

NICHOLAS R. HERZOG

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EDUCATION

The University of Chicago Booth School of Business PhD, Marketing	2025
The University of Chicago MA, Social Sciences	2017
University of Wisconsin-Madison BA, Psychology, Graduated with Distinction	2015

RESEARCH INTERESTS

Consumer Behavior, Judgment and Decision-Making, Moral Psychology

PUBLICATIONS AND WORKING PAPERS

Huppert, Elizabeth, **Nicholas R. Herzog**, Justin F. Landy, and Emma E. Levine (2023), "On Being Honest About Dishonesty: The Social Costs of Taking Nuanced (but Realistic) Moral Stances," *Journal of Personality and Social Psychology*, 125 (2), 1 - 25.

Herzog, Nicholas R. and Daniel M. Bartels, "Misestimating Credit Card Balances: The Effect of Right-Digit Recall Errors on Spending Decisions," *Job Market Paper*

Herzog, Nicholas R., Daniel M. Bartels, and Abigail B. Sussman, "Anchors or Targets? An Examination of Focal Values on Credit Card Statements," *Invited Revision at the Journal of Marketing Research*.

Bartels, Daniel M., **Nicholas R. Herzog**, and Abigail B. Sussman (2023), "Distinguishing between Anchors and Targets," *SSRN*.

RESEARCH IN PROGRESS

Herzog, Nicholas R. and Alexander K. Moore, "When Do Consumers Consider Outside Options from Memory?"

Herzog, Nicholas R. and Neil Stewart, "Paths to Credit Card Debt"

Borislow, Samuel, **Nicholas R. Herzog**, Justin F. Landy, and Emma E. Levine, "Precommitment to Moral Values"

Landy, Justin F., **Nicholas R. Herzog**, and Daniel M. Bartels, "Evaluations of Decision Makers in Complex Moral Situations"

CONFERENCE PRESENTATIONS

Herzog, Nicholas R. and Daniel M. Bartels (2024, March), "Misestimating Bank Balances," Paper presented to the SCP conference. Nashville, TN.

Herzog, Nicholas R. and Daniel M. Bartels (2023, October), "Monitoring Account Balances," Paper presented to the ACR conference. Seattle, WA.

Herzog, Nicholas R. and Daniel M. Bartels (2023, May), "Memory Error in Tracking Account Balances," Poster presented to the Boulder Summer Conference on Consumer Financial Decision Making. Boulder, CO.

Herzog, Nicholas R. and Daniel M. Bartels (2022, November), "Left-Digit Bias: Tracking Account Balances," Poster presented to the SJDM conference. San Diego, CA.

Herzog, Nicholas R. and Daniel M. Bartels (2022, March), "Price Expectations and Spontaneous Opportunity Cost Consideration," Poster presented to the SJDM conference. San Diego, CA (online).

Herzog, Nicholas R. and Daniel M. Bartels (2021, October), "Price Expectations and Spontaneous Opportunity Cost Consideration," Paper presented to the ACR conference. Denver, CO (online).

Herzog, Nicholas R. and Daniel M. Bartels (2021, August), "Price Expectations and Spontaneous Opportunity Cost Consideration," Paper presented to the SPUDM conference. Coventry, England (online).

Herzog, Nicholas R., Justin F. Landy, and Emma E. Levine (2019, November), "Precommitment to Moral Values," Paper presented to the Annual Meeting of the Society for Judgment and Decision Making. Montreal, QC.

Herzog, Nicholas R., Justin F. Landy, and Daniel M. Bartels (2018, July), "Moral Thoughtfulness: Thinking Carefully about Complex Moral Problems is a Virtue," Paper presented to the Annual Meeting of the Society for Philosophy and Psychology. Ann Arbor, MI.

Herzog, Nicholas R., Justin F. Landy, and Daniel M. Bartels (2018, April), "Moral Thoughtfulness: Thinking Carefully about Complex Moral Problems is a Virtue," Poster presented to the Annual Meeting of the Midwestern Psychological Association. Chicago, IL

Herzog, Nicholas R., Justin F. Landy, and Daniel M. Bartels (2017, November), "Moral Thoughtfulness: Thinking Carefully about Complex Moral Problems is a Virtue," Paper presented to the Annual Meeting of the Society for Judgment and Decision Making. Vancouver, BC.

TEACHING

The University of Chicago Booth School of Business	2017 - 2024
Managerial Decision Making (EMBA) with Richard Thaler	
Marketing Strategy (MBA) with Abigail Sussman	
Consumer Behavior (MBA) with Daniel Bartels	
Managerial Decision Making (MBA) with Reid Hastie	
Cognitive Underpinnings of Decisions (PhD) with Daniel Bartels	
Business with Purpose (MBA) with Abigail Sussman	
University of Illinois Chicago	2024
Advanced Market Research: Guest lecture on conjoint analysis	
University of Wisconsin-Madison, Department of Psychology	2015 – 2016
Research Methods (undergraduate) with Tina Winston	

AWARDS AND HONORS

J. Michael Harrison Doctoral Prize	2024
Katherine Dusak Miller PhD Fellowship	2019 - 2024
The University of Chicago Social Science Scholarship	2016
University of Wisconsin-Madison, Graduated with Distinction	2015
UW-Madison, Psychology Undergraduate Research Scholar Award	2015

TECHNICAL SKILLS

R, Python, Stata

ACADEMIC SERVICES

Cognition, <i>Reviewer</i>	2023
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PROFESSIONAL EXPERIENCE

The University of Chicago Booth School of Business, Marketing	2017 - 2019
<i>Research Professional</i> : Managed research projects for Abigail Sussman, Oleg Urminsky and Daniel Bartels. Prepared IRB submissions, programmed online surveys, collected and analyzed data, presented research in workshops.	

