“Managing Hype in Financial New Product Development: A Marketing Framework and Research Agenda”

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Abstract

Hype is a pervasive feature of contemporary financial markets, from crypto funds and meme stocks to artificial intelligence (AI) exchange-traded funds (ETFs). Yet compared to constructs such as investor sentiment or buzz, hype remains conceptually fragmented and underdeveloped in marketing. This conceptual paper develops a marketing-oriented, new product development (NPD) perspective on hype in financial markets. We treat thematic and technology-linked funds - such as crypto vehicles, AI and robotics ETFs, leveraged semiconductor products, and failed hype funds (e.g., cannabis and “smart factory” ETFs) - as branded financial innovations whose trajectories are shaped by how hype is generated and managed across the product life cycle. We make four contributions for marketing and NPD scholars. First, we define hype as a multidimensional marketing construct - affective, social, narrative, and temporal - distinct from sentiment, buzz, FoMO, herding, and bubbles. Second, we embed hype in an NPD life-cycle framework for financial products, covering ideation, launch, growth, and maturity/decline. Third, we introduce an NPD Hype Trajectory Index (NHTI) as a conceptual measurement tool for capturing product-level hype dynamics. Fourth, we outline a research agenda and propositions for future empirical work in marketing on innovation management, investor behaviour, and financial product design. We argue that a conceptual paper is needed at this stage because theory on hype at the intersection of marketing, finance, and consumer behaviour is scattered and finance-centric, while marketing work on financial products is sparse. The paper therefore serves as a field-building, cross-disciplinary foundation for subsequent empirical research on how marketing can help households build wealth and retirement savings more responsibly, support asset managers in designing more robust financial innovations, and enable technology firms to secure capital for promising but hype-prone technologies such as AI.

Keywords: *Hype, New Product Development, Sentiment*

Track: *Innovation Management & New Product Development*

1. Introduction

Over the last two decades, a large share of global equity market value creation has come from technology-linked firms and funds, particularly in areas such as AI, semiconductors, software, and digital platforms. Participation in these growth stories increasingly shapes household wealth, retirement security, and intergenerational inequality, as more households invest directly or indirectly in equities through pension plans, ETFs, and thematic funds. At the same time, capital-intensive technologies - AI, green energy, robotics, and Industry 4.0 - depend on deep and liquid financial markets for funding. Understanding how hype around such technologies interacts with financial products is therefore a problem of crucial importance for society, business, and marketing.

Recent debates about an "AI bubble" illustrate this tension. Commentators note that current valuations and capital expenditure patterns in AI and semiconductors resemble previous technology manias, such as the late-1990s dot-com boom, while acknowledging that timing any correction is extremely difficult (Baldwin, 2024; Franck, 2024; He, 2024; Hiltzik, 2023; Wigglesworth, 2024). Yet the practical dilemma for consumers - investors, asset managers, and policymakers is not whether markets are perfectly efficient, but how to navigate highly volatile, hype-sensitive financial products that sit at the intersection of technology narratives and household saving decisions.

Alongside individual stocks, a wide variety of funds and ETFs has become tightly intertwined with hype cycles. Examples include the Pantera Bitcoin Fund, which has reported cumulative net returns of more than 1,000× while experiencing repeated drawdowns exceeding 70%; crypto hedge funds with four-digit cumulative returns; and thematic ETFs that offer exposure to cybersecurity (ISPY), automation and robotics (RBOT), or AI (WTAI). By contrast, other products launched on bold narratives - such as medical cannabis (CBDX) or "smart factory" ETFs (SFTRY) - have failed to achieve scale and have been merged or closed. Meme-stock ETFs and some high-profile innovation funds (e.g., the original MEME ETF; ARKK) similarly illustrate how hype can first amplify inflows and then co-produce long-run underperformance.

From an innovation management and NPD perspective, these cases raise a core question:

Why do some hype-backed financial innovations become durable, category-defining products, while others remain short-lived fads or end in outright failure - even when they appear to ride similarly powerful narratives?

