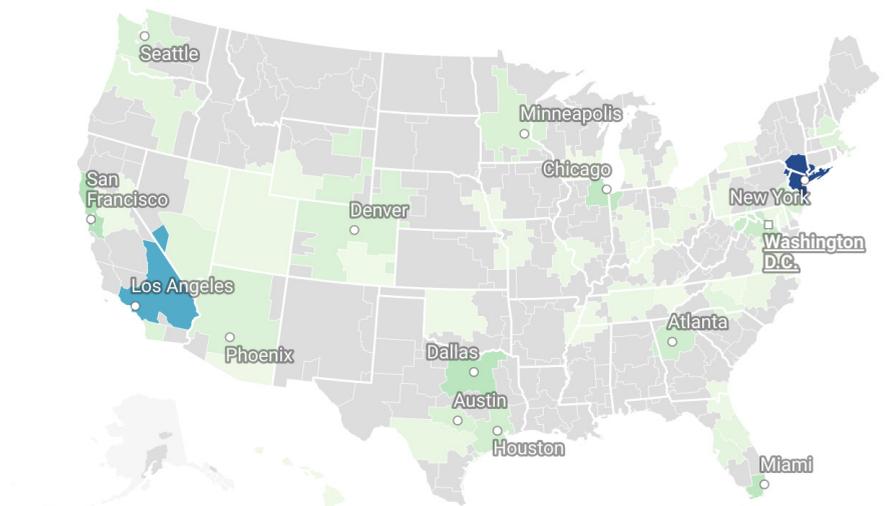


LinkedIn members with a marketing job function, April 2025.
Map: AMA • Source: LinkedIn • Created with Datawrapper

## Salary Outlook

Pipedrive combed through data from the U.S. Bureau of Labor Statistics to identify which areas offer the highest salaries for marketing professionals. The top metro areas include the San Francisco Bay Area, New York City, Seattle, Denver, and Washington, DC. The report also highlights entry-level salaries, with the San Jose metro area leading at an average of $52K. Overall, California's Bay Area offers the most generous compensation for early-career marketers, with four of its metro areas ranking in the top 10. The New York metropolitan area and Seattle also offer highly competitive starting salaries.

## City Outlook

**New York** is by far the largest marketing hub in the U.S., with the most marketing businesses and career opportunities across industries like finance, fashion, and technology. However, the high cost of living and relatively low average salary for entry-level marketers can present a challenge to starting a career there.

**Los Angeles** ranks as the second-largest marketing hub. In 2025, the number of marketers is projected to be about half of New York's, but the business landscape remains vibrant, with around 70% as many small to mid-sized firms. Marketing professionals here are concentrated in entertainment, tech, and consumer goods, where there's high demand for roles in social media strategy and influencer marketing. While salaries aren't the highest, living expenses are more modest than in New York or the Bay Area.

**San Francisco** is a tech-centered market for marketing professionals. Although it has fewer marketers—roughly one-tenth the number in New York—the combination of high salaries and a strong focus on tech offers solid opportunities for those with interdisciplinary skills. Digital analytics, UX marketing, and influencer partnerships are especially in demand. That said, San Francisco is also one of the most expensive cities in the country.

**Chicago** is a long-standing marketing hub with the third-largest base of marketing professionals, following New York and Los Angeles. It also has a strong business foundation, ranking third in the U.S. for both Fortune 500 headquarters and small to mid-sized businesses. The city supports a broad range of industries—including finance, manufacturing, tech, and food and beverage—creating demand for roles in digital analytics, brand management, and content creation. While Chicago may not offer the highest salaries, its relatively low cost of living makes it an attractive option for marketing professionals.

**Dallas** may not be the first city that comes to mind when talking about marketing, but it actually ranks as the fourth-largest city for marketers. It also has a strong business foundation, with 22 Fortune 500 companies headquartered there. At the same time, Dallas offers a more affordable cost of living compared with other major marketing hubs, ranking 24th in the U.S. Other cities in Texas like **Austin** and **Houston** show similar patterns: a solid number of marketing job opportunities and a strong business presence, paired with relatively low living costs and promising population growth.

A city's major industries, quality of life, and culture are also important factors to consider when choosing where to start your marketing career. In today's dynamic market, continuously developing in-demand skills and staying attuned to professional trends across cities can help you stand out and stay ahead. **MN**

*Yiyun Yang wrote this article as a research analyst intern at the American Marketing Association.*

**TOP U.S. METRO AREAS FOR ENTRY-LEVEL MARKETING SALARIES**

| Metro Area | Salary |
|---|---|
| San Jose–Sunnyvale–Santa Clara, CA | 52,720 |
| Trenton, NJ | 47,560 |
| San Francisco–Oakland–Hayward, CA | 47,560 |
| Napa, CA | 47,020 |
| Bangor, ME | 46,880 |
| Portland–South Portland, ME | 46,380 |
| Seattle–Tacoma–Bellevue, WA | 46,300 |
| State College, PA | 45,990 |
| Merced, CA | 45,440 |
| Bridgeport–Stamford–Norwalk, CT | 44,940 |

