



RESEARCH @ARGYROS

Winter 2025



CHAPMAN
UNIVERSITY

**Argyros College of
Business and Economics**

RESEARCH HIGHLIGHTS FROM OUR FACULTY

WHAT'S INSIDE

How Do Firms Respond to Political Uncertainty? Evidence from U.S. Gubernatorial Elections.

Journal of Accounting Research

“Pay-What-You-Want” Pricing: Creating and Capturing Value Through Social Exchange.

Academy of Management Review

A Bitter Pill to Swallow? The Consequences of Patient Evaluation in Online Health Question-and-Answer Platforms.

Information Systems Research

A MESSAGE

FROM THE DEAN

At the Argyros College of Business and Economics, our commitment to excellence spans both cutting-edge business research and groundbreaking economic inquiry. Building on the visionary legacy of Nobel Laureate Vernon L. Smith, our Economic Science Institute (ESI) stands as a global leader in experimental economics. With an interdisciplinary approach and state-of-the-art facilities, ESI attracts top-tier scholars and exceptional students from around the world. Together, they engage in transformative collaborations that address some of the most pressing economic and societal challenges of our time. This global impact is reflected in the Research Papers in Economics (RePEc) rankings, which place our school as the [#3 institution in the world](#) for experimental economics research.

We view academic scholarship not merely as data, but as stories that inspire and engage. Situated near Hollywood, the creative heart of the world, we draw on this dynamic energy to reimagine how research is presented. This edition of our Research Magazine continues our tradition of innovation, featuring cutting-edge AI-generated visuals to bring our scholars' work to life. Each image is carefully crafted to represent the essence of the research, capturing its depth and impact in a uniquely creative way. We invite you to explore this collection of groundbreaking research, a testament to the imagination, rigor, and ingenuity of our scholars. Enjoy!



HENRIK CRONQVIST, PH.D.

DEAN, ARGYROS COLLEGE OF BUSINESS AND ECONOMICS



Navigating the Unknown: How Political Uncertainty Shapes Corporate Strategies

ANDREW BIRD, PH.D.

Imagine your company's biggest project is ready for launch, but just as it reaches the final stages, a contentious political election looms large in the state where this project is set to take root. Will the new governor support your industry? Will policies change? For many CEOs, such moments of political uncertainty bring critical decisions into sharp focus: Should the company proceed, wait, or perhaps redirect its efforts elsewhere? A groundbreaking study, *"How Do Firms Respond to Political Uncertainty? Evidence from U.S. Gubernatorial Elections,"* by Chapman University's Associate Professor **Andrew Bird**, published in the *Journal of Accounting Research*, sheds light on this dilemma, showing how companies react when political uncertainty arises—like during competitive state elections. This research not only explains the subtle strategies corporations deploy but also offers a powerful perspective on why understanding political risk is crucial for today's business leaders.

HOLDING OFF: WHY COMPANIES HIT PAUSE BEFORE KEY ELECTIONS

In today's business environment, navigating political uncertainty has become a strategic skill for executives, especially when elections introduce potential shifts in regulation and policy. In their recent study, "How Do Firms Respond to Political Uncertainty? Evidence from U.S. Gubernatorial Elections," Chapman University's Andrew Bird and co-authors examine how companies respond when faced with political unknowns, specifically during close state-level elections. Using over a decade of data from major U.S. companies, the study reveals that firms often make a dual response to political uncertainty: they pull back on significant operational investments while stepping up communication with investors, particularly around risk.

During close gubernatorial races, companies in states where they have considerable business exposure often anticipate potential policy shifts, leading them to adopt a "wait and see" approach before making large investments. In these situations, companies put major decisions—like acquiring assets or signing new contracts—on hold, reducing their activity by as much as 33%. This tendency to hold off stems from what economists call "real options theory," which suggests that delaying certain actions allows companies to keep their options open until political uncertainties are resolved. For executives, particularly in industries with heavy state-level regulation, this caution can prevent costly adjustments that come when new policies or leadership unexpectedly impact the company's operational environment.

STRATEGIC DISCLOSURE: WHY UNCERTAINTY BRINGS OUT TRANSPARENCY

Political uncertainty also drives companies to communicate more openly with investors. As the study shows, companies increase their voluntary disclosures by up to 29% during the lead-up to competitive elections. These communications often highlight potential risks tied to state-specific political climates, allowing investors to better grasp the uncertainties the company faces. For CEOs and CFOs, this transparency can build trust with investors and prepare them for possible bumps in the road. Instead of keeping stakeholders in the dark, proactive disclosures provide a window into the company's strategic outlook, showing how the firm plans to adapt in uncertain times.