1.1 Why a marketing and NPD perspective?

Behavioural finance shows that sentiment, extrapolation, and social dynamics matter particularly in novel, hard-to-value, retail-dominated assets (Aggarwal, 2019; Baker & Wurgler, 2007; Barberis & Thaler, 2003; Banerjee, 1992; Bikhchandani et al., 1998; Shin et al., 2019; Uspayeva et al., 2024). Emotional-finance and historical accounts highlight how narratives, fantasies, and emotions drive bubbles and crashes (Akerlof & Shiller, 2010; Gerding, 2007; Goldstein & Knight, 2023; Kindleberger & Aliber, 2011; Shiller, 2015, 2017; Taffler, 2017). This work is indispensable, but it predominantly treats hype as a market-level financial phenomenon.

From a marketing perspective, however, investors are also consumers, and funds and ETFs are marketed innovations with names, narratives, brand identities, and communication strategies. These products are positioned, promoted, and distributed through platforms that increasingly resemble consumer apps rather than traditional brokers (Dote Pardo, 2025). Marketing and consumer research offers rich concepts that are highly relevant here - FoMO (Gerrans et al., 2023; Przybylski et al., 2013), word-of-mouth (WOM) and electronic WOM (Johnson et al., 2005), networked narratives and brand communities (Kozinets et al., 2010; Seminova & Winkler, 2021), and platform-driven speculation (Dote Pardo, 2025) - yet these concepts have rarely been systematically integrated into the study of financial hype.

From an NPD viewpoint, funds and ETFs are branded offerings that move through stages of ideation, concept development, launch, and post-launch management (Cooper, 1990). Thematic ETFs and crypto funds package exposure to emerging technologies into investable product concepts and rely on marketing narratives ("cybersecurity," "AI," "smart factory," "green gold") to drive adoption. Some become category leaders; others remain sub-scale. Treating hype as a

marketing and NPD construct, rather than only as a sentiment factor, allows us to connect investor behaviour to product design, launch strategy, platform architecture, and long-term product survival.

1.2 Why a conceptual paper now?

Despite its importance, hype in financial NPD is conceptually underdeveloped in marketing. The finance and behavioral-finance literatures document hype-like phenomena - hype indices, sentiment measures, bubble dynamics - but seldom define hype rigorously or link it to product-level innovation management (Aggarwal, 2019; Baklanova et al., 2023; Shin et al., 2019). Marketing work, in turn, has developed powerful theories of pre-launch buzz, WOM, FoMO, brand communities, narratives, and platform effects (Johnson et al., 2005; Kozinets et al., 2010; Bonaparte & Fabozzi, 2024; Dote Pardo, 2025), yet these are rarely applied to financial products as innovations.

Empirical marketing research in this space is still sparse and fragmented. Without a clear conceptual bridge, it is difficult for marketing and NPD scholars to design empirical studies on financial hype that build on a consistent construct definition, dimensional structure, and process framework. At the same time, the stakes are high: hype in financial products affects household saving and retirement decisions, the viability of asset managers' new products, and the funding of innovative technologies in key growth sectors.

For these reasons, a conceptual paper is both necessary and timely. Rather than adding another empirical study on sentiment or bubbles, we aim to:

- Clarify the construct of hype from a marketing and NPD perspective.
- Position financial products clearly within innovation and new product development theory.
- Provide a structured framework and research agenda that can guide future empirical marketing research - surveys, experiments, field studies, and big-data analyses - on hype in financial product innovation.

We thus understand this paper as a field-building, cross-disciplinary contribution that complements empirical finance work and prepares the ground for future marketing studies.

