The Smith School has launched an initiative to digitally distribute business management-focused feature articles and interviews to promote the school’s thought leadership. Under the “Business Intelligence On-Demand” umbrella, the school now publishes a quarterly e-newsletter, provides an RSS feed, and delivers weekly podcasts, which enable subscribers to download five-minute video and audio clips to their iPods or other MP3 players. The video and audio podcasts feature interviews with Smith faculty, as well as audio versions of business management articles from Smith Business magazine and the school’s research newsletter, Research@Smith.

A recent study from the Pew Internet & American Life Project finds that more than 22 million American adults, or 11 percent of adults, own iPods or MP3 players. Of those, 39 percent have downloaded podcasts. By 2010 the number of podcast users is expected to reach 56 million, according to a study by the Diffusion Group.

“Smith podcasts deliver management insight from Smith’s world-class faculty and other members of the Smith community, so the service is a great way for managers to stay on top of best business practices,” said Jeff Heebner, Smith’s managing director for marketing communications. “And because subscribers can download the content directly to their mobile devices, they can watch or listen to it whenever and wherever they want.”

The same audio and video clips can be accessed via the Web for those who don’t subscribe to the podcasts. To subscribe to Smith Podcasts or learn more visit www.rhsmith.umd.edu/news/rss/podcast.

Subscribers to Smith’s new RSS, or “really simple syndication,” feed get news articles, opinion pieces, event information, and other Smith School content delivered directly to their desktop computers via an RSS reader from Google, Yahoo or another service. To subscribe to the Smith RSS feed or learn more visit www.rhsmith.umd.edu/news/rss.

The new quarterly e-newsletter, “Leading the Digital Economy,” gives subscribers access to print articles, as well as videos and audio clips based on Smith faculty research and interviews. To view the newsletter and subscribe visit www.rhsmith.umd.edu/newsletter/leading.

—JH

Smith Offers Video and Audio “Business Intelligence” On-Demand

Stock trading is more mystical art than science, but it turns out there is a piece of information that can make a real difference to investing success.

Sunil Mithas, assistant professor of decision and information technologies, worked with a team of researchers led by Professor Claes Fornell from the University of Michigan to manage a hypothetical paper portfolio and an actual stock portfolio. They had a very simple trading strategy: long positions were taken in companies with high and increasing customer satisfaction rates, as measured by the American Customer Satisfaction Index (ACSI). Short positions were taken in companies with low and decreasing ACSI scores.

Over a period of four to six years, both these portfolios outperformed the Dow Jones Industrial Average and the S&P 500. When the stock market grew, the stock prices of many firms with very satisfied customers grew even more; when the market dropped, customer satisfaction seemed to provide a certain amount of insulation. It makes sense, right? Satisfied customers are key to a company’s success. But the knowledge of a company’s customer satisfaction is not immediately reflected in a company’s stock price. That makes it possible for investors to generate high returns with low risk by incorporating customer satisfaction scores in their stock trading strategy.

So if there’s such a strong correlation between customer satisfaction and market equity, and if people intuitively understand this, why don’t more investors make investment choices based on customer satisfaction information? Investors may believe that if customers are happy, then companies are giving away too much for the price they are charging customers.