Special Section: Technological Innovations for Communication and Collaboration in Social Spaces

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Special Section: Technological Innovations for Communication and Collaboration in Social Spaces

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Research on social communication and collaboration is of high importance today in Information Systems, especially for interdisciplinary inquiry that emphasizes topics related to strategy, information, technology, economics, and society. The articles that are showcased in this special section of the Journal of Management Information Systems address issues that arise in a number of important contemporary contexts, including:

- The effectiveness of social media-based complaint management in the operational processes of passenger airlines, through their use of Twitter and other social media solutions, to stay in touch with customers who experience problems on an up-to-the-moment basis;
- Collaborative consumption among consumers, and producers’ strategies to extract post-sales surplus using embedded product intelligence so as to detect, authorize, and then charge for sharing transactions;
- Customers’ disposition to value information privacy, which plays a role in their requirements to know about vendors’ use of their private information, and the extent to which this inhibits their openness to adopting and using more personalized services;
- The mitigation of loan default in peer-to-peer (P2P) lending through the use of social media-based disclosures about the participants’ past borrowing and repayment performance, as a way to create social deterrence against their future loan default.

In addition, the guest editors have contributed a research article that characterizes fundamental issues and future research directions flowing from the changing nature of information available in the digital economy.

The special section opens with an article by Priyanga Gunarathne, Huaxia Rui, and Abraham Seidmann, titled “Whose and What Social Media Complaints Have
Happier Resolutions? Evidence from Twitter.” This timely research studies the extent to which communication through the social media channel is helpful for improving the management of customer complaints, when firms assign customer service representatives to monitor and respond to issues that are raised by their customers via Twitter. The authors’ basic assertion—and one that seems natural for most observers to make—is that opening up a real-time channel on social media ought to result in higher satisfaction levels for customers who bring their problems to a company’s attention this way. The authors were able to gain access to the social media-based customer complaints at a large U.S. airline. They also created a quasi-experimental research design that combines customer–brand interactions on Twitter, with follow-up survey work on how happy the customers were after their interaction with the airline’s customer service representatives. This empirical research showed that more influential customers in the social network were more likely to be satisfied by the airline’s Twitter-based interventions. The authors also distinguished between process-related and outcome-related issues, and found that customers with the former kind of problems ended up less satisfied, indicating the importance of resolving issues in complex operational activities. They also pointed out that customers with past experience for Twitter channel complaints achieved happier resolutions to their problems, yet greater than 50 percent of all complaints lodged via Twitter resulted in dissatisfied customers. This is not quite what an observer might expect assuming the Twitter channel is intended to support higher corporate responsiveness and customer service immediacy.

The second contribution, by Thomas A. Weber, explores “Smart Products for Sharing.” The new practices associated with the digital sharing economy have the potential to make products that are shareable in an aftermarket attain a higher value via a sharing premium, since they will be idle less of the time and generate revenues for owners. Producers and retailers may be able to better align the flow of use with the amounts they can charge the purchasers/owners by using the sensing and communication ability of intelligent products to monitor their availability, detect a transition between different users, and authorize their temporary transfer for use by others against a fee. The author uses a dynamic overlapping-generations model that yields a stationary solution for the firm’s optimal selling price for shareable goods, as well as the tariff associated with authorizing their collaborative use. The results suggest that embedded intelligence and a positive sharing tariff can increase the profit for the manufacturer if the cost of deferring consumption is high. In this situation, the extra revenue from the secondary market provides a positive incentive for the firm to support collaborative consumption of its products. However, in this simple model, if the cost of deferring consumption is low, then a sharing tariff may not increase profit.

The next article is “Beyond the Personalization–Privacy Paradox: Privacy Valuation, Transparency Features, and Service Personalization,” by Sabrina Karwatzki, Olga Dytynko, Manuel Trenz, and Daniel Veit. Many observers have pointed to the sharp double-edged blade of service personalization. On the one hand, service personalization leverages a consumer’s private information so they are exposed to products that
are of good—and possibly hyperdifferentiated—fit for them, based on their private information and discoverable preferences. And yet personal information is simultaneously what service providers take advantage of to create their own business revenues and profits. The authors focus on the question of how the transparency features and service personalization of a service provider are related to the willingness of consumers and users to share their information. They conducted an experimental field study and survey of users involved in a digital service. The authors also explored the extent to which the subjects’ information boundaries varied, depending on the extent of their disposition to value information privacy. Their information boundary theory interpretation does not account for the lack of impact on consumers’ willingness to share information when the transparency features of the digital service facilitated disclosures about its information sharing policy. Perhaps their most interesting finding is that personalization may do little to incentivize consumers to share their private information, especially for those with higher levels of disposition to value privacy. The authors’ overall reading of the personalization–privacy paradox is that private information sharing is generally distasteful, not only when there is an opportunity to acquire utility-enhancing personalized services.

Ruyi Ge, Juan Feng, Bin Gu, and Pengzhu Zhang contributed the penultimate article, “Predicting and Deterring Default with Social Media Information in Peer-to-Peer Lending.” In peer-to-peer (P2P) lending, there is a fundamental information asymmetry that diminishes the efficiency of the market for lenders and borrowers alike. Lenders cannot easily discover key information about borrowers, especially their credit quality and capacity to pay back their loans. As a result, borrowers will either be required to pay higher interest rates associated with their hard-to-estimate riskiness, or be unable to get credit at all. The authors explore the extent to which self-disclosure of social media information has any power for predicting borrower default for P2P loans. This empirical research involves a natural experiment that uses data from a social lending platform in China. The authors suggest that information disclosures act as a means of social deterrence for borrower default, due to the associated reputation effects that may occur. Their results probe the impacts of self-disclosure of borrowers’ information as an event, for which it is possible to construct a before-and-after treatment effect test. They show there is a causal relationship between the disclosure event, and the borrowers’ loan subsequent default rate.

This special section closes with an article that examines the path forward for research that is related to strategy, information, technology, economics, and society. Eric K. Clemons, Rajiv M. Dewan, Robert J. Kauffman, and Thomas A. Weber contribute a new and future-oriented research perspective in “Understanding the Information-Based Transformation of Strategy and Society.”