1.3 Contributions and structure

Our paper makes four main contributions to the marketing and NPD community:

1. We conceptualise hype as a marketing/NPD construct: a state of high-intensity, socially amplified investor enthusiasm for a specific financial product or theme, co-produced by marketing communication, media narratives, digital platforms, and investor interactions, and distinct from sentiment, buzz, FoMO, herding, and bubbles.
2. We propose a hype - NPD life-cycle framework for financial products that integrates affective, social, narrative, and temporal dynamics of hype into the stages of ideation, launch, growth, and maturity/decline (Cooper, 1990; Dedehayir & Steinert, 2016; Steinert & Leifer, 2010; van Lente et al., 2013).
3. We introduce an NPD Hype Trajectory Index (NHTI) - a time-varying index of product-level hype - as a basis for systematic empirical research on product trajectories, survival, performance, and investor behaviour.
4. We develop a research agenda and propositions targeted at innovation management and new product development scholars, focusing on how hype interacts with NPD stages, theme depth, investor traits, platform design, and regulation.

Section 2 reviews financial and marketing literatures on hype and related constructs. Section 3 defines hype as a marketing/NPD construct. Section 4 presents the hype - NPD life-cycle framework. Section 5 outlines the NHTI and its potential uses. Section 6 offers a research agenda and propositions, and Section 7 discusses managerial implications before we conclude.

2. Theoretical Background

2.1 Hype and related constructs in financial research

Research on investor sentiment demonstrates that mood and beliefs meaningfully affect prices, especially in segments that are hard to value and difficult to arbitrage (Aggarwal, 2019;

Baker & Wurgler, 2007; Barberis & Thaler, 2003; Maurya et al., 2025). Herding and informational cascades explain how correlated trading can arise from social and reputational considerations (Banerjee, 1992; Bikhchandani et al., 1998; Bajaj & Kaur, 2025).
Recent work examines hype-like phenomena more explicitly. Studies of IPOs show that optimistic language and analyst "boosterism" influence initial returns and trading volume, while predicting long-term underperformance (Chahine et al., 2008; Hales et al., 2010; Kiefer et al., 2013). In crypto and NFTs, "hype indices" based on search volume, social-media activity, and news tone forecast short-term returns and are followed by reversal (Baklanova et al., 2023; Shin et al., 2019). Emotional-finance accounts emphasise excitement, anxiety, and fantasy in bubbles, casting funds and managers as "phantastic objects" for investors (Eshraghi & Taffler, 2009, 2013; Taffler, 2017). Historical work documents repeated boom - bust - repeat cycles in participation, from railways to housing and crypto (Goldstein & Knight, 2023; Kindleberger & Aliber, 2011; Shiller, 2015, 2017; Uspayeva et al., 2024).

Taken together, this literature reveals multidimensional, time-varying enthusiasm that is strongest in novel, opaque, retail-dominated assets - precisely the context where many hype-driven financial products operate. Yet the construct of hype itself is rarely defined rigorously or linked to product-level innovation management. From a marketing and NPD perspective, this represents a conceptual gap: financial research shows that "something like hype" matters, but does not provide a product-centric, marketing-driven conceptualization.

2.2 Marketing and NPD perspectives on hype

Marketing and consumer-behaviour research offers several adjacent constructs. FoMO captures the fear of missing valuable experiences and is positively associated with speculative investments, particularly in cryptocurrencies (Gerrans et al., 2023; Przybylski et al., 2013). Market-level FoMO measures tie social-media signals and leverage to trading intensity and volatility (Bonaparte & Fabozzi, 2024; Dote Pardo, 2025). WOM and eWOM research shows dynamic "wear-in" and "wear-out" effects of communication on cash flows and stock prices (Johnson et al., 2005).

Work on networked narratives demonstrates how online communities co-create brand and product meanings, closely paralleling crypto and meme-stock forums (Kozinets et al., 2010; Seminova & Winkler, 2021). Narrative economics and narrative-augmented prediction models show that simple, contagious stories help explain bubbles beyond fundamentals (Shiller, 2017). Platform design can gamify investing and focus attention on volatile, attention-grabbing assets (Dote Pardo, 2025).

From an NPD viewpoint, funds and ETFs are branded product concepts that move through stages of ideation, development, launch, and post-launch management (Cooper, 1990). Thematic ETFs and crypto funds package exposure to emerging technologies into forms that are intelligible and investable for consumers. Narratives such as "cybersecurity," "AI," "smart factory," or "green gold" simplify complex reality and provide focal points for adoption. Some offerings become category leaders; others remain sub-scale or are withdrawn.
We therefore conceptualise hype as a marketing/NPD construct that bridges behavioural finance and innovation management. It captures how marketing communication, narratives, communities, and platform design shape investor behaviour around financial innovations, and how these processes map onto the NPD life cycle.