Beyond reducing operational activity, firms use disclosures as a proactive strategy to bridge information gaps with investors. Voluntary disclosures help mitigate risk and can even enhance the firm's credibility in uncertain times. Especially for firms in sectors sensitive to political shifts, such as finance and utilities, regular communication reassures stakeholders and provides clarity on how the firm navigates political challenges. By focusing on disclosures around real-time issues, CEOs signal resilience and adaptability—qualities that are essential for maintaining investor confidence during periods of heightened risk.

THE CEO'S GUIDE TO THRIVING AMID POLITICAL TURBULENCE

For CEOs, embracing transparency in uncertain times can become a powerful tool in managing political risks. Frequent and clear communication about possible impacts not only reassures investors but also conveys that the company is prepared to handle volatile scenarios. Instead of viewing disclosures as mere compliance, leaders can leverage them as a strategic advantage that fosters long-term trust. Through this, firms demonstrate not only their awareness of the political landscape but also their readiness to adapt to it, thereby protecting and potentially enhancing their valuation.

In essence, understanding the dual impact of political uncertainty—on both operational strategies and investor communications—can be a game-changer. Firms that adjust their actions and messaging strategically gain long-term stability and investor confidence. In a world where political landscapes continue to evolve, this research underscores the value of agility and transparency in corporate decision-making. Whether it's postponing investments until clarity arrives or communicating transparently with investors, today's business

leaders are well-advised to incorporate political risk assessments into their strategic toolkit. With this approach, firms can safeguard their operations and thrive, even in unpredictable times.



Andrew Bird is an Associate Professor at Chapman University's Argyros College of Business and Economics. His research focuses on corporate financial decision-making, with a particular emphasis on how firms adapt to political and economic uncertainties. He has published extensively in leading journals, including the [Journal of Accounting Research](#), [The Accounting Review](#), and the [Journal of Financial Economics](#), which are highly regarded in the field of business research. Bird's work offers deep insights into corporate transparency, disclosure practices, and risk management, providing valuable guidance for business leaders as they navigate complex regulatory landscapes.



Pay-What-You-Want: A Radical Pricing Strategy Redefining Business Success

MOONSIK SHIN, PH.D.

What if you could pay whatever you wanted for your next cup of coffee or concert ticket—even if that means paying nothing at all? This intriguing idea is at the heart of the recent study by Chapman University's **Moonsik Shin** and co-author David Gaddis Ross, at the University of Florida, titled *"Pay-What-You-Want Pricing: Creating and Capturing Value Through Social Exchange."* Published in the prestigious *Academy of Management Review*, this research dives into how businesses can thrive by letting customers name their own prices. It's not just about generosity—this innovative approach taps into the psychology of social exchange, revealing surprising ways to drive profit for businesses.

Imagine walking into a restaurant, enjoying a delicious meal, and then being told you can pay whatever you think it's worth—even nothing at all! That's the intriguing concept behind Pay-What-You-Want (PWYW) pricing, a business model that's turning traditional profit strategies on its head. It seems counterintuitive, but many businesses using PWYW are thriving. Why? Because this model taps into something much deeper than economics—it's about trust, social connection, and the psychology of giving. A recent study by Moonsik Shin from Chapman University and David Gaddis Ross from the University of Florida explores how PWYW can bring value to both customers and businesses. Whether it's a local café, a street musician, or even a digital platform, PWYW is showing that sometimes, giving customers the power to decide on prices can be a winning strategy.

BEYOND BARGAINING POWER — THE SOCIAL SIDE OF PRICING

Traditional business theories emphasize the importance of maximizing bargaining power to charge the highest prices to customers and create as much profit as possible. But PWYW challenges this idea by shifting control entirely to the customer. You'd think that would lead to disaster—customers could pay nothing, leaving the business on the brink of bankruptcy. In fact, the study suggests that many customers voluntarily pay more than they might have if a fixed price had been set. Why? Because when a transaction is framed as a social exchange, people tend to follow social norms even if doing so deviates from their financial gains. It's like customers feeling a sense of responsibility to

return the favor to the firm for providing a product or service.

This social dynamic is especially powerful in situations where the seller has established a strong relationship with the buyer. Think of local businesses like neighborhood bakeries or farmers' markets. When customers feel a connection, they're more likely to pay generously. For instance, prior research found that under PWYW pricing, customers paid an average of 20% less for a restaurant buffet but 11% more for hot beverages at a delicatessen where the owner regularly engaged with patrons. Shin builds on such findings, highlighting that PWYW pricing works best when there's the richness of the social interaction between customer and seller. It's not just about the product or service being sold; it's about the experience and the relationship between the customer and seller that the customer also considers valuable.

