

Collaborating with a university on a new product? Let your customers know, study advises

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Researchers from WU Vienna University of Economics and Business, University of Bonn, and FAU Erlangen-Nürnberg published a new *Journal of Marketing* article that examines how consumers respond to new products co-developed with universities and the unique marketing opportunities for these products.

Firms often collaborate with universities to access novel scientific knowledge and technological expertise with an aim to develop superior new products. For example, Italian start-up Angles90 co-developed the first dynamic training grips with the faculty of Strength Training Ergonomics at the Technical University of Munich and sold its patented innovation in more than 30 countries.

In the U.S., autonomous driving technology firm Argo AI recently announced its investment of \$15 million to create the Carnegie Mellon University Argo AI Center for Autonomous Vehicle Research, which will focus on advancing the field of self-driving technology. Well-established [firms](#) such as Adidas also engage in university–industry collaborations.

This research investigates whether consumers react differently to the same product upon learning it has been co-developed with a university as well as what these perceptions depend on and how strong are the effects. The study is titled "University Knowledge Inside: How and When University-Industry Collaborations Make New Products More Attractive to Consumers" and is authored by Lukas Maier, Martin Schreier, Christian V. Baccarella, and Kai-Ingo Voigt.

The value of scientific legitimacy

The research yields three major findings:

1. Consumers perceive a given product as more attractive when it is

- portrayed as developed in collaboration with a university.
2. Collaborating with a university infuses the underlying firm with a stronger sense of scientific legitimacy, thereby making the resulting product more attractive to consumers. "These firms are viewed as being able to understand and effectively work 'with the latest scientific ideas in the field' and capable of developing cutting-edge technological innovations," the research team claims.
 3. The positive university effect is more pronounced when the scientific legitimacy conferred is more important to the: (a) product in focus (high-tech vs. low-tech), (b) underlying company (startups vs. established firms), (c) project in focus (technology vs. aesthetic design), and (d) target customer (high vs. low belief in science).

However, companies rarely advertise their products as co-developed with a university. In one study, the researchers asked 22 managers in an Executive MBA program to develop a short product advertisement based on background information about a company and its latest product, including the notion that the product was co-developed with a university.

Only 4 out of 22 managers used the university co-development information when marketing the focal product. Another study involved 42 Master of Science in Marketing students. Again, only a small number of participants (14.6%) decided to include the fact that the focal product was developed in collaboration with a university in their advertisement copy.

Lessons for chief marketing officers

"Once a firm has decided to co-develop a new product with a university, we highlight how and when actively marketing university-co-developed products as such may yield incremental benefits," the researchers say.

The study offers the following lessons for chief marketing officers:

- Firms that engage in open innovation practices with universities might not maximize the economic value of the products if they fail to broadly communicate the collaboration to their prospective customers. Using labels such as "co-developed with a university" or "university knowledge inside" can incrementally increase the product's market performance. One of the studies shows that participants were willing to pay, on average, 65% more for the same product when it was portrayed as co-developed with a university.
- The boundary conditions identified help managers anticipate when actively marketing university-industry collaborations will be more (or less) effective. Marketing products as co-developed with a university can be particularly promising for new firms, when the underlying product is [high-tech](#), or when the target customer scores high on belief in science.
- Since belief in science is markedly related with one's [political orientation](#), the positive university effect emerges strongly for liberals, but not for conservatives. Thus, marketing university co-developed products might be particularly promising when targeting the product to liberals. For example, Meta allows advertisers to target consumers according to their political orientation, categorizing them as "liberal," "moderate," or "conservative."

Apart from political orientation, future research could look at other consumer characteristics with an aim to effectively target university-co-developed products. For example, scholars can test whether religiosity and nationality are moderators of the positive university effect. In the Netherlands, for instance, people tend to trust science and its institutions

more than media, government, and courts of law.

In contrast, there are other countries such as Guatemala with a very low belief in science and it will be interesting to see how consumers there respond to products co-developed with universities.

More information: Lukas Maier et al, EXPRESS: University Knowledge Inside: How and When University-Industry Collaborations Make New Products More Attractive to Consumers, *Journal of Marketing* (2023). [DOI: 10.1177/00222429231185313](https://doi.org/10.1177/00222429231185313)

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