3. Hype as a Marketing and NPD Construct

We define hype in financial markets as:
A state of high-intensity, socially amplified investor enthusiasm for a specific financial product or theme, co-produced by marketing communication, media narratives, digital platforms, and investor interactions, which temporarily elevates attention, demand, and prices beyond what fundamentals

alone would justify (Aggarwal, 2019; Akerlof & Shiller, 2010; Barberis & Thaler, 2003; Shiller, 2015, 2017; Taffler, 2017).

Hype is related to, but distinct from, several neighbouring constructs:

- Sentiment is a broad, often market-wide mood; hype is more product- and theme-specific.
- Buzz/WOM are communication activities; hype refers to a state of enthusiasm and over-reaction that such communication can generate.
- FoMO is an individual emotion; hype is the collective state that emerges when FoMO and related emotions are socially amplified.
- Herding is a behavioural mechanism; hype is one manifestation of herding at the product level.
- Bubbles are macro-level mispricing's; hype is one of the forces that can produce bubbles, but many hype episodes do not culminate in systemic bubbles.

From an NPD perspective, four dimensions are especially important (Eshraghi & Taffler, 2009, 2013; Goldstein & Knight, 2023; Kozinets et al., 2010; Shiller, 2017; Uspayeva et al., 2024):

1. **Affective intensity**
   Strong positive emotions (excitement, thrill, euphoria) and anxiety coexist during hype phases (Akerlof & Shiller, 2010; Taffler, 2017). These emotions shape risk perception, attention allocation, and willingness to invest.
2. **Social amplification**
   Online communities, influencer accounts, and digital platforms allow stories and signals to spread rapidly and non-linearly (Baklanova et al., 2023; Dote Pardo, 2025; Fotak, 2007; Kozinets et al., 2010; Seminova & Winkler, 2021).
3. **Narrative structure**
   Simple, emotionally resonant stories ("digital gold," "AI eats the world") make complex technologies thinkable and investable for non-experts (Goldstein & Knight, 2023; Shiller, 2017).
4. **Temporal dynamics**
   Hype builds, peaks, and decays; it typically produces short-term over-reaction and long-term reversal, especially in novel products (Baklanova et al., 2023; Barberis et al., 2018; Uspayeva et al., 2024).

These dimensions motivate a life-cycle view of hype within financial NPD, which we develop next.

4. A Hype - NPD Life-Cycle Framework

Building on NPD and hype-cycle work (Cooper, 1990; Dedehayir & Steinert, 2016; Steinert & Leifer, 2010; van Lente et al., 2013), we distinguish four stages for hype-prone financial products: ideation and concept development, launch and early adoption, growth and scaling, and maturity, reframing, and decline.

4.1 Ideation and concept development

In ideation, asset managers scan for emerging themes and technologies. Past boom - bust experiences, salient success stories (e.g., early crypto fund returns), and regulatory shifts shape internal excitement and perceived opportunities (Crypto Briefing, 2024; Goldstein & Knight, 2023; Kindleberger & Aliber, 2011; Multicoin Capital, 2024; Pantera Capital, 2024; Polychain Capital, 2024; Shin et al., 2019). Behavioural biases such as extrapolation and partial-equilibrium thinking influence which themes receive resources and how they are framed (Barberis et al., 2018; Bastianello et al., 2023).

From a marketing perspective, this stage already involves internal hype: product developers and gatekeepers become enthusiastic about narratives that promise both investor appeal and strategic fit. Concept development turns these narratives into branded product concepts ("AI innovators," "cybersecurity leaders," "green gold," "smart factory"), including decisions about index composition, fee levels, and target segments.