REAL-WORLD EXAMPLES — WHERE PWYW SHINES

The research highlights several successful PWYW examples, ranging from music and dining to software and digital content. Take Radiohead's famous "In Rainbows" album release in 2007, where fans could choose their own price. Despite the risk, the band made millions and redefined how music could be marketed. Or consider Panera Cares Community Cafés operated by Panera Bread, which operates entirely on PWYW. Some patrons of the restaurant paid more than they would have at standard Panera Bread locations.

The concept operated in multiple locations and lasted nearly a decade.

PWYW has also found success in live video streaming (LVS) platforms like Soop (formerly known as AfreecaTV), a South Korean LVS platform. Soop pioneered a donation-based model where users purchase in-platform currencies to give to streamers during broadcasts, with streamers keeping most of the revenue. Popular in gaming, Soop's model has expanded to other categories like chatting, comedy, and travel. Streamers interact with viewers in real-time, and donations are driven by a sense of connection or interaction. This community-based culture has led to a thriving ecosystem where some streamers earn millions annually from viewer contributions. Other LVS platforms, including YouTube Live and Twitch, have adopted similar donation systems.

THE BROADER IMPACT – CHANGING THE BUSINESS LANDSCAPE

The success of PWYW isn't just a fluke; it challenges fundamental principles of business strategy. By framing transactions as social exchanges rather than purely market-based exchanges, companies can create more value

for customers and drive greater profits in entirely new ways. It shows that people aren't always driven by self-interest; they also care about fairness, trust, and community. For businesses willing to experiment with PWYW, the potential benefits could go beyond immediate profit, influencing customer behavior in ways that can sustain profitability over time.

So, what does this mean for the future of business? For students, alumni, and anyone curious about how businesses operate, it's a reminder that the traditional rules don't always apply. Strategies like PWYW demonstrate that businesses can succeed by leveraging social norms and reciprocity rather than relying solely on market power. Next time you come across a PWYW option, don't just think of it as a quirky gimmick. It's a fascinating business model that integrates human behavior into business strategy—and it could be a key to driving profitability in new ways.



Moonsik Shin is an Assistant Professor of Strategic Management at Chapman University's Argyros College of Business and Economics. His research focuses on technology innovation, corporate strategy, business models, and entrepreneurship. His work, published in renowned journals such as [Academy of Management Review](#) and [Journal of Business Venturing](#), explores the strategic implications of innovative business models, digital platforms, new product development, and venture capital investments.



Can You Trust Online Medical Advice? A Deep Dive into Health Q&A Platforms

DYLAN WALKER, PH.D.

When it comes to online medical advice, can patients really tell good information from bad? This is the critical question explored by Chapman University's Associate Professor **Dylan Walker** in his eye-opening study, *"A Bitter Pill to Swallow? The Consequences of Patient Evaluation in Online Health Question-and-Answer Platforms,"* published in the prestigious journal *Information Systems Research*. Co-authored with Chen Chen, at the Chinese University of Hong Kong, the research reveals surprising insights into how millions of people in China rely on these platforms for medical advice, often struggling to distinguish between high-quality and misleading information.

If you've ever turned to the internet for medical advice, you're not alone. In China, millions of people are using online health question-and-answer (Q&A) platforms to seek medical guidance from doctors. But how reliable is the advice they're getting? A recent study set out to explore this question by analyzing nearly half a million answers on one of the largest health Q&A sites, 120ask.com. The findings were both reassuring and concerning: while most advice was of high quality, many patients struggled to pick the best answers, especially for critical conditions like cancer and pediatrics. Imagine someone seeking advice about a child's illness or a potential cancer diagnosis—getting the wrong answer could have serious consequences. So, can these platforms really be trusted to guide healthcare decisions?

THE GOOD AND THE BAD OF ONLINE MEDICAL ADVICE

The study found that, on average, the medical advice given on 120ask.com was generally high-quality. Out of nearly 500,000 answers analyzed, only 6% were deemed low-quality by a panel of independent physicians. That's a relief for anyone worried about bad information spreading online. For example, if a patient is unsure about symptoms of a common cold versus something more serious, they're likely to get solid guidance. But there's a troubling side to the story: while the doctors were providing good advice, patients had a hard time telling the best answers from the worst. They were just as likely to choose a low-quality answer as a high-quality one. This is particularly concerning for serious health issues, where choosing the

right advice can make a significant difference. In cases involving complex conditions like cancer or pediatric care, choosing the wrong advice could delay proper treatment or even lead to dangerous self-medication. The problem isn't just with the patients; it's also with the platform itself. The site's reputation system, which is supposed to help users find the best doctors, didn't actually reflect the quality of advice given. In some cases, it even encouraged people to choose less accurate but more agreeable advice.