Amounts in USD. Data as of May 2024.
Chart: AMA • Source: Pipedrive, U.S. Bureau of Labor Statistics • Created with Datawrapper

**2025 COST OF LIVING INDEX BY CITY IN NORTH AMERICA**

| RANK | CITY | LIVING EXPENSE INDEX |
|---|---|---|
| 1 | New York, NY | 100 |
| 2 | San Francisco, CA | 91 |
| 3 | Honolulu, HI | 87 |
| 4 | Boston, MA | 84 |
| 5 | Seattle, WA | 79 |
| 6 | Washington, DC | 79 |
| 7 | San Diego, CA | 78 |
| 8 | Los Angeles, CA | 76 |
| 9 | Sacramento, CA | 76 |
| 10 | Philadelphia, PA | 74 |
| 11 | Chicago, IL | 73 |
| 12 | Miami, FL | 73 |
| 13 | Atlanta, GA | 72 |
| 14 | Denver, CO | 72 |
| 15 | New Orleans, LA | 71 |

Table: AMA
Source: NUMBEO • Created with Datawrapper

# The Art of Startup Pitches

Balancing Credentials with Communication to Win Funding

**BY GREG NYILASY, SHANGWEN YI, DENNIS HERHAUSEN, STEPHAN LUDWIG, AND DARREN DAHL**

In today's challenging venture capital (VC) landscape, where only standout startups secure funding, a new *Journal of Marketing* study provides key insights for entrepreneurs and investors. With a "two-speed" economy favoring AI-focused ventures while leaving others struggling, startups must strategically craft their pitches to attract investors. Our research team explored this dynamic by examining over 5,300 new ventures, uncovering actionable strategies to optimize investor pitches.

We discover that a startup's ability to combine **costly signals** (tangible achievements like financial capital, intellectual property, and team credentials) with **costless signals** (verbal cues like passion and concreteness) can significantly influence funding outcomes. However, the effectiveness of these signals isn't straightforward—more isn't always better.

## Costly Signals: The Power of Tangible Achievements

Costly signals—substantial markers of a startup's credibility—include:

- **Financial Capital:** Investments already made in the business.
- **Human Capital:** The founders' education and experience.
- **Social Capital:** Business and institutional connections.
- **Intellectual Capital:** Patents and intellectual property.

These signals create confidence among investors by showcasing real progress and potential. However, our study found an "inverted U-shaped" effect: While a moderate level of costly signals increases funding likelihood, excessive emphasis on these achievements can deter investors. Why? Too many costly signals might suggest overvaluation, leaving little room for investors to add value or signaling rigidity in the startup's approach.

## Costless Signals: The Subtle Art of Communication

Costless signals—intangible, verbal elements—also play a critical role in pitches:

- **Passion:** Expressing enthusiasm and emotional intensity.
- **Concreteness:** Using specific, detailed language.

While passion can enhance investor perception when paired with strong costly signals, it can backfire if used excessively, particularly by startups lacking substantial achievements. In such cases, passion might appear as "cheap talk," undermining credibility.

Concreteness, on the other hand, provides clarity and specificity, which are crucial for startups with fewer tangible assets. However, overly concrete communication from startups with strong credentials can seem rigid, signaling a lack of strategic flexibility or long-term vision.

## Key Insights for Startups

Our findings reveal that costly and costless signals don't operate in isolation but interact in complex ways:

- Startups with fewer costly signals should focus on moderate concreteness to provide clear, detailed information about goals and achievements. Passion should be used sparingly to avoid seeming compensatory.
- Startups with strong costly signals should confidently showcase passion because it signals commitment and enthusiasm. However, they should avoid being overly concrete, which might make their approach seem inflexible or uninspired.

## Lessons for Investors

For investors, decoding these signals is critical to identifying high-potential ventures:

- Look beyond flashy pitches that rely heavily on passion without backing it up with tangible credentials.
- Recognize that concreteness can enhance trust in startups with fewer achievements but may indicate a lack of strategic foresight when combined with strong costly signals.

## Practical Applications for Stakeholders

This research underscores the importance of balance in business-to-investor (B2I) marketing. Startups must carefully craft their pitches, combining tangible achievements with just the right level of enthusiasm and detail. Policymakers and VC firms can also leverage these findings to design tools and frameworks that help entrepreneurs refine their pitches, ensuring a healthier startup ecosystem.

The art of the pitch lies in balance. Startups that combine credibility with clarity while avoiding overcompensation are better positioned to win investor trust. Similarly, investors who assess both tangible and intangible signals holistically can uncover promising ventures. **MN**



**READ THE FULL ARTICLE**
Greg Nyilasy, Shangwen Yi, Dennis Herhausen, Stephan Ludwig, and Darren W. Dahl, "Business-to-Investor Marketing: The Interplay of Costly and Costless Signals," *Journal of Marketing*.

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» ama.org/winter

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**May 16-18 • Ottawa, Ontario**

» ama.org/mppc

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» ama.org/summer

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This award recognizes marketing practitioners or educators from anywhere in the world who have demonstrated success in implementing a research procedure with practical implications within the past five years.

