### Seminar Announcement

**“Marshmallow Pricing”: Effects of “Wait-and-Not-Pay” Schemes on the Monetization of Hedonic Digital Content**

*by*

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<th>Date</th>
<th>31 October 2018 (Wednesday)</th>
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<td>Time</td>
<td>10:00 - 11:30 am</td>
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<td>Venue</td>
<td>ISOM Conference Room 4047, LSK Business Building</td>
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### Abstract

On the basis of discount utility and choice theories, this study develops analytical frameworks and empirically assesses the effects of “marshmallow pricing” on the monetization of hedonic digital content. Marshmallow pricing is a strategy in which consumers are given the option to either wait for a few days to acquire hedonic digital content for free or pay to consume it immediately. We also evaluate the extent to which content attributes moderate the effectiveness of such impatience-exploiting pricing mechanisms. The findings indicate that marshmallow pricing increases the sales of addictive digital content, thus generating new demand from users who would otherwise forgo participation in the market. In addition, the effectiveness of the scheme depends significantly on content characteristics and design attributes. We conclude with a discussion of the application of such pricing mechanisms in other contexts wherein consumers are willing to pay rather than wait for immediate satisfaction.

### Bio

Angela Choi is doctoral student in Korea Advanced Institutes of Science and Technology. She is expected to receive Ph.D next year January, and received her M.S. in Information Systems at KAIST, after receiving B.A. in Material Science and Engineering at KAIST. Her research area includes econometric research, IT economics, empirical research, and digital content business strategy.