

IPEK DEMIRDAG

PhD Candidate

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EDUCATION

UCLA ANDERSON SCHOOL OF MANAGEMENT

June 2022

Doctor of Philosophy in Management (Marketing)

Dissertation Committee: Suzanne Shu (Chair), Stephen Spiller, Keith Chen, Franklin Shaddy

UNIVERSITY OF MICHIGAN

April 2017

Master of Science in Psychology (Cognition and Cognitive Neuroscience Concentration)

Advisor: J. Frank Yates

UNIVERSITY OF MICHIGAN

April 2016

Bachelor of Science in Biopsychology, Cognition, and Neuroscience (with Distinction and Honors)

Minor in Applied Statistics

Advisor: J. Frank Yates

RESEARCH INTERESTS

- Consumer behavior
- Judgment and decision-making
- Consumer technology interaction
- Digital marketing

MANUSCRIPTS UNDER REVIEW

Demirdag, Ipek and Suzanne B. Shu, "Insights into the Black Box: Process Transparency Drives Consumer Satisfaction in the Digital World," 2nd round revision at the *Journal of Consumer Research*.

SELECTED WORK IN PROGRESS

Demirdag, Ipek and Suzanne B. Shu, "Bias Neglect: When Consumers Neglect Human Bias, but not Algorithmic Bias," in preparation for the *Journal of Consumer Research*.

Demirdag, Ipek and Suzanne B. Shu, "Ownership Where Ownership Does Not Exist: Psychological Ownership in Sharing Economies," in preparation for the *Journal of Consumer Psychology*.

Demirdag, Ipek and Franklin Shaddy, “Psychology of Technology Failure,” data collection in progress.

Demirdag, Ipek and Suzanne B. Shu, “The Effects of Consumer-Algorithm Goal Alignment,” data collection in progress.

CONFERENCE PRESENTATIONS

Talks and Posters

Demirdag, Ipek and Suzanne B. Shu (2021). “Bias Neglect: When Consumers Neglect Human Bias, but not Algorithmic Bias,” Talk presented at the *University of Houston Doctoral Symposium*, Virtual.

Demirdag, Ipek and Suzanne B. Shu (2021). “Bias Neglect: When Consumers Neglect Human Bias, but not Algorithmic Bias,” Talk presented at the *Society for Consumer Psychology Conference*, Virtual.

Demirdag, Ipek and Suzanne B. Shu (2020). “Insights into the Black Box: Input Explainability Drives Consumer Satisfaction in the Digital World.” Talk presented at the *Association for Consumer Research Conference*, Virtual.

Demirdag, Ipek and Suzanne B. Shu (2020). “Ownership Where Ownership Does Not Exist: Psychological Ownership in Sharing Economies.” Talk presented the *Association for Consumer Research Conference*, Virtual.

Demirdag, Ipek and Suzanne B. Shu (2020). “A Look Inside the Black Box: Explainability of Algorithms Drives Satisfaction in the Digital World.” Talk presented at the *Society for Consumer Psychology Conference*, Huntington Beach, CA.

Demirdag, Ipek and Suzanne B. Shu (2020). “Ownership Where Ownership Does Not Exist: Psychological Ownership in Sharing Economies.” Talk presented at the *Society for Consumer Psychology Conference*, Huntington Beach, CA.

Demirdag, Ipek and Suzanne B. Shu (2019). “A Look Inside the Black Box: Explainability of Algorithms Drives Satisfaction in the Digital World.” Talk presented at the *Society for Judgment and Decision Making Conference*, Montréal, Québec, Canada.

Demirdag, Ipek, Suzanne B. Shu, and Keith M. Chen (2018). “Choice in the Digital Age.” Poster presented at the *Society for Judgment and Decision Making Conference*, Chicago, IL.

Demirdag, Ipek, Haoyang Yan, Stephanie de Oliviera Chen, and J. Frank Yates (2016). “Power, Gratitude, and Temporal Discounting.” Poster presented at the *Psychology Research Forum*, Ann Arbor, MI.

Demirdag, Ipek, Haoyang Yan, Stephanie de Oliveira Chen, and J. Frank Yates (2015). “Power, Gratitude, and Temporal Discounting.” Poster presented at the *Society for Judgment and Decision Making Conference*, Chicago, IL.

Demirdag, Ipek, Jessica Nicosia, Ziyong Lin, and Cindy Lustig (2015). “Paradoxical Effects of Monetary Incentive on Attentional Performance in Older Adults.” Poster presented at the *Fifteenth Annual Stanford Undergraduate Psychology Conference*, Stanford, CA.

Demirdag, Ipek, Jessica Nicosia, Ziyong Lin, and Cindy Lustig (2015). “Paradoxical Effects of Monetary Incentive on Attentional Performance in Older Adults.” Poster presented at the *Twenty-Fourth Annual UCLA Psychology Undergraduate Research Conference*, Los Angeles, CA.

Organized Symposia

Symposium chair, The Sense of “MINENESS”: Exploring the Role of Ownership in New Consumer Domains (2020). Symposium organized for the *Association for Consumer Research Conference*, Virtual.

Symposium chair, Experiencing “MINENESS”: Extensions of Psychological Ownership in New Consumer Contexts (2020). Symposium organized for the *Society for Consumer Psychology Conference*, Huntington Beach, CA.