4.2 Launch and early adoption

At launch, hype becomes public. Naming and branding (e.g., “Cyber Security,” “Smart Factory,” “Meme Stock”), factsheets and roadshows, and platform promotion create early awareness. Evidence from IPOs and structured products shows that promotional language and analyst hype drive early demand but predict long-run underperformance when expectations become unrealistic (Chahine et al., 2008; Hales et al., 2010; Kiefer et al., 2013; Shin et al., 2019).

CBDX and SFTRY illustrate how strong launch narratives (“green gold,” “Industry 4.0”) can coexist with a narrow, complex investable universe, limiting long-term growth. From an NPD standpoint, launch-phase hype is a double-edged sword: it can help a product cross minimal AUM threshold and become visible, but it can also over-promise and set the stage for later disillusionment.

4.3 Growth, scaling, and misalignment

In the growth stage, product - market fit becomes critical. Some thematic ETFs, such as the ISPY, with the focus on high-income companies and WTAI, which is AI-focused, align clear narratives with robust, expanding universes of listed equities and become category leaders. Crypto vehicles such as GBTC, or hedge funds like Multicoin and Polychain, have delivered exceptional cumulative returns in early cycles, further reinforcing their narratives.

Other products - the cannabis fund CBDX, the smart factory fund SFTRY, and the original MEME ETF - show that when hype intensity exceeds theme depth, funds can remain sub-scale and be closed or merged, even when the underlying technology continues to evolve. We refer to this as hype-theme misalignment: marketing-driven hype creates expectations that the underlying investable universe cannot sustainably support.

4.4 Maturity, reframing, and decline

In maturity or decline, hype typically cools and fundamentals (fees, performance, liquidity) become more salient. Some funds normalise as core holdings; others stagnate or close. Vehicles such as the SoftBank Vision Fund show how narratives can be reframed (from “unrestrained tech bet” to “AI infrastructure focus”) amid restructuring (Institutional Investor, 2018; SoftBank Group, 2025). Many hype-sensitive products display short-term over-reaction followed by underperformance and mean reversion, echoing bubble dynamics (Barberis et al., 2018; Kindleberger & Aliber, 2011; Shiller, 2015; Uspayeva et al., 2024).

Compared with the technology-centric Gartner hype cycle, our framework emphasises product-specific trajectories that may or may not end in a “plateau of productivity.” For marketing and NPD scholars, this highlights how hype dynamics and product design decisions interact over time, shaping survival, repositioning, and exit.

5. The NPD Hype Trajectory Index (NHTI)

The NPD Hype Trajectory Index (NHTI) is a central conceptual contribution of this paper. It is conceived as a time-varying index of product-level hype that can be linked to NPD stages and outcomes. Building on multi-indicator sentiment and hype indices (Aggarwal, 2019; Baklanova et al., 2023; Maurya et al., 2025) and on narrative-augmented bubble prediction (Shiller, 2017), we propose that the NHTI integrates observable signals across three phases.

5.1 Launch-phase indicators

Launch-phase hype can be captured by:

- Promotional communication: Number and tone of pre- and post-launch press releases, roadshow mentions, and analyst notes (Chahine et al., 2008; Hales et al., 2010; Kiefer et al., 2013).
- Attention spikes: Search volume for fund name/ticker and theme keywords, and web traffic to product pages.
- Initial investor interest: Early net inflows scaled by category and market conditions (Aggarwal, 2019; Baker & Wurgler, 2007).

These indicators help distinguish “quiet launches” from highly promoted entries and provide NPD scholars with operationalizable launch-phase hype measures.

5.2 Growth-phase indicators

During growth and scaling, the NHTI would track:

- Flows and AUM: Persistence and cyclicality of inflows/outflows, AUM thresholds, and concentration (Aggarwal, 2019; Maurya et al., 2025).
- Social amplification: Social-media mentions and network structure around the fund and theme; presence on popular forums and influencer accounts (Baklanova et al., 2023; Dote Pardo, 2025; Fotak, 2007; Seminova & Winkler, 2021).
- Platform prominence: Appearance in “most traded,” “trending,” or curated theme lists on trading platforms.

