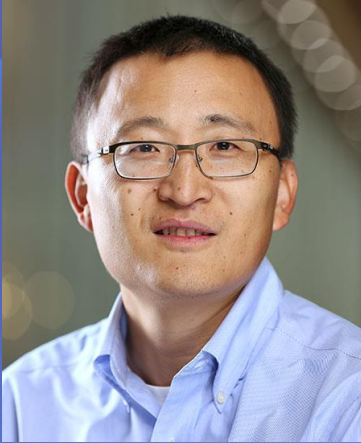


# THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

## Departmental Research Seminar



### Not All Discounts Are Created Equal: Power Distance Belief and Locus of Discount in a Product Bundle By

**Prof. Haipeng (Allan) Chen**  
University of Kentucky

**Date : 5 May 2022 (THU)**  
**Time : 10 am – 11:30 am**  
**Venue : Online via Zoom**

#### Abstract

This paper examines the relation between power distance belief (PDB) – the tendency to accept and endorse inequalities – and preference for a discount on the focal (vs. tie-in) product in a product bundle. The findings show that high PDB consumers prefer a discount on the focal (vs. tie-in) product in a bundle, whereas low PDB consumers' preference is not affected by the locus-of-discount. This difference is driven by the greater tendency to differentiate among high (vs. low) PDB consumers. Furthermore, contextual factors that affect consumers' differentiation tendency, including consumers' prioritization tendency and their focus on dis/similarity, set boundary conditions for the impact of PDB on consumers' locus-of-discount preference. Implications for theory and practice are discussed.

**Prof. Haipeng (Allan) Chen** is Professor, Gatton Endowed Chair in Marketing, and University Research Professor at the University of Kentucky. Before joining UK, he served as an assistant professor at the University of Miami (2002-7), and as an assistant professor (2007-9) and associate professor (2009-2017) at the Texas A&M University. He was promoted to full professor in 2017 at the Texas A&M University. He received his Ph.D. from the University of Minnesota.

He conducts research in the areas of Behavioral Decision Theory (BDT) and pricing. His research interests focus on examining consumer and managerial decision-making. His research has been published in seven UTD journals (*JCR, JMR, JM, Marketing Science, Management Science, SMJ, and ISR*), two Financial Times journals (*JCP, JAMS*), and premium journals in economics (e.g., *Journal of Monetary Economics, Review of Economics and Statistics*), among others.

He is currently serving as an AE for *JCR* and *JR* and as a DE for *Decision Sciences*. He also serves on the ERB of *JM* and *JCP*. He has served on the ERB of *Marketing Science* and *JBR*. He is a co-editor of the *JACR* special issue on Behavioral Pricing. He is a co-chair of the 2022 ACR Conference and SCP Boutique Conference on the Global Consumer (Singapore).

He has won various research awards, including the 2020 University of Kentucky Research Professor Award, 2018 RMR Long-term Contribution Award, 2012 ACR Best Competitive Paper Award, the 2010 Ricky W. Griffin Outstanding Research Achievement Award, the 2007 MSI Young Scholar, and the 2001 ACR-Sheth Foundation Dissertation Award (co-winner of the Public Policy Track). He has also been recognized with various school- and university-level teaching awards.

**All interested are welcome.**



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