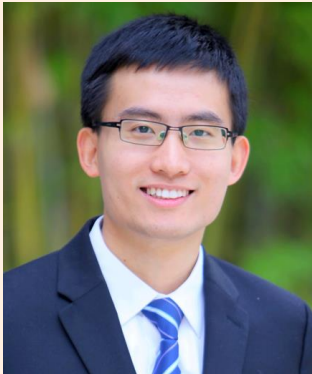


The Hong Kong University of Science and Technology

Department of Information Systems, Business Statistics and Operations Management

Seminar Announcement



Social Attention as a Reference Point: Evidence from a Field Experiment on a Cryptocurrency Trading Platform

by

Professor Liangfei Qiu
University of Florida

Date : **Tuesday, 13 June 2023**

Time : **11:00 am - 12:00 noon**

Venue : **5/F Meeting room (5047), LSK Business Building**

Abstract: Social trading platforms are growing rapidly in the digital economy. We investigate how changes in social attention, operationalized as the number of followers, affect traders' performance and trading behaviors through a randomized field experiment on a leading cryptocurrency social trading platform. We find that traders who receive more social attention tend to trade more, use higher leverage, and achieve worse performance. The negative effects are stronger among traders who performed well prior to the increase in attention, consistent with our proposed mechanism of overconfidence. We also find a reference point effect of social attention in our context: the removal of the social attention that a trader has already received does not reverse the effects of increased attention—instead, it leads to even worse performance. The negative effects are stronger among traders who performed poorly prior to the loss of attention, which supports our hypothesis about social attention as a reference point. Our study offers important implications for the design of social trading platforms and reminds traders and platform managers to pay closer attention to the interaction between social attention and trading decisions.

Bio: Dr. Liangfei Qiu is the PricewaterhouseCoopers Associate Professor and UF Research Foundation Professor at Warrington College of Business, University of Florida. He also serves as the Ph.D. coordinator for the Department of Information Systems and Operations Management. His current research focuses on social technology (social networks, social media, and prediction markets), platform technology (sharing/gig economy, e-commerce platforms, and healthcare analytics), and telecommunications technology. His research has appeared in premier academic journals, including Information Systems Research (ISR), MIS Quarterly (MISQ), Production and Operations Management (POM), Journal of Management Information Systems (JMIS), Decision Sciences, and Decision Support Systems (DSS). He is currently an Associate Editor for MISQ, a Senior Editor for POM, and an Associate Editor for DSS and Decision Sciences.