

# IPEK DEMIRDAG, PHD

Behavioral scientist specializing in human technology interaction

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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 technology interaction
- Algorithmic decision-making
- Artificial intelligence
- Bias and fairness
- 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,” invited for 3<sup>rd</sup> round review 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 Marketing 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.

## **INVITED TALKS AND CONFERENCE PRESENTATIONS**

### **Invited Talks**

**Demirdag, Ipek** (2021). “Consumer Responses to Algorithmic Decisions,” Invited talk presented at Yale University, Dartmouth College, Cornell University, University of Texas-Austin, University of South Carolina, Tulane University, San Diego State University.

### **Talks and Posters**

**Demirdag, Ipek** and Suzanne B. Shu (2021). “Moderators of Algorithmic Transparency and Explainability,” Talk presented at the *Association for Consumer Research Conference*, Virtual.

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

**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 Oliveira 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

<b>Teaching Assistant</b> , MGMTEX 411: Marketing Management (Executive MBA) Professor Suzanne Shu UCLA Anderson School of Management	<b>Spring 2020</b>
<b>Teaching Assistant</b> , MGMT 411: Marketing Management (Full-time MBA) Professor Franklin Shaddy UCLA Anderson School of Management	<b>Fall 2019</b>
<b>Teaching Assistant</b> , MGMT 411: Marketing Management (Full-time MBA) Professor Hal Hershfield UCLA Anderson School of Management	<b>Fall 2018</b>
<b>Research Team Leader</b> <i>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.</i> Judgment and Decision Lab, University of Michigan	<b>Fall 2016-Spring 2017</b>

## HONORS, AWARDS, AND GRANTS

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

## SERVICE

- Society for Consumer Psychology, Paper Reviewer

## PROFESSIONAL AFFILIATIONS

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

## REFERENCES

**Suzanne B. Shu**

John S. Dyson Professor of Marketing  
Cornell University SC Johnson College of  
Business  
[sbs78@cornell.edu](mailto:sbs78@cornell.edu)

**Franklin Shaddy**

Assistant Professor of Marketing and  
Behavioral Decision Making  
UCLA Anderson School of Management  
[franklin@anderson.ucla.edu](mailto:franklin@anderson.ucla.edu)

**Stephen Spiller**

Associate Professor of Marketing and  
Behavioral Decision Making  
UCLA Anderson School of Management  
[stephen.spiller@anderson.ucla.edu](mailto:stephen.spiller@anderson.ucla.edu)

## APPENDIX: SELECTED ABSTRACTS

**Demirdag, Ipek** and Suzanne B. Shu, “Insights into the Black Box: Process Transparency Drives Consumer Satisfaction in the Digital World,” invited for 3<sup>rd</sup> round review at the *Journal of Consumer Research*, ([Job Market Paper](#)).

Algorithms have moved from being prediction tools into being decision makers for a variety of consumer-relevant outcomes. Although algorithms are often more accurate than humans, consumers may be wary of algorithmic decisions. This article explores *perceived process transparency* (i.e., the level at which a decision process is perceived to be understood) as a novel driver of possible algorithm aversion. Five pre-registered studies (combined  $N = 2,535$ ) conducted across a variety of 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 and other humans as more process transparent. This lower perceived process transparency leads to lower trust in algorithms and negative effects on satisfaction for algorithmic 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 both 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 Marketing 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.