These variables capture whether hype remains concentrated in a niche community or spreads to mainstream investors.

5.3 Cooling/decline indicators

In the cooling phase, the NHTI would incorporate:

- Tone shifts: Increasingly sceptical or critical media coverage and social-media tone (Baldwin, 2024; Franck, 2024; He, 2024; Hiltzik, 2023; Wigglesworth, 2024).
- Performance and liquidity stress: Stalling AUM, widening discounts to NAV for closed-end vehicles, and increased volatility.
- Product status changes: Index removals, strategy changes, mergers, or liquidations.

A key design principle is that the NHTI is defined ex ante, using transparent weighting and aggregation, and not retrofitted to ex post narratives. This allows marketing and innovation scholars to study hype systematically rather than anecdotally.

5.4 Uses of the NHTI for marketing and NPD

For marketing and NPD scholars, the NHTI would enable:

- Comparative analyses of product trajectories include, for example: ISPY’s emphasis on high-income market segments versus CBDX’s focus on cannabis equities; GBTC’s concentration in crypto and Bitcoin in contrast to MEME’s allocation to stocks trending on social media; and ARKK’s disruptive-innovation strategy compared with broader innovation-oriented indices.
- Linking hype to outcomes, such as survival, closure, risk-adjusted performance, and flow cyclicality (Barberis et al., 2018; Uspayeva et al., 2024).
- Testing moderators, such as theme depth, product complexity, fees, investor base, regulation, and platform design (Gerding, 2007; Goyal et al., 2025; Goldstein & Knight, 2023).

The NHTI thus offers a conceptual measurement scaffold that future empirical research can refine and implement using survey, experimental, and archival methods.

6. Research Agenda and Propositions

6.1 Research questions for future marketing research

We highlight five research questions for marketing, consumer-behaviour, and NPD scholars:

RQ1: How does the timing and intensity of hype across NPD stages influence the survival, growth, and risk-adjusted performance of thematic funds and other financial innovations?

RQ2: Under what conditions does strong launch-phase hype become self-defeating, pulling forward adoption and contributing to premature stagnation or closure?

RQ3: How do FoMO, financial literacy, risk tolerance, and speculative orientation shape investors’ sensitivity to hype cues, and do these effects differ by NPD stage (Gerrans et al., 2023; Przybylski et al., 2013)?

RQ4: How do regulation and platform design (e.g., gamified features, leverage access, "top movers" lists) moderate the relationship between hype trajectories and product outcomes (Dote Pardo, 2025; Gerding, 2007)?
RQ5: How do experiences with prior hype cycles (dot-com, housing, crypto, meme stocks) shape subsequent participation in new hype-driven products (Goldstein & Knight, 2023; Uspayeva et al., 2024)?

6.2 Research propositions

We formulate five propositions for empirical testing in future research:

P1 - Launch-phase spike.
For novel, hard-to-value themes (e.g., crypto, AI, cannabis), higher launch-phase NHTI will be associated with stronger initial inflows and media reach, but also higher subsequent volatility and larger drawdowns relative to less-hyped launches in the same category.

P2 - Misalignment with theme depth.
When launch- and growth-phase hype significantly exceeds the depth and clarity of the underlying investable universe (e.g., narrow cannabis or smart-factory themes), funds are more likely to remain sub-scale and face merger or closure (as with CBDX and SFTRY).

P3 - Experience and escalation.
Participation in previous hype cycles (e.g., crypto, meme stocks) will increase investors' propensity to allocate to subsequent hype-driven products (e.g., AI ETFs), consistent with "boom - bust - repeat" patterns in market participation (Goldstein & Knight, 2023; Uspayeva et al., 2024).

P4 - Temporal asymmetry.
The positive effects of hype on flows and returns during build-up phases will be stronger than the negative effects during cooling phases, leading to path dependence in hype-prone segments that remain engaged even after large drawdowns.