UW-Madison, Waisman Center, Wisconsin Twin Project

2015 – 2016

Research Assistant: Oversaw neuroimaging (MRI) project on emotion regulation in adolescent twins. Recruited participants, conducted experiments and diagnostic interviews, processed data, and trained undergraduate research assistants.

SELECTED ABSTRACTS

Herzog, Nicholas R., and Daniel M. Bartels, “Misestimating Credit Card Balances: The Effect of Right-Digit Recall Errors on Spending Decisions,” *Job Market Paper*

Many consumers use online apps to periodically monitor their credit card balances. The authors examine how previously observed balances influence consumers’ estimates of their debts and available resources, and their spending decisions. Consumers are more likely to underestimate their credit card debt and continue spending if they last observed a balance just under (vs. over) the closest multiple of \$1,000. Accurate recall of the leftmost digit and inaccurate recall of right digits can account for this effect. Further, the authors distinguish this memory-based mechanism from other prominent perception-based theories of left-digit bias. Although right digits are more likely to be misremembered than left digits in general, consumers have a better memory for right digits when they observe their balances alongside nearby reference points, like close credit limits. Together, these findings offer insights into how aware consumers are of their finances, when consumers are more at risk of underestimating their debts and overspending, and the influence of right-digit recall errors on consumer decision making.

Herzog, Nicholas R., Daniel M. Bartels, and Abigail B. Sussman, “Anchors or Targets? An Examination of Focal Values on Credit Card Statements,” *Invited Revision at the Journal of Marketing Research*.

Credit card statements often highlight a few partial payment options, like the minimum payment due and the amount needed to pay off the statement balance in three years. Prior research suggests that these focal payment options have an anchoring effect on partial payment decisions. Across four experiments and data from a large US commercial bank, the authors find that these values operate more like targets rather than like anchors. Although targets and anchors may seem similar, they are psychologically distinct. Most notably, targets have motivational properties, where an outcome on one side of a target is disproportionately preferred to an outcome on the other side of a target, whereas anchors act as motivationally-neutral starting points for judgments. Although focal payment options that currently appear on statements may be better characterized as targets, the authors find one focal payment option framing that produces a typical anchoring effect—placeholder text example payments—that could be introduced to online statements to influence payments. A better understanding of how cardholders respond to a variety of focal payment options can help credit providers structure statements to improve consumer well-being.

Bartels, Daniel M., **Nicholas R. Herzog**, and Abigail B. Sussman (2023), “Distinguishing between Anchors and Targets,” *SSRN*.

In this paper, we provide a framework for conceptualizing and identifying differences between anchors and targets (i.e., non-status quo reference points). While these two types of values are often treated interchangeably by academic audiences, they recruit meaningfully different psychological responses. Critically, targets take on properties of goals and carry motivational weight. People aim to reach or surpass

a target, exerting extra effort to shift from an outcome below the target to one at or above it. In contrast, anchors act as motivationally inert starting points for subsequent judgments. Although people's judgments are biased in the direction of anchors, they are not especially likely to move their judgment from one side of an anchor to the other. This distinction can lead to meaningful differences in understanding and generalizing results of one process versus the other. We introduce a new and easy to use approach for classifying values as anchors or targets based on satisfaction ratings accompanied by distributional properties of responses. We present a meta-analysis of this technique applied to existing literature, examining values that are presumed to act as either anchors or targets.

Huppert, Elizabeth, **Nicholas Herzog**, Justin F. Landy, and Emma E. Levine (2023), "On Being Honest About Dishonesty: The Social Costs of Taking Nuanced (but Realistic) Moral Stances," *Journal of Personality and Social Psychology*, 125 (2), 1 - 25.

Despite the well-documented costs of word–deed misalignment, hypocrisy permeates our personal, professional, and political lives. Why? We explore one potential explanation: the costs of moral flexibility can outweigh the costs of hypocrisy, making hypocritical moral absolutism a preferred social strategy to admissions of moral nuance. We study this phenomenon in the context of honesty. Across six studies (total $N = 3545$), we find that communicators who take flexible honesty stances ("It is sometimes okay to lie") that align with their behavior are penalized more than hypocritical communicators who take absolute honesty stances ("It is never okay to lie") that they fail to uphold. Although few people take absolute stances against deception themselves, they are more trusting of communicators who take absolute honesty stances, relative to flexible honesty stances, because they perceive absolute stances as reliable signals of communicators' likelihood of engaging in future honesty, regardless of inconsistent behavior. Importantly, communicators—including U.S. government officials—also anticipate the costs of flexibility. This research deepens our understanding of the psychology of honesty and helps explain the persistence of hypocrisy in our social world.