**WINNER:**

**Eric Schwartz**
Associate Professor of Marketing,
University of Michigan Ross School of Business

Professor Schwartz's groundbreaking research created the first-ever data-driven approach to optimize finding and removing infrastructure-produced hazards customer-by-customer, specifically applied to drinking water pipes tainted with toxic lead.

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This award recognizes world-class marketing scholars and mentors of color, while carrying on the legacy of Jerome Williams, Bill Qualls and Thaddeus Spratlen.

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Professor of Teaching,
University of California, Irvine

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This award honors distinguished academics and practitioners who have demonstrated outstanding leadership and sustained impact on advancing the evolving profession of marketing research over an extended period of time.

**WINNER:**

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Joseph T. and Bernice S. Lewis Distinguished Service Professor of Marketing,
Booth School of Business, University of Chicago

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THE PhD PROJECT℠

**WINNERS:**

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Kennesaw State University

**Donovan Gordon**
University of Mississippi

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**John A. Howard/AMA Doctoral Dissertation Award**
Nominations close **October 24, 2025**

**AMA Fellows**
Nominations close **October 24, 2025**

**William L. Wilkie Marketing for a Better World Award**
Nominations close **October 31, 2025**

**Robert Lusch Early Career Research Award**
Nominations close **November 14, 2025**

**Erin Anderson Award for an Emerging Female Marketing Scholar and Mentor**
Nominations close **November 14, 2025**

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# Want a 50% Lift in Brand Metrics?

Optimize Campaigns by Pairing Traditional and Digital Media Effectively

**BY J. JASON BELL, FELIPE THOMAZ, AND ANDREW T. STEPHEN**

Walmart's advertising success offers a blueprint for the future of media strategies. The retail giant has seamlessly integrated in-store promotions with digital advertising platforms like Walmart Connect, achieving a 28% year-over-year revenue growth in its advertising division.

A new *Journal of Marketing* study finds that combining traditional media, such as TV and outdoor ads, with digital channels, including Facebook and YouTube, can significantly enhance brand performance. Our research team analyzed 1,083 global campaigns to uncover how integrated media strategies create synergies that amplify advertising results.

## Key Findings

- **No One-Size-Fits-All Media Mix:** We find that there isn't a universal "best" combination of media channels. Instead, high-performing campaigns tailor their media mix to specific goals, such as boosting brand awareness, driving conversions, or enhancing customer engagement. For example, pairing TV with YouTube can create broad awareness, while using Facebook alongside in-store promotions helps drive localized action. Understanding these relationships allows marketers to craft more effective campaigns.

- **Untapped Potential in Current Strategies:** Our findings reveal that many advertising campaigns are not fully optimized. Simple adjustments in media planning could result in over 50% higher lifts in key brand metrics such as awareness or consideration.

- **Archetypes and Synergies in Media Channels:** We identify common media archetypes, which represent patterns in how channels are combined. High-performing campaigns leverage synergies among these archetypes to amplify impact. For instance, traditional media channels like TV and outdoor advertising create a foundation of trust and familiarity, while digital channels add precision targeting and interactivity. By combining the strengths of these channels, marketers can achieve exponential results.

## Practical Recommendations for Marketers

- **Adopt a Holistic Approach:** Marketers should move beyond isolated strategies and focus on how different media channels work together. For example, combining TV's reach with YouTube's engagement can strengthen brand resonance.

- **Tailor the Media Mix to Campaign Goals:** Each campaign objective requires a unique mix of channels. Awareness campaigns may prioritize TV and social media, while conversion-focused campaigns might benefit from pairing digital ads with in-store promotions.

- **Emphasize Brand Lifts Over Reach:** While reach is often the default metric for measuring campaign success, our findings highlight the importance of focusing on brand mindset lifts, such as changes in perception, awareness, and consideration.

## Lessons from Walmart's Strategy

Walmart's success demonstrates the power of integrated advertising strategies. By combining traditional and digital channels, the company has created seamless consumer touchpoints that enhance brand performance. Other marketers can learn from this approach by investing in diverse media channels and ensuring alignment with campaign goals.

Integrated media strategies are no longer optional—they are essential for modern advertising success. By understanding the synergies among traditional and digital channels, marketers can craft campaigns that resonate with their target audiences and achieve transformative results. **MN**



**READ THE FULL ARTICLE**
J. Jason Bell, Felipe Thomaz, and Andrew T. Stephen, "Beyond the Pair: Media Archetypes and Complex Channel Synergies in Advertising," *Journal of Marketing.*

# Understanding the Trade-Off Between Consumer Privacy Measures and Ad Effectiveness

**BY SHIJIE LU, SHA YANG, AND YAO (ALEX) YAO**

Online display advertising has become the dominant digital ad format, and the industry is worth about $118 billion in the United States.

