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**Faculty of Business Administration**  
**SEMINAR SERIES No.04/1617**  
*Marketing*

*Does the pain of paying turn people into early birds?  
A randomized controlled trial on peak hour surcharge*

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**Abstract**

The public transportation system in Singapore is facing peak-hour overloads. At times, subway trains are over-crowded to the extent that commuters cannot board the trains. One approach to managing the crowd is to impose a peak-hour surcharge to discourage travel during peak hours. Given that people are generally more motivated to avoid losses than to acquire gains, disincentives may be more effective than off-peak discounts in shifting demands from peak to off-peak periods. Nonetheless, commuters may display strong reactions against a surcharge policy, making it challenging to implement such a policy. The present research examines the effectiveness of a surcharge policy at shifting travel from peak to off-peak periods while developing and testing different potential solutions to increase commuters' receptivity toward peak-hour surcharge. In particular, using a longitudinal randomized controlled trial (RCT) involving more than 900 commuters across the nation, we investigated the behavioral and psychological impact of donating the collected surcharge to charity, and the degree of autonomy commuters have in deciding the benefactor of the donation.

**Date:** 21 November, 2016 (Monday)  
**Time:** 15:00~16:30  
**Venue:** Faculty of Business Administration, E22-2014

## **A Short Biography of Prof. Catherine YEUNG**

Prof. Catherine Yeung is associate professor of marketing at the CUHK Business School. Prof. Yeung joined CUHK in 2015. Prior to that, she was associate professor of marketing at the NUS Business School, National University of Singapore. Her research focuses on the psychology of judgment and decision making. She studies how people make decisions based on feelings, heuristics, and social norms. Her articles have appeared in academic journals such as Journal of Marketing Research, Journal of Consumer Research, Management Science and Journal of Consumer Psychology. Prof Yeung also conducts community-based research, which develops and evaluates interventions that aim at improving individual and community wellbeing. She works extensively with partners including government agencies (e.g., the National Environment Agency of Singapore, Land Transportation Authority of Singapore) and community organizations (e.g., hospital and healthcare centers), who are interested in deriving policy implications based on research findings.

**ALL ARE WELCOME!**