

Nudging the Digital Pirate

Matthew J. Hashim, Karthik N. Kannan, and Duane T. Wegener
 Krannert School of Management and the Department of Psychological Sciences
 Purdue University

Evidence suggests pirates are susceptible to converting to paying customers – even when the digital good is equivalent in every way

What strategies should be used by industry to influence this purchase behavior of the digital pirate?

Is there a danger in thanking someone for past purchases when soliciting new business from the customer?

Pilot data results:

Subjects were asked to complete an initial purchase scenario then a conversion scenario and vice versa
 Questions from the theory of planned behavior followed each scenario

First Stage	Likelihood to Pay	Second Stage	Likelihood to Pay
Initial Purchase	High	Conversion Purchase	Low
Initial Purchase	Low	Conversion Purchase	Low
Conversion Purchase	High	Initial Purchase	High
Conversion Purchase	Low	Initial Purchase	Low

Counterintuitive result in the first row – generally past behavior is a predictor of future behavior. Why did this happen?

This can possibly be explained by theories related to Goal Activation. More specifically, a momentary temptation sometimes outweighs the long-term goal

First Stage	Significant Constructs	Second Stage	Significant Constructs
Initial Purchase	Peer Subjective Norms	Conversion Purchase	Behavioral Control
Conversion Purchase	-	Initial Purchase	Moral Obligation

Since this research is in its early stages, our second study will confirm and build upon these findings and will ideally be used to shape industry policy and interaction with digital consumers