Many platforms, including online marketplaces such as Yahoo Shopping and JD.com, online retailers such as Macy's, and social media giants like Facebook and Instagram, utilize multiproduct advertising designs. These multiproduct ads (MPAs) allow platforms to display multiple products within a single ad unit, which is particularly advantageous for platforms with diverse offerings.

By exposing consumers to a variety of products simultaneously, MPAs potentially capture more attention.

This presentation style can lead to two key consumer behaviors:

1. Repeated exposure to similar ads from the same category in an MPA can lead to diminishing utility in click-throughs within that category. For example, consumers who clicked the first ad for a particular product may be less likely to click the third ad for the same product.

2. The simultaneous display of ads from two different categories within an MPA can influence a consumer's interest in both categories. For instance, seeing an ad for skincare next to an ad for cosmetics may pique a consumer's interest in both categories, leading to a complementary effect.

## MPAs and Privacy Policies

In a new *Journal of Marketing* study, we focus on MPAs to investigate the unintended consequences of privacy-preserving policies adopted by tech giants like Google. Our focus is particularly on policies that reduce the retention period of consumer behavioral data. We examine how these policies, designed to enhance consumer privacy, affect advertising effectiveness, consumer behavior, advertiser profits, and platform revenues.

We find that while these privacy measures protect consumer data, they can inadvertently decrease consumer engagement and satisfaction with ads, ultimately resulting in fewer clicks and reduced ad performance. Our results show that this decline is largely driven by the reduction in ad variety displayed in MPAs due to the shorter periods of consumer data used for targeting.

This decrease in ad variety intensifies within-category satiation, which is when consumers lose interest in ads for similar products within the same category after repeated exposure. It also diminishes cross-category complementarity, a term used when exposure to ads from different product categories enhances consumer interest in both. These insights are critical for platforms as they strive to balance consumer privacy concerns with the need to sustain effective advertising strategies.

## Lessons for Chief Marketing Officers

For practitioners and stakeholders in the advertising industry, our research underscores the importance of understanding the trade-offs between privacy policies and ad effectiveness. Our findings provide marketers and consumers with the following insights:

- Platforms should consider the implications of their privacy-preserving measures on ad variety and consumer engagement. While protecting consumer data is essential, it is equally important that these measures do not undermine the effectiveness of advertising strategies.

- The relationship between the amount of consumer data used for targeting and advertisers' profits highlights the possibility of finding an optimal privacy-preserving level in MPA when the platform considers not only its own revenue but also the advertisers' interests.

- Our results confirm the existence of within-category satiation and cross-category complementarity in ad-clicking behavior and reveal two consumer segments that differ in both the baseline preference and satiation in ad-clicking.

- Our study demonstrates the potential economic benefits of refining the ad-serving policy to incorporate advertisers' bidding strategies and consumer preferences when allocating ad slots.

- Incorporating consumers' clicks, accounting for within-category satiation and cross-category spillover, proves more beneficial for platforms than solely relying on advertisers' bids in the ad-allocation policy.

- Advertisers should be aware of how changes in data usage and ad variety can affect their bidding strategies and overall campaign performance.

- Platforms can adjust the reservation price (minimum bid) in auctions, which indirectly influences consumers' within-category satiation and cross-category spillover through ad variety. We find that an increase in the reservation price benefits the platform but hurts both advertisers and consumers (within the range of reservation prices we explored). The platform must be careful when setting the reservation price and account for its potential impact on ad variety and category compositions in MPA.

Our study highlights the complex interplay between privacy policies and advertising effectiveness. As privacy concerns continue to shape the digital advertising landscape, platforms and advertisers must navigate these challenges to optimize ad performance and protect consumer interests. We hope our findings will inspire more nuanced approaches to ad-targeting policies and foster a more effective and consumer-friendly advertising environment. **MN**



**READ THE FULL ARTICLE**
Shijie Lu, Sha Yang, and Yao (Alex) Yao, "Within-Category Satiation and Cross-Category Spillover in Multiproduct Advertising," *Journal of Marketing*.
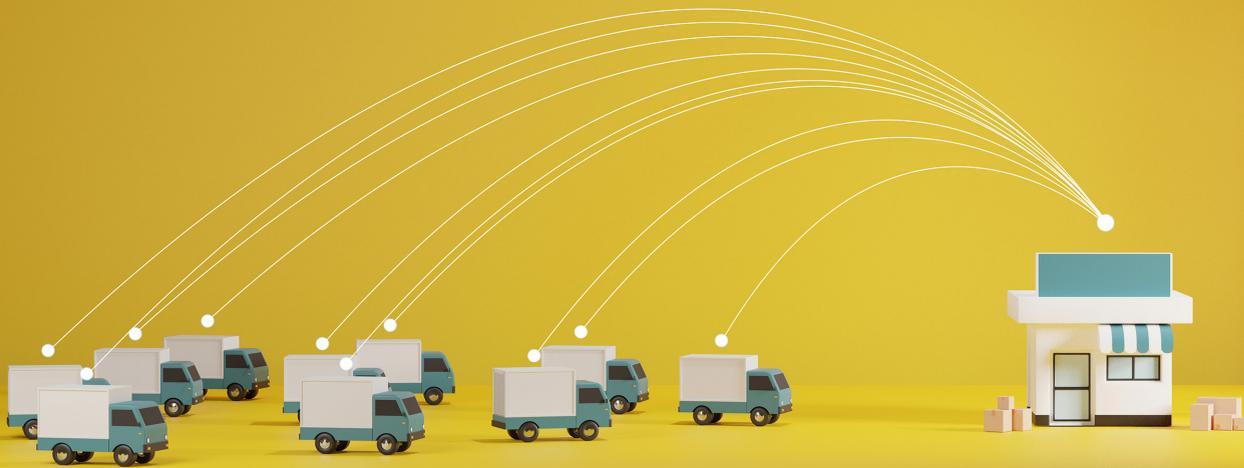
# How Do Retailers Change Their Strategy When Suppliers Like Sony Start Direct Channels of Their Own?

