



## **CEO compensation in Israel: The fundamental questions and scientific evidence**

Beni Lauterbach, Revital Yosef

### **Abstract**

The article reviews the progress and scientific evidence on four fundamental issues regarding CEO compensation in Israeli public firms: 1) Which factors impact CEO pay in Israel? 2) Is CEO compensation adequately related to firm performance? 3) Is CEO total compensation level grossly inflated? 4) Is the regulation of CEO compensation effective and prudent? For each of these issues we offer a critical discussion and our subjective perspective.

## **Controlling the Buzz: The Effect of Originality and Usefulness on the Amount and Valence of Word-of-Mouth**

Sarit Moldovan, Amitava Chattopadhyay, Jacob Goldenberg

### **Abstract**

This paper focuses on how two main product characteristics – originality and usefulness – affect the word-of-mouth communications (WOM) that consumers spread about the product. In three studies Moldovan et al (2011) showed that originality and usefulness have different roles in the spread of WOM. Consumers spread more WOM on original products but the valence of what they say (positive or negative WOM) depends on product usefulness. Thus, originality amplifies the effect of usefulness in a way that consumers will spread more positive WOM on products that are original and useful, but more negative WOM on products that are original but not useful. The results imply that originality should be managed carefully when developing new products, as it may

encourage buzz, but may lead to a negative buzz when usefulness is low. In this paper we review the results of Moldovan et al. (2011) and present new data.

## **The Impact of Emotional versus Rational Appeals**

Jacob Hornik, Chezy Ofir, Matti Rachamim, Ori Grossman

### **Abstract**

Over the last few years, we have witnessed increased research attention regarding advertising appeals, including meta-analytical studies which were conducted to understand the subject. Determining the content of the message in advertising is a key part of the message design process for the target audiences, and the message focuses on the information that must be conveyed to them out of a desire to focus the attention of those potential consumers. There are three types of appeals in advertising: rational appeal, emotional appeal and moral appeal. (1) a rational appeal which focuses on the benefits of the brand; (2) An emotional appeal based on humor, fear, or sexual messages which is intended to evoke positive or negative emotions that will motivate the potential consumer to purchase the brand (3) and a moral appeal which is intended to persuade target audiences to acquire the brand that promotes social benefits primarily.

Through meta-analysis, this study examines previous studies which focus on advertising appeal, and ranks them according to a common metric. Based on a large and unique data array which uses Meta-regression, this study provides metrics for the relative impact of seven types of advertising appeals. The results show that advertising appeals are all as equally effective, and hence a ranking of the advertising appeal types was made according to their level of effectiveness. The nature of emotional appeals with an emphasis on sexual content and humor, have been found to be more effective than fear and rational appeals. The most influential variables were the media type and the year of publication. Other key results: Emotional appeals were more effective in television media than in magazines, newspapers and radio, and they were more influential in studies conducted in recent years.

# **Emergency Response Communities – From Theory to Practice**

Michael Khalemsky, David Schwartz

## **Abstract**

Many people will experience during their lifetime a medical emergency that poses at risk their life or long-term health. Immediate provision of first aid may improve the chances of long-term survival and prognosis and health authorities around the world are adopting a variety of methods to shorten the time of providing first aid, including dispensing automatic defibrillators in public places and setting up volunteer networks for immediate response.

An Emergency Response Community (ERC) is a social network of patients who are prescribed to carry life-saving medication for themselves and can potentially help other patients who find themselves without their medication in a medical emergency. The ERC members are equipped with an app, their location is tracked and members who are carrying the required medication and are in the vicinity of the patient in distress, are alerted. Two field trials conducted in recent years (EPIMDA in Israel and UnityPhilly in the US) have shown the feasibility of the ERC method, both in terms of the willingness to join the community and in terms of the willingness to respond to an emergency event. The ERC approach from theory becomes reality and allows almost anyone to contribute to life-saving activities. The article presents the findings of the experiments, discusses the required technological infrastructure, and possible further research.

# **Emotional Expression as a Managerial Tool - The Interpersonal Influence of Emotions**

Arik Cheshin

## **Abstract**

Emotions are part of the human experience and as such it is only natural that emotions will also have impact and influence in the workplace. In this article I will review studies dealing with the social impact of emotions, based on the Emotion As Social Information (EASI) model. That is, how one person's expressions influence another person or group. We will see how emotions can affect viewers' feelings and emotions, how they impact inferences and conclusions about social situations, and at the end of the day, how they

impact the viewer's behavior. It will be demonstrated how emotions play an important role in non-trivial and unforeseeable places, such as virtual groups and computer-mediated communication. We will review the impact of joy, anger, sadness and fear. We will reveal not only the influence of the emotion itself, but the manner in which it is displayed. We will discuss how the intensity of emotion display and the situation in which the emotion is displayed change due to the (in)appropriateness of the display. This article will present and demonstrate how the expression of emotions fundamentally affects others, noting that the expression of emotions manifest as a significant force in the workplace. Emotions can be used as a managerial tool whether in the physical or virtual world as long as they are used properly, and we are aware of their substantial impact.