

# THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

## Departmental Research Seminar



### The Effects of Delay in Bargaining: Evidence from eBay By

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**Date : 24 Apr 2024 (WED)**  
**Time : 10:30 am – 12 noon**  
**Venue : M802**

#### Abstract

Delay in negotiations is common in many settings, but the effects of delay have rarely been studied empirically in the field. We measure the causal effect of delay using data from millions of negotiations on eBay. We find that for both buyers and sellers, the longer the bargaining party delays, the less likely the opponent is to continue the negotiation by countering. However, the downstream consequences vary. The more the seller delays, the more likely the negotiation will fail, but the more the buyer delays, the more likely the seller will accept the buyer's offer. The effects of delay are robust; they exist even under short amounts of delay (under 6 hours) and for negotiations for low-priced goods. We find that these effects are consistent with models of strategic delay, in which delay acts as a signal of bargaining power.

*Dr Jessica Fong's* research applies theory-driven models and experimentation to empirically analyze marketing data with the goal of improving firm strategy and better understanding consumer behavior. Substantively, her research focuses on matching markets, platform design, advertising, and behavioral economics. Her research has been published in journals such as *Marketing Science*, *Journal of Marketing Research*, and *Management Science*.

Dr Fong earned her Ph.D. in Marketing from Stanford University, and her BS in Computer Science from the California Institute of Technology. Prior to joining Ross, she worked in product management at Fitbit.

**All interested are welcome.**



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