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Business Information Systems

Effects of Imperfect Recommendations in Mobile Personalization on Unplanned Purchase:
The Pivotal Role of Mood

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Abstract

By tracking consumers' browsing and purchase history, web personalization generates taste-matched recommendations for each consumer to stimulate purchases. In addition to taste-matching, mobile personalization matches recommendations to a person's physiological need and current location. These two additional features, referred to as *need-matching* and *location-matching*, are believed to be enablers of unplanned purchase. However, merchants may not be able to generate recommendations that meet all personalization criteria (for instance, a product matched to a consumer's taste and need may not be available in a nearby shop). Hence, mobile recommendations may be *imperfect*. We examine whether and how imperfect recommendations may induce unplanned purchase, and whether and how it depends on consumer mood. Drawing on the theory of mood management, we theorized the pivotal role of mood on influencing consumer's unplanned purchase toward imperfect recommendations. We conducted three field experiments to test our hypotheses. Our findings indicate that 1) taste-matched imperfect recommendations arouse urge to buy for consumers in a positive mood (study 1); 2) for taste-and-need-matched recommendations, location-matching exerts a stronger effect on the unplanned purchase action for consumers in a negative mood than those in a positive mood (study 2); and 3) a partial descriptor that hides the unpleasant feature of an imperfect recommendation is more effective in triggering unplanned purchase for consumers in a positive mood (but not for those in a negative mood) than a complete descriptor that presents both pleasant and unpleasant features of the imperfect recommendation (study 3). Theoretical and practical implications are discussed.

Date: **October 9, 2015 (Friday)**
Time: **14:30~16:00**
Venue: **Faculty of Business Administration, E22-G010**

A Short Biography of Prof. LIM

Prof. LIM Kai Hin serves as Chair Professor of Information Technology Innovation and Management at City University of Hong Kong. He is also Director of Research and Ph.D. Program at Information Systems Department, CityU. His research interests include cross-cultural issues related to information systems management, IT-enable business strategy, e-commerce, social media, and human-computer interactions. He is currently serving his second term as a Senior Editor of *MISQ* and has served on the editorial board of *ISR*, *MISQ*, and *JAIS*. His research has appeared in *MISQ, ISR, JMIS, and JAIS*. Prior to joining CityU, he was on the faculty of Case Western Reserve University and the University of Hawaii. He has won numerous teaching and research awards, and is one of the top-ranking teachers teaching in the CityU's EMBA program. He has conducted executive training in Beijing, Guangzhou, Shanghai, and Hong Kong. He is also an Honorary Professor at Fudan University and Wuhan University, China. Prof. LIM got his Ph.D. in Business Administration (Management Information Systems) at University of British Columbia; his M.A. in Management Science/Management Information Systems at University of Nebraska, USA and his B.S. (Honors) in Mathematics and Economics at University of Minnesota.

ALL ARE WELCOME!