July 2, 2012

Dear Colleagues,

It is my sincere pleasure to recommend Steve Chan for a position as an assistant professor in marketing, and I strongly encourage you to invite him for an interview at AMA.

Mostly for the usual reasons: He is an outstanding scholar, award-winning teacher, and passes the “would I want this guy in the office next to me?” test with flying colors (this is not merely hypothetical….Steve’s office is, in fact, just down the hall from mine). He would be an asset to any marketing department.

But of course the same could be said of many applicants on the job market. Which is why I am pleased to be able to offer the following addition: I strongly encourage you to invite Steve for an AMA interview also because he is doing some of the most exciting work I have had the pleasure to “supervise” since I joined NYU Stern in 2005. With “supervise” in quotes because like my previous student Jeff Galak (now at CMU), Steve made the transition from apprentice to independent researcher early in his graduate career--it is sometimes not entirely clear whether I am supervising Steve or Steve is supervising me.

A good is example is Steve’s work on temporal comparisons. Early in our collaboration Steve read an old paper I had written (Kruger, 1999) in which I hypothesized that when people compare their own skills with those of the average person, they tend to focus on their own, absolute skills and underweight the skills of the average person. As a result, people tend to rate themselves as above-average in domains in which skills tend to be high (such as driving a car), but below-average in domains in which skills tend to be low (such as programming a computer).
This was later extended to other social comparisons, such as comparative risk (Kruger & Burrus, 2004), confidence in competitions (Windschitl, Kruger & Simms, 2004) and judgments of contributions to collaborations (Kurger & Savistkly, 2009).

Steve was quick to realize that this basic logic—namely, that all else equal, when people compare X with Y they focus on the features of X more than the features of Y—could apply not only to social comparisons, but to temporal comparisons. We call this time phenomenon “temporal focalism.”

Consider, by way of example, the leading measures of “consumer confidence,” such as the Index of Consumer Sentiment (ICS). The ICS has painted a fairly pessimistic view of consumer sentiment in recent years. That was hardly surprising during the financial crisis of 2008, when unemployment doubled from 5% in early 2008 to 10% in October of 2009 and personal income fell as well. What is surprising, however, is that consumer confidence has remained low since then—despite the fact that unemployment and payroll have improved consistently every quarter since Q4 2009.

There are doubtless many reasons for this, but what Steve was able to show is that one of them is focalism. The index asks consumers “are you financially better off now than you were a year ago?”—a comparison between one’s current finances (X) versus last year’s finances (Y). Despite the fact that for most Americans the correct answer is yes, if when people compare X with Y they focus on X more than Y they may instead conclude that the answer is no. After all, although the economy has improved since the recent recession, for most Americans their personal finances leave much to be desired. Myopically focusing on one’s current (troubling) finances thus may lead people to conclude that things are getting worse—even if last year’s finances were even more troubling.

That is precisely what Steve was able to show. First, he showed that simply reversing the direction of comparison—in this case, comparing last year’s finances with this year’s finances—causes this pessimism to disappear. Second, he showed that when people compare their present
to their past, their answers were predicted far better by information about their current standing than information about their past standing--despite the fact that both are equally relevant. This is important not merely for theoretical reasons, but for practical ones as well. For better or worse, consumer sentiment moves financial markets. Steve has found a way to move that sentiment.

Because this research is fairly new, it is still early in the publication “pipeline.” But stay tuned: I would be surprised if this and several other papers Steve either has or is in the process of authoring were not accepted for publication soon.

An example is another project titled Out of Sight, Out of Mind. I originally brought Steve on to help run some studies. We failed to obtain the desired results in those studies. However, Steve keenly pointed out that we would improve our chances of obtaining the desired mediation with some key changes to the study design. He programmed the new study using software he had recently learned, collected the data, and obtained the mediation result shortly thereafter. John Chambers (my collaborator at the University of Florida) and I initially thought this project offered a moderate theoretical contribution for social comparison biases. Steve eventually spearheaded ideas to reposition this work towards biases in evaluating different modes of competition, a more engaging and also more marketing relevant context. Steve’s performance impressed not only me, but also John, the original first author on the project. John insisted that Steve deserved to take leadership and first author credit on the project. The paper is not yet published, but I am certain that it will be soon.

I can see that I’m not the only one who regards him highly. He has more recently branched out to work with many others. He has joined Yaacov Trope’s lab in the psychology department to extend his work in new directions with new collaborations. Recently he co-organized a symposium on temporal framing at SCP with Sam Maglio (now faculty at University of Toronto). He has co-organized PhD student conferences with Columbia Marketing students. He also visits his former mentor in Berkeley’s psychology department, Kaiping Peng, to revisit his interests in cross-cultural research. These and other ways he has ventured out of his own department will pay off and keep his research pipeline full for years to come.
Beyond research, Steve has also earned my respect and trust when it comes to service in our research community. When Steve started at Stern, Jeff Galak (now at CMU) and I were responsible for the Marketing research pool at Stern. We mentored Steve to assume that role during his first year. He not only lived up to the challenge, he cared enough to drastically improve the system the following year. Even though I am the faculty coordinator in charge of the Marketing research lab, full credit goes to Steve for ensuring that the faculty, PhD students, and research participants (nearly a thousand some semesters) remained highly satisfied with our setup. Steve was the department’s go to guy for research lab needs. He has since passed on the torch to the first year students, but he still mentors them on how to conduct research at Stern. As PhD coordinator, Steve also helped me with recruiting new PhD students. He always serves his community with a caring dedication, professional attitude and an organized efficiency. Service is a tricky construct when hiring at the junior level, since teaching and (especially) research are of course far more important. But know that with Steve, you not only get an excellent researcher and great teacher, but a fantastic colleague as well.

But that will pay off later. What will pay off now is inviting Steve out for an interview at AMA this August.

You will not be disappointed.

Sincerely,

Justin Kruger
Associate Professor of Marketing