To illustrate, imagine a parent seeking advice for a child's persistent cough. They might come across two answers: one suggesting simple remedies and observation, the other recommending an immediate doctor's visit due to potential underlying issues. If the parent chooses the first answer based on high ratings or a friendly tone, they might delay seeking crucial medical attention. This shows the importance of designing these platforms to help patients recognize genuinely good advice, not just popular or easy-to-read responses.

EXPOSING THE RISKS: BAD ACTORS AND MISINFORMATION

The study also found that the platform's reputation system was not only ineffective but also prone to exploitation by bad actors. Spammers and drug promoters could manipulate the system to push products and misinformation. These malicious players give agreeable but misleading advice to gain influence and profit, posing a serious risk to patients who are seeking genuine medical

guidance. For instance, someone looking for advice on managing diabetes could be targeted with misleading information about unverified treatments or supplements, potentially putting their health at risk.

This highlights a critical need for better monitoring and regulation of these platforms. Imagine someone being misled into buying unnecessary supplements or avoiding professional medical treatment based on manipulated advice. Such scenarios are not just hypothetical—they represent real threats to patient safety. To address these challenges, the researchers suggest several solutions, including improving the platform's reputation system to better reflect the quality of medical advice, introducing peer review mechanisms, and using advanced algorithms to detect and remove harmful content. These changes could help create a safer environment for people seeking online medical advice and reduce the influence of bad actors.

WHAT'S NEXT FOR ONLINE HEALTH PLATFORMS?

Online health Q&A platforms have a lot of potential to provide accessible medical advice, especially in areas where healthcare resources

are limited. But without proper safeguards, they can also become a breeding ground for misinformation. The findings of this study are particularly relevant for developers and policymakers who want to create more effective digital health tools. For instance, enhancing reputation metrics to accurately reflect advice quality could guide patients to better choices. Educational campaigns could also help users understand how to assess the credibility of medical advice, empowering them to make safer decisions online.

For students, alumni, and anyone curious about the future of healthcare, this research offers valuable insights into the challenges and opportunities of digital health platforms. It's clear that while these platforms can offer valuable support, they must be carefully designed and regulated to ensure they serve as reliable sources of medical information. As we increasingly turn to the internet for answers, understanding how to navigate these platforms safely is more important than ever. Whether you're a developer, healthcare professional, or just someone seeking advice, knowing what to look for in online medical content can make all the difference.



Dylan Walker is an Associate Professor at Chapman University's Argyros College of Business and Economics, specializing in digital platforms, data analytics, and social network analysis. His research focuses on understanding the dynamics of online communities, consumer behavior, and the societal impacts of technology. Walker's research has been widely published in top academic journals and has garnered recognition for its innovative use of data science to address complex real-world problems. He is particularly interested in the intersection of technology and healthcare, exploring how digital tools can both empower and mislead users. Through his research, Professor Walker aims to provide actionable insights that help shape effective policies and improve the design of digital platforms.

ARGYROS ANNOUNCEMENTS

ALEXANDER E. HAYDEN SCHOOL OF REAL ESTATE

Alex Hayden '95 has made a generous gift to the university to create the Alexander E. Hayden School of Real Estate within Chapman's Argyros College of Business and Economics. The school will house the MS in Real Estate (MSRE) program, enhancing faculty, resources, and industry connections.

Hayden, Vice Chairman at CBRE and Chair of the Argyros College Board of Counselors, aims to position Chapman as a leader in real estate education. His gift supports Chapman's Inspire campaign, which has raised over \$400 million toward its \$500 million goal.



SHAH FAMILY ENDOWED CHAIR IN INNOVATIVENESS

The Shah Happiness Foundation has funded the Shah Family Endowed Chair in Innovativeness at the Argyros College appointing Pradip "P.K." Shukla, Ph.D as the inaugural chair. This role will drive innovation through teaching, research, and industry collaboration.

Shukla will lead a full-semester course, Creativity and Innovation — Corporate Entrepreneurship, and spearhead research on applying high-tech thinking to low-tech industries. The initiative also includes internships, guest lectures, and The Shah Family Awards for Innovativeness to recognize industry leaders.