P5 - Hype as double-edged sword.
For products that survive beyond an initial hype cycle, moderate, sustained hype aligned with genuine technological or sectoral growth will be positively associated with risk-adjusted performance and category leadership, whereas extreme, persistent hype will predict long-run underperformance relative to theme benchmarks (e.g., the disruptive innovation fund ARKK vs. broader innovation indices).

These propositions can be tested using experiments (e.g., manipulating hype cues in fund communications), surveys (e.g., measuring FoMO, risk tolerance, and hype perceptions), and archival NHTI-based analyses linking trajectories to product outcomes.

7. Managerial Implications for Asset Managers and Marketers

For developers of new financial products - asset managers, ETF sponsors, and product-development teams - hype is a strategic but hazardous marketing resource. Our framework suggests several implications.

First, managers should sequence rather than maximise hype. Communication choices at launch (naming, narratives, back-tests, media appearances) can generate large NHTI spikes but may pull forward demand and set unrealistic expectations, increasing the risk of later disappointment and redemptions (Chahine et al., 2008; Hales et al., 2010; Kiefer et al., 2013; Shin et al., 2019). Designing a more gradual hype trajectory - through staged communication, cautious performance framing, and clear risk warnings - may support more sustainable adoption and protect household investors.

Second, product developers need to align narratives with theme depth and capacity. Cases such as CBDX and SFTRY illustrate that powerful stories ("green gold," "Industry 4.0") cannot compensate for a thin, constrained investable universe. Before launch, managers should stress-test whether the underlying universe can support the AUM that a successful hype trajectory would attract without creating liquidity and concentration risks.

Third, managers can use internal NHTI-like monitoring as an early-warning system. Spikes in attention, inflows, and social-media activity may signal that hype is decoupling from

fundamentals. This can trigger pre-defined responses: moderating promotional efforts, revising marketing language, or re-evaluating capacity limits and liquidity management.

Fourth, asset managers should plan ex ante for exit or repositioning. For products, whose NHTI and AUM trends persistently decline, predefined "kill criteria" (e.g., minimum AUM, trading volume, or profitability thresholds) can prevent the proliferation of "zombie" funds and protect brand equity. Conversely, for products that successfully transition from hype to mainstream, managers can gradually reframe narratives from speculative potential to long-term roles in client portfolios (Institutional Investor, 2018; SoftBank Group, 2025).

Finally, our framework has implications for platform providers and regulators. Platform design choices (e.g., "top movers," gamified features, easy leverage access) can amplify hype and speculative trading, affecting retail investors' ability to build stable wealth (Dote Pardo, 2025). Regulators concerned with consumer protection and systemic risk can use insights from the NHTI and hype trajectories to target interventions at critical stages - especially around launch and early growth.

8. Conclusion

Hype is central to modern financial markets yet underdeveloped as a construct in innovation management and marketing. Building on behavioural finance, emotional-finance, and marketing research, we have conceptualised hype as a multi-dimensional, product-level phenomenon and embedded it within a financial NPD life-cycle framework. Our main conceptual contribution is the proposal of an NPD Hype Trajectory Index (NHTI) that aggregates observable signals of hype across stages, enabling systematic study of hype trajectories and their consequences for investors, products, and markets.

For the Innovation & New Product Development community, financial products offer a rich empirical context in which to study how hype is created, sequenced, and governed in high-stakes, data-rich environments. Because household saving, wealth accumulation, and retirement increasingly depend on participation in technology-linked financial products, understanding hype is not only a theoretical exercise but also a societal and managerial imperative. Mismanaged hype can lead to severe losses, financial stress, and mistrust; well-managed hype can support responsible participation in innovation and help channel capital towards promising technologies.

We have outlined a research agenda and propositions that connect hype trajectories to product survival, performance, investor behaviour, and regulatory context. By placing marketing and consumer behaviour at the center - investors as consumers, funds as branded innovations, platforms as interfaces - we hope to stimulate cross-disciplinary empirical work that informs both scholarship and the practice of financial product development. Conceptual clarity is a necessary first step. The next step is for marketing scholars to build on this foundation with surveys, experiments, field data, and design research that deepen our understanding of how hype can be harnessed, rather than feared, in financial new product development.

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