TEACHING AND MENTORSHIP EXPERIENCE

Teaching Assistant, MGMTFE 411: Marketing Management (Fully-employed MBA) **Spring 2021**
Professor Franklin Shaddy
UCLA Anderson School of Management

Teaching Assistant, MGMTEX 411: Marketing Management (Executive MBA) **Spring 2020**
Professor Suzanne Shu
UCLA Anderson School of Management

Teaching Assistant, MGMT 411: Marketing Management (Full-time MBA) **Fall 2019**
Professor Franklin Shaddy
UCLA Anderson School of Management

Teaching Assistant, MGMT 411: Marketing Management (Full-time MBA) **Fall 2018**
Professor Hal Hershfield
UCLA Anderson School of Management

Research Team Leader **Fall 2016-Spring 2017**
In a laboratory environment, supervise and teach undergraduate students various aspects of psychological research, such as literature review, collecting and analyzing data, and producing written reports.
Judgment and Decision Lab, University of Michigan

HONORS, AWARDS, AND GRANTS

UCLA Dissertation Year Fellowship (\$20,000)	2021
Psychology of Technology Institute Dissertation Award Honorable Mention	2021
AMA Sheth Foundation Doctoral Consortium Fellow	2020
Morrison Center Research Funding, UCLA Anderson School of Management	2020
UCLA Anderson Summer Doctoral Fellowship	2018-Present
UCLA Anderson Doctoral Fellowship	2017-Present
Rackham Graduate Student Research Grant	2016
Tanner Memorial Award (top research project), University of Michigan	2016
James B. Angell Scholar Award, University of Michigan	2015-2016
LSA Honors Program, University of Michigan	2015-2016
Conference Travel Award, University of Michigan	2015
LSA Honors Grant for Research and Travel, University of Michigan	2015
University Honors, University of Michigan	2013-2015

SERVICE

- Society for Consumer Psychology, Paper Reviewer

PROFESSIONAL AFFILIATIONS

- Association for Consumer Research
- Society for Consumer Psychology
- Society for Judgment and Decision Making

APPENDIX: SELECTED ABSTRACTS

Demirdag, Ipek and Suzanne B. Shu, “Insights into the Black Box: Process Transparency Drives Consumer Satisfaction in the Digital World,” 2nd round revision at the *Journal of Consumer Research*, (Job Market Paper).

Although algorithms may yield more accurate predictions than humans, consumers are often algorithm averse. This article explores *perceived process transparency* (i.e., a decision characteristic whereby a decision process is perceived to be understood) as a novel driver of algorithm aversion. Six pre-registered studies (combined $N = 2,701$) conducted across diverse digital domains highlight consumers’ divergent conceptualizations of human and algorithmic decisions and suggest that consumers perceive algorithms as *black boxes* with opaque decision processes, whereas they perceive themselves as more process transparent. This distinction drives algorithm aversion for decision-making. The negative effects on satisfaction of algorithmic decisions are accounted for by lower trust in algorithms, which results from consumers’ perception that the algorithm’s decision is less process transparent relative to human decisions. Increasing *input explainability* (i.e., the consumer’s ability to know relevant input information regarding a particular decision) is revealed as an effective intervention to increase process transparency and trust, leading to higher consumer satisfaction with decisions made in the digital world.

Demirdag, Ipek and Suzanne B. Shu, “Bias Neglect: When Consumers Neglect Human Bias, but not Algorithmic Bias,” in preparation for the *Journal of Consumer Research*.

Consumers might regard humans as emotional and biased decision-makers but see algorithms as unemotional and neutral entities. However, unemotionality does not indicate neutrality. Algorithms are often biased because the data that the algorithms use come from a biased society. Human bias is transmitted to or even augmented through algorithms by various means such as training data and data preparation. Therefore, algorithmic decisions can often reflect the existing discrimination, especially if it is trained on past decisions. Although consumers may mistakenly consider humans as more biased than algorithms, this essay addresses whether or not the perception of humans as biased reduces trust in and satisfaction with human (vs. algorithmic) decisions. Across 4 studies (combined $N = 3,203$), I reveal a *bias neglect* phenomenon, i.e., consumers acknowledge but disregard human bias and trust human (vs. algorithmic) decisions. This bias neglect effect occurs, as human emotionality strongly enhances trust and satisfaction. The role of schema congruity is discussed such that human bias may be disregarded (or even liked) because it is schema congruent, whereas algorithmic bias is schema incongruent.

Demirdag, Ipek and Suzanne B. Shu, “Ownership Where Ownership Does Not Exist: Psychological Ownership in Sharing Economies,” in preparation for the *Journal of Consumer Psychology*.

I investigate psychological ownership in a context where legal ownership on the part of the consumer does not exist: sharing economy. I find that psychological ownership of experiences is lower in the sharing economy than in legal-ownership based consumption. The higher the psychological ownership, the higher the enjoyment of experiences. My empirical findings demonstrate that information enhances satisfaction via increased psychological ownership, whereas collective (vs. individual) experiences diminishes satisfaction through decreased psychological ownership. The implications of enhanced psychological ownership, such as increasing consumers’ willingness to take care of the goods they access, are discussed.

Demirdag, Ipek and Suzanne B. Shu, “The Effects of Consumer-Algorithm Goal Alignment,” data collection in progress.

In digital space, consumers and algorithms both have goals. Nonetheless, whether those goals match or not is a different question. For instance, a platform’s algorithm may have an advertising goal, by which the user spends as much money as possible. The algorithm may have engagement and growth goals as well, whereby the user keeps engaging with the algorithm and also invites other people to join that platform. In contrast, the user’s goal might be misaligned with these goals such that they aim to check their feed, see what their friends are doing, connect with other humans. My findings indicate that goal-aligned (vs. misaligned) decisions increase satisfaction because they are perceived as lacking bias. This effect is stronger for algorithmic (vs. human) decision-makers, revealing that consumers value the positive influence of goal-alignment in reducing bias more for algorithms. The effects of disclosing an algorithm’s goals are investigated.