**BY MICHIEL VAN CROMBRUGGE, ELS BREUGELMANS, FEMKE GRYSEELS, AND KATHLEEN CLEEREN**

Recently, Sony began selling PlayStation products over its PlayStation Direct online store in the UK, which includes many products available at major retail stores such as Currys and Argos. This is an example of encroachment, when suppliers like Sony, Nike, and Lego establish their own direct channels to reach end consumers. Such direct channels offer suppliers visibility and control over the customer experience, but they potentially come at the cost of upsetting downstream retail partners who may perceive the direct channel as competition.

This raises an important question for suppliers: Will retailers change their ordering strategies at the encroaching supplier, and if so, how?

Should retailers respond adversely and disengage from the retailer–supplier relationship, typically leading to decreased orders and higher wholesale prices (i.e., an exit response)? Or should they respond cooperatively and engage in constructive discussions with the supplier to seek improved terms of trade, typically leading to lower wholesale prices and increased orders (i.e., a voice response)?

In a new *Journal of Marketing* study, we analyze the ordering strategy responses of nearly 2,000 retailers that were confronted with a supplier's launch of their own web shop in the toy industry. Our team found the average retailer chooses an exit response to a supplier direct channel introduction.

Our findings show that, on average, retailers disengage from the retailer–supplier relationship. The average retailer decreases the number of distinct stockkeeping units (SKUs) ordered, which is met by the wholesaler increasing prices, possibly reflecting the worsened terms of trade. Specifically, retailers decrease the number of distinct SKUs ordered by 15 (or 18.75%) in the period after the direct channel entry. Possibly due to these fewer orders, they also pay a higher average wholesale price of €.79 (or 20.84%). The increased wholesale price, however, does not compensate for the loss in quantity ordered. The total order value for the average retailer at the supplier decreases by €399.50 (or 11.69%) in the first six months after the direct channel entry.

## The Importance of Retailer Power

Such an adverse reaction is troublesome for the encroaching supplier, but not all retailers respond the same way. Our studies provide clear evidence that retailer power is a key driver of ordering strategy responses, such that larger, powerful retailers are much less likely to exit the retailer–supplier relationship than less powerful retailers. In fact, for the largest retailers (75th percentile), we observe no change in order value.

One mechanism underlying this finding is confidence from powerful retailers that the supplier will continue to support their retail operations despite the introduction of the direct channel. In addition, specialist retailers differ from generalist retailers in their ordering response depending on two countervailing forces.

- Specialists experience higher switching costs because these specialized, go-to retailers cannot afford to exclude the brands of important suppliers, which makes it harder to disengage from the relationship.

- On the flip side, specialists perceive more channel conflict than generalists because the direct channel threatens their core business, which can evoke stronger emotional inclinations to disengage.

The weights of these two mechanisms determine the specialist retailer's ultimate decision. Finally, we find the relationship quality between the supplier and retailer to have a substantially lower effect on a retailer's response than expected. Only when the relationship is particularly strong are we able to find the expected mitigating effect on a retailer's exit response.

## Lessons for Chief Marketing Officers

Our findings offer important insights and caveats to suppliers that consider selling directly to end consumers.

- Introducing direct channels may provide suppliers with opportunities to get closer to their end customers, but the backlash by retailers makes this step risky because retailers may significantly reduce their orders.

- Smaller retailers with less power are more likely to disengage from the relationship after encroachment, driven mainly by their lack of confidence in the supplier.

- Suppliers should pay special attention to smaller retailers and design specific incentives and stimuli to increase their confidence and convince them to keep placing orders. This will sacrifice some short-term profits but provides retailers with a credible signal that the supplier wants to minimize the potential harm from the direct channel.