MEET THE ASSOCIATE DEAN

FACULTY IN FOCUS



GOKCEN COSKUNER-BALLI, PH.D.

ASSOCIATE DEAN FOR FACULTY DEVELOPMENT AND RESEARCH,
ASSOCIATE PROFESSOR OF MARKETING

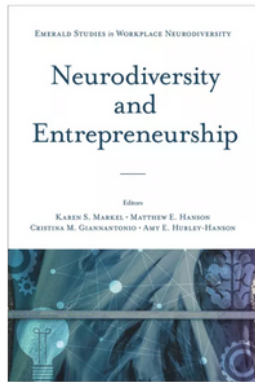
Dr. Gokcen Coskuner-Balli serves as the Associate Dean for Faculty Development and Research at the Argyros College of Business and Economics, Chapman University. She earned her Ph.D. from the University of Wisconsin-Madison.

Dr. Coskuner-Balli's research focuses on the cultural dynamics that shape markets, consumer behavior, and brand strategy. She explores how market logics—comprised of understandings, norms, and rules—evolve over time, identifies key market actors (such as the state, brands, entrepreneurs, and consumers), and investigates the implications of these dynamics for both markets and society.

In her previous work, she conducted a longitudinal study of the U.S. yoga market, revealing how multiple logics influence brand strategies. Additionally, she examined how American presidents impact citizen-consumer identities during economic recessions, shedding light on the relationship between politics, culture, and consumption.

Currently, her research expands to how markets are affected by technological, social, and economic changes. She studies how brands can adopt successful governance strategies as they enter the metaverse, explores how social media influencers use platforms to impact market logics, and investigates how consumer tastes change in the face of high inflation. Dr. Coskuner-Balli's scholarship has been published in leading academic journals, including the [Journal of Marketing](#), [Journal of Consumer Research](#), [Marketing Theory](#), [Journal of Macromarketing](#), and the [Journal of Consumer Culture](#).

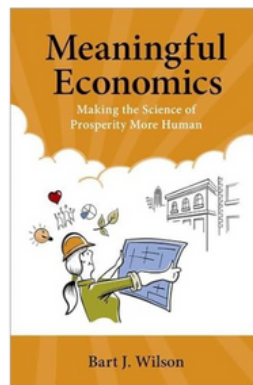
THE ARGYROS COLLEGE ON THE SHELF



NEURODIVERSITY AND ENTREPRENEURSHIP

Cristina Giannantonio, Ph.D. &
Amy Hurley-Hanson, Ph.D.
Published by Emerald Publishing, 2024

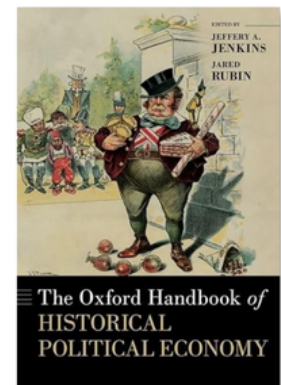
Neurodiversity and Entrepreneurship explores how entrepreneurship enhances workplace inclusion for neurodiverse individuals. It contributes to disability research, autism in the workplace, and the intersection of neurodiversity and entrepreneurship, examining its role in careers, society, and future workplaces.



MEANINGFUL ECONOMICS: MAKING THE SCIENCE OF PROSPERITY MORE HUMAN

Bart Wilson, Ph.D.
Published by Oxford University Press, 2024

Meaningful Economics challenges traditional economics by emphasizing human values and motives in decision-making. Bart J. Wilson argues that economics must consider both the causes (ideas) and consequences (outcomes) of human action, rather than viewing people as purely self-interested agents.



THE OXFORD HANDBOOK OF HISTORICAL POLITICAL ECONOMY

Jared Rubin, Ph.D. (Editor)
Published by Oxford University Press, 2024

Jared Rubin contributes to **The Oxford Handbook of Historical Political Economy**, a comprehensive exploration of how political and economic institutions have interacted over time. Historical Political Economy (HPE) examines the causes and consequences of politics within a historical framework, blending insights from economics, political science, and history.



1 University Drive
Orange, California 92866

Chapman.edu/business



**CHAPMAN
UNIVERSITY**

**Argyros College of
Business and Economics**

Follow us on social media @chapmanargyros

*The AI-generated artwork in this issue was prompted and composed by Dr. Gokcen Coskuner-Balli.
The design and production of this publication was led by Lauren Belzer '19, an alumna of Chapman University.*

