

Similarity Penalty: How Idea Assortment Influences Evaluation in Crowdsourcing

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Abstract

Numerous businesses nowadays engage consumers through open innovation contests leading to an abundance of new ideas. This research focuses on how managers evaluate and select ideas in these contests, focusing on the context effect of idea similarity. In a total of three studies, we investigate how managers respond to similar vs. less similar ideas on design crowdsourcing platforms. We examine how similar vs. less similar ideas influence managers' selection of ideas. Counterintuitively, similarity reduces rather than increases participants' chances of being selected as a winner or receiving a high rating. Our evidence suggests that managers evaluate ideas as a portfolio, and seeing similar versions of an idea diminishes their perception of an idea's originality. Overall, this research contributes to the under-researched topic of idea selection and provides novel insights into the decision-making process of managers in the crowdsourcing context and beyond.

Subject Areas: *Decision-Making*

Track: Innovation Management & New Product Development