- The supplier might reduce the competition created by the direct channel through differentiation. The extent to which channels compete depends on their similarity, in terms of product, price, and/or service. This means the supplier can clearly differentiate what it offers through retailers versus through its direct channel (e.g., channel-specific exclusives, online-only personalization services) to limit competition. **MN**

**READ THE FULL ARTICLE**
Michiel Van Crombrugge, Els Breugelmans, Femke Gryseels, and Kathleen Cleeren, "How Retailers Change Ordering Strategies When Suppliers Go Direct," *Journal of Marketing.*

# "Buy Now, Pay Later" Increases Customer Spending

BY STIJN MAESEN AND DIONYSIUS ANG

"Buy now, pay later" (BNPL) is an increasingly popular payment method, allowing customers to spread payment into interest-free installments over a few weeks or months. Worldwide BNPL spending was $316 billion in 2023 and is expected to grow to $450 billion by 2027. With major retailers such as Walmart and H&M partnering with BNPL providers like Affirm, Klarna, and Afterpay, over 45 million U.S. customers have adopted this payment method.

When customers choose BNPL installments at the checkout of a participating retailer, the bill is paid in full by the BNPL provider to the retailer. Customers pay the BNPL provider for the first installment at the time of purchase and repay the remaining interest-free installments over a short time period.

However, despite the growing popularity of BNPL installment payments, little is known about their impact on retail sales.

In a new *Journal of Marketing* study, we use transactional data from a major U.S. retailer and find that BNPL installment payments boost spending. By allowing customers to pay for purchases in smaller, interest-free installments, BNPL boosts both the number of purchases and the average amount spent.

We compare installment payments with upfront and delayed lump sum payments. We find that BNPL installment payments consistently boost spending across various products (e.g., party supplies, apparel, flights, mugs, coffee pods) and number of installments (e.g., three installments, four installments, six installments).

## The Power of Perceived Financial Constraints

We uncover two main reasons why BNPL installment payments lead to more spending:

1. BNPL's impact on spending stems from alleviating perceived financial constraints. In particular, BNPL installment payments increase spending among customers who previously relied more on credit cards and tended to buy smaller baskets of goods. Customers who pay in BNPL installments feel less financially constrained than those who pay an equivalent amount in a lump sum, both upfront and delayed. Customers may focus on the segregated installments ("four installments of $15") and judge these as less costly than the aggregate term ("total cost of $60"). By alleviating perceived financial constraints, BNPL installment payments encourage customers to spend more.

2. Moreover, BNPL facilitates budget control. It is often easier to estimate budgets for shorter time frames ("next month") than for longer time frames. Unlike traditional credit card payments (a single lump sum due at the end of the month), installment payments are segregated into shorter time frames (four weekly payments). By highlighting a shorter time frame, BNPL can give customers a sense of greater control over their budgets. By making payments appear less costly and facilitating budget control, we discover that BNPL installment payments feel less financially constraining. Consequently, this reduction in financial constraints translates into greater spending.

Previous studies have focused on framing prices in aggregate terms ($60/month) or segregated terms ($15/week) and demonstrated that segregating versus aggregating prices has consequential effects on perceptions and purchase intentions. Our work differs from these studies in the following ways.

- BNPL installments go beyond segregated price frames, requiring customers to make actual segregated payments across the specified time periods ("Pay $60 in four biweekly installments of $15").

- Our research leverages transactional retailer data to study how segregating payments into BNPL installments impacts customers' actual spending over time. This further enables us to answer managerially relevant questions about how shoppers will likely change their spending (i.e., depending on historical basket size and credit card use).

- Segregating payments makes customers feel more in control of their budgets, alleviating perceived financial constraints. By working through additional mechanisms, our effects not only apply to recurring consumption (e.g., car leases) but also generalize to purchases consumed on a one-off basis (e.g., a flight ticket).

## Lessons for Chief Marketing Officers

Our research offers actionable insights for various stakeholders:

- Consumers can benefit by using BNPL installments as a tool for managing expenses by making them feel more in control of their budgets and less financially constrained.

- Retail managers should consider integrating BNPL options to boost sales. Retailers benefit because adoption of installment payments leads to more frequent purchases and larger basket amounts. The difference is significant, with an increase in purchase incidence of approximately 9% and a relative increase in purchase amounts of approximately 10%.

- Policymakers need to be aware of the significant impact BNPL has on consumer spending to ensure that regulations protect consumers while fostering financial flexibility.

- Societal stakeholders, including consumer advocates, should monitor BNPL's growing influence to promote responsible spending practices.

Understanding the benefits and potential risks associated with BNPL is crucial as this payment method continues to reshape the retail landscape. **MN**

**READ THE FULL ARTICLE**
Stijn Maesen and Dionysius Ang, "Buy Now, Pay Later: Impact of Installment Payments on Customer Purchases," *Journal of Marketing.*

# Research Insights

Quick Takes from AMA Journals Research

**BY T.J. ANDERSON**

## GenAI in Research: A New Era Demands New Rules

As Generative AI tools like ChatGPT, Claude, and Gemini rapidly enter the research toolkit, a key question emerges: How can researchers use these tools effectively and responsibly without compromising scientific rigor?

Built on large language models (LLMs) and enhanced with retrieval systems and multimodal processors, GenAI tools offer powerful capabilities in text generation, data analysis, coding, and even study design. For marketing researchers, this means faster literature reviews, streamlined survey development, and new opportunities for analyzing data. Surprisingly, however, the people using GenAI with the greatest frequency often understand it the least. GenAI's performance depends heavily on how it's used, meaning that effective prompting, careful model selection, and rigorous validation can make the difference between insightful findings and misleading results. Uncritical enthusiasm risks overstating what GenAI can deliver, while premature dismissal overlooks its potential value.

