

THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

Departmental Research Seminar

The Stickiness of Category Labels: Audience Perception and Evaluation of Change in Creative Markets

By

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Date : 1 Mar 2023 (WED)
Time : 9:00 – 10:30 am
Venue : Online via Zoom



Abstract

In creative markets, producers often seek to expand their repertoires by positioning themselves and their offerings in different categories over time. Successful repositioning is difficult, however, as audiences tend to devalue offerings that depart from a producer's past creations. Prior research suggests that this penalty arises as audiences perceive offerings from producers who have repositioned to be inferior. In this paper, we develop understanding of another factor contributing to devaluation: evaluators are prone to "categorical stickiness," where the categories they associate with a producer through its prior offerings anchor their perceptions of the producer's future offerings. As a result, there is a mismatch between the producer's new positioning and audiences' expectations. We propose that this mechanism may be differentially at play depending on the amount of prior experience evaluators have with a producer. In particular, those audience members who have the greatest prior experience with a producer are expected to be the least likely to fully recognize its repositioning efforts. We test our theory using data from Goodreads.com on authors within the book publishing industry, 2007-2017. We first build a novel deep-learning framework to predict categorization of a given book based solely on an author's description of its content. We then use data on how Goodreads users categorize and evaluate books, as well as their past reading behavior, to test for evidence of our proposed mechanism. Overall, our results extend understanding of the evaluative processes that generate categorical constraints and how these may differ among various types of audience members.

Dr Balázs Kovács is an associate professor of management at the Yale School of Management and the Yale Department of Sociology (courtesy). He studies various topics in organization theory, including social networks, authenticity, learning, diffusion, identity, and status. His current work investigates the effects of category spanning and innovation in technological and cultural domains.

All interested are welcome.



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