This *Journal of Marketing* study offers a guide for researchers seeking to integrate GenAI into their experimental and survey research processes. It provides an overview of how GenAI models function, starting with LLMs as the foundation and expanding into the system-level enhancements that improve their capabilities. The researchers then build on these principles to explore the implications for research. Gaining a working understanding of how these systems operate will help scholars use them responsibly and effectively, with the goal of harnessing GenAI's strengths while mitigating its risks.

The authors created a companion website for this research, questionableresearch.ai, which provides templates, code, and checklists to help researchers get started the right way.

### WHAT YOU NEED TO KNOW

- Literature review: Use GenAI to summarize, synthesize, and explore academic work, but always fact-check for hallucinations.
- Research design: Generate and refine survey items, manipulations, and stimuli with AI, using careful validation to ensure construct clarity.
- Study administration: Conduct dynamic, conversational data collection (e.g., interviews, chat-based surveys), with controls for consistency and privacy.
- Data analysis and interpretation: Use GenAI to assist with code generation and exploratory analysis, while verifying final computations using statistical software.

### READ THE FULL ARTICLE

Simon J. Blanchard, Nofar Duani, Aaron M. Garvey, Oded Netzer, and Travis Tae Oh, "New Tools, New Rules: A Practical Guide to Effective and Responsible Generative AI Use for Surveys and Experiments in Research," *Journal of Marketing*. doi:10.1177/00222429251349882.

## Building Consumer Trust Through Tailored Communications

Trust isn't one-size-fits-all in digital commerce. This *Journal of Interactive Marketing* study argues that marketing research has overlooked how individual consumers' motivational orientations—whether they are more focused on avoiding loss (prevention-focused) or achieving gains (promotion-focused)—affect how they interpret trust signals. Drawing on regulatory focus and regulatory fit theories, the authors examine how the three dimensions of trustworthiness—ability, benevolence, and integrity—influence consumer evaluations, intentions, and behaviors in digital commerce.

The findings reveal that prevention-focused consumers are more persuaded by evidence of a retailer's ability, such as its competence, reliability, and operational

efficiency. In contrast, promotion-focused consumers respond more to benevolence, which reflects a retailer's goodwill, care, and willingness to prioritize customer interests. Integrity, which reflects honesty, fairness, and adherence to ethical standards, is valued equally by both groups.

Considering these findings, retailers can craft targeted messages and practices by identifying or inferring customers' motivational tendencies. Communication that emphasizes technical competence, guarantees, and reliability can reassure prevention-focused shoppers. In contrast, stories, testimonials, and messaging that highlight empathy, customer care, and shared values may appeal more to promotion-focused shoppers. Integrity should always be communicated, as it serves as a baseline expectation across all consumers.

For example, after a retailer suffers a data breach, prevention-oriented customers may be reassured by immediate, detailed explanations of corrective measures and strengthened security protocols. Meanwhile, promotion-oriented customers might respond more to heartfelt apologies, expressions of goodwill, and assurances of long-term commitment to customer relationships. Both groups, however, expect transparency and fairness—hallmarks of integrity—throughout the process.

**WHAT YOU NEED TO KNOW**

- Focus on what matters most to your audience: prevention-oriented customers care more about your competence and reliability, while promotion-oriented customers respond better to messages that show you care about their interests.
- Always communicate your integrity—honesty and ethical behavior are universally valued, regardless of customer type.
- Use customer data and context to adapt your trust-building messages across channels, aligning them with customers' motivations to boost engagement and sales.

**READ THE FULL ARTICLE**

Narongsak Thongpapanl, Abdul Ashraf, Magnus Hultman, and Raeesah Chohan, "How and When Trustworthiness Beliefs Influence Digital Commerce Behavior: A Regulatory Focus Perspective," *Journal of Interactive Marketing*. doi:10.1177/10949968251365181.

## How Sharing Design Secrets Can Boost Profits

To maximize potential returns, firms typically keep their innovation-related knowledge secret (i.e., through trade secrets) or protected (i.e., via patents). Indeed, according to the knowledge-based theory of the firm, maintaining control of knowledge is one of the most crucial elements of competitive advantage that firms can possess.

However, many firms across several industries are now freely revealing innovation-related knowledge. For example, IKEA recently committed to a patent pledge for their new furniture tip-over safety innovation, referred to as "Anchor and Unlock." As noted by Carl Ervér, patent manager at IKEA, their hope is that "others will adopt Anchor and Unlock for their products as well." Similarly, Allbirds, a sustainability-focused shoe and apparel company, freely shares their sugarcane-based material technology (SweetFoam®) that allows for carbon-negative production of shoe soles, and the outdoor brand Hummingbird Hammocks invites "anyone and everyone to view, modify, redistribute, and use" their innovation-related knowledge—for free.

According to a *Journal of Marketing Research* study, consumers view firms that engage in such open design activities as providing a benefit to society and are in turn willing to pay substantially more for such firms' products. To fully capture this value, companies need to effectively communicate their open design activities—especially their moral motives and the magnitude of their societal impact—by integrating them into product messaging and reports.

**WHAT YOU NEED TO KNOW**

- Effectively communicating open design activities to consumers leads to more favorable consumer reactions, including higher click-through rates on social media and increased willingness to pay.
- Consumers see firms that freely reveal innovation-related knowledge as beneficial to society.
- Firms may consider actively integrating their open design activities into marketing and corporate social responsibility communications, as well as in their environmental, social, and governance (ESG) reports.

**READ THE FULL ARTICLE**

Lukas Maier, Martin Schreier, and Darren W. Dahl, "The Open Design Effect," *Journal of Marketing Research*. doi:10.1177/00222437251373034.

## Rise of the Mushrooms: Exploring Marketers' Role in the Potential Public Health Benefits of Psilocybin

Psilocybin is emerging as the next frontier in U.S. drug policy—reshaping use patterns, public health debates, and business strategy. New research using nationally representative Monitoring the Future (MTF) data shows that, in states with psilocybin reforms, young adults are choosing psilocybin over LSD and MDMA.

This shift has significant health implications. Compared with LSD and MDMA, psilocybin carries lower risks of dependency and adverse outcomes, while showing strong therapeutic potential in treating depression, anxiety, and compulsive disorders. A move toward psilocybin use could reduce ER visits, lower

public health costs, and improve patient outcomes. Still, consumer confusion persists. For example, many in Oregon mistakenly equate supervised psilocybin service centers with cannabis dispensaries, highlighting the need for education.

From a business perspective, psilocybin is poised to disrupt the $70B mental health therapeutics market, with $730M already invested in psychedelic ventures. Yet, commercialization ahead of clear regulation risks safety issues, inequitable access, and public mistrust. Companies should get ahead by supporting education, training facilitators, adopting tiered pricing, and collaborating with policymakers.

Psilocybin reforms are already reshaping consumer behavior, and coordinated oversight, transparency, and research will be critical to unlock their full potential.

### WHAT YOU NEED TO KNOW

- Align with regulation and clinical standards: As psilocybin gains policy traction, firms should support clear safety guidelines, facilitator training, and evidence-based protocols to ensure responsible market development.
- Invest in credible communication: Differentiate supervised therapy from broader drug use through public education, transparent messaging, and collaboration with healthcare professionals.
- Expand access responsibly: To avoid equity issues and gray markets, consider pricing models, insurance coverage, and nonprofit partnerships that make treatment more affordable.

### READ THE FULL ARTICLE

Ashutosh Bhave, "Rise of the Mushrooms: Effects of Psilocybin Reforms on Psychedelic Usage Patterns," *Journal of Public Policy & Marketing*. doi:10.1177/07439156251360774.

## Driving Mobile App Engagement Through Gamification

**G**amification—the integration of game elements into non-game apps—has become one of the most popular strategies to keep users engaged in the crowded mobile app market. By blending game-like elements (levels, points) with real-world perks (discounts, coupons) into a hybrid reward system, apps create engaging reward loops in which every in-app activity translates into tangible rewards.



Researchers in a *Journal of Marketing Research* study examined data from a gamified market research app with such a hybrid reward system, finding that game rewards significantly boost user engagement—even more so than real-world perks such as discounts or coupons. This heightened engagement translates into increased business value, as users are more likely to complete valuable tasks that matter for the business, such as getting users to pay for premium features, watch more ads, or share more data. One of the most promising aspects of the hybrid reward system is that it can counteract post-reward reset effects, which describe the drop in user motivation after receiving a reward. With hybrid reward systems, users are likely to keep their reward proximity in one of the reward

systems as they retain a reward in the other system. But there's a catch: the hybrid reward structure with game-like elements and real-world perks backfires when users hit a milestone in both reward systems. Also, when users enter a state of flow and become too engaged with the gamified activities, their engagement is less likely to translate into value for the app provider.

Marketers and managers can design successful gamification strategies using a hybrid reward system, integrating value-added activities directly into the reward loop—like earning points only after completing key tasks—or timing them strategically to avoid disrupting flow. For example, a fitness app might award points for finishing workouts (game rewards) while offering discounts on gear for purchasing premium training plans (value rewards). This hybrid system keeps motivation high while boosting value for the app provider.

### WHAT YOU NEED TO KNOW

- Game rewards boost user engagement significantly more than traditional value rewards.
- Combining game rewards with value rewards can mitigate the negative effects of post-reward resetting, maintaining user engagement even after rewards have been attained.
- Too much flow in gamified activities can distract from value-added activities.

### READ THE FULL ARTICLE

Jens W. Paschmann, Hernán A. Bruno, Harald J. van Heerde, Franziska Völckner, and Kristina Klein, "Driving Mobile App User Engagement Through Gamification," *Journal of Marketing Research*. doi:10.1177/00222437241275927.

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