



SOCIETY FOR MARKETING ADVANCES

2015 SMA PROCEEDINGS



Rebecca VanMeter, *SMA Proceedings Editor*
Jeri Weiser, *Production Editor*



SOCIETY FOR MARKETING ADVANCES

2015 SMA Proceedings "Real Time Marketing"

Rebecca VanMeter and Jeri Weiser, Editors

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SOCIETY FOR MARKETING ADVANCES

November 2015

Dear Members and Friends:

It has been an honor and privilege to serve as president of the Society for Marketing Advances during the past year. I look forward to each conference, but especially so this year since it was being held in my adopted home of San Antonio; the city is welcoming, smart, fun, and unique, making it a great fit for the ethos of SMA.

Successful conferences don't happen without a great deal of planning and work. I want to recognize the members of the Executive Committee who contributed much time and energy toward continuing the Society's role as a leading marketing association.

A heartfelt thank you to:

Cynthia Cano, Treasurer

Pia Albinsson, Secretary

Kevin Shanahan, Electronic Communications Maria Kalamas, Executive Director

Diane Edmondson, Academic Placement Jamie Pleasant, Membership Director

I am also indebted to Tracy Meyer who, as Program Chair, put together an outstanding conference. She was aided by numerous reviewers, track chairs, session chairs, and workshop leaders. I am thankful for the work of Rebecca VanMeter and Jeri Weiser who edited and designed the Proceedings. Over the year it's been my pleasure to work with Greg Marshall, Chair of the Board of Governors and his strategic insights and genuine interest in making SMA a robust organization that continues to add value to its members was invaluable to me. Lastly, I thank all the generous corporate and educational sponsors who supported the Society and the Conference.

In addition to running this Annual Conference, the Society for Marketing Advances is also dedicated to marketing advances through its two affiliated journals *Marketing Education Review* and the *Journal of Marketing Theory and Practice*. Under the leadership of their Editors, Brian Vander Schee and Greg Marshall, these journals continue to grow in stature and impact.

Finally, I would like to thank you, our SMA members, for making 2015 a productive and enjoyable year. You are the driving force behind our 53 years of success.

Best wishes,

J. Charlene Davis

J. Charlene Davis, President

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2015 Society For Marketing Advances Distinguished Scholar *Presentation*

"Neuroscience, Genetics, and Endocrinology in Marketing Research"



Richard P. Bagozzi is the Dwight F. Benton Professor of Behavioral Science in Management at the Stephen M. Ross School of Business at the University of Michigan. A PhD graduate of Northwestern University, Professor Bagozzi holds honorary doctorates from the University of Lausanne, Switzerland, the University of Antwerp, Belgium, and the Norwegian School of Economics.

In addition to serving as a Senior Fulbright Research Scholar at the University of the Saarlandes in Germany, he has been awarded the medal of Science by the University of Bologna, Italy. Prior to his current position at the University of Michigan, he was at the University of California, Berkeley, the Massachusetts Institute of Technology, Stanford University, and Rice University.

Professor Bagozzi does basic research into the theory of mind, theory of action, empathy, human emotions, attitude theory, social identity, and research methodology. His applied work occurs in consumer behavior, sales force behavior, health behavior, behavior in organizations, and ethics, where he uses experimental, quasi-experimental, and survey research methods, as well as structural equation modeling and on occasion qualitative methods. Recently his research has explored neuroscience, genetic, and hormonal facets of managerial behavior. As of Spring 2014, his work has received about 63,000 citations in Google Scholar.

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Cengage Pride-Ferrell Innovations in Teaching Competition

Larry G. Neale, Queensland University of Technology, Australia

AxcessCapon Distinguished Teaching Competition

Barbara Ross Wooldridge, The University of Texas at Tyler, USA

SMA Teaching Moments

D. Joel Whalen, DePaul University, USA

Kesha K. Coker, Eastern Illinois University, USA

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Cengage Pride-Ferrell Innovations in Teaching Competition

John D. Branch, University of Michigan, USA

Brian A. Vander Schee, Aurora University, USA

Barbara Ross Wooldridge, The University of Texas at Tyler, USA

AxcessCapon Distinguished Teaching Competition

John D. Branch, University of Michigan, USA

Daniel Butler, Auburn University, USA

J. Douglas Hoffman, Colorado State University, USA

Larry G. Neale, Queensland University of Technology, Australia

Brian A. Vander Schee, Aurora University, USA

Award Winning Research Papers

Best Paper in Conference

Routledge Taylor & Francis Group 2015 Steven J. Shaw Best Paper in Conference

Brick vs. Click: A Resource Based View of Community Engagement

Donald J. Lund, The University of Alabama at Birmingham, USA

Clara Cid, The University of Alabama at Birmingham, USA

Robert A. Robicheaux, The University of Alabama at Birmingham, USA

Irina Kozlenkova, Michigan State University, USA

Best Paper in Track

Pearson Education 2015 Solomon Best Paper in Consumer Behavior Track

The Role of Corporate Social Responsibility Information in the Consumer-Brand Relationship

Lei Huang, State University of New York at Fredonia, USA

Best Paper in Cross-Cultural and Global Marketing Track

Do People Respond Differently to Donation Ads When Disaster Location and Message Type Are Different?: An Experimental Research from an American and Japanese Perspective

Christina Chung, Ramapo College of New Jersey, USA

Emi Moriuchi, Fort Hays State University, USA

Best Paper in Marketing Research Track

Texting and Driving: Perfecting the Message to Address the Public Health Concern

Karen M. Hood, Eastern Kentucky University, USA

Christine M. Kowalczyk, East Carolina University, USA

Christopher D. Hopkins, Clemson University, USA

Best Paper in Marketing Technology Track

Digital Marketing Strategy Adoption and Success for Small Businesses: An Examination of DIY Behaviors

Wendy Ritz, Fayetteville State University, USA

Marco Wolf, The University of Southern Mississippi, USA

USCA Best Paper in Personal Selling & Sales Management Track

Understanding Hoarding Behavior in Sales

Nwamaka Amaka Anaza, Southern Illinois University Carbondale, USA

Edward L. Nowlin, Kansas State University, USA

Best Paper in Promotions Track

Impact of Advergame Speed, Brand Placement Strength, and Persuasion Knowledge on Brand Recall

Devika Vashisht, ICFAI Business School of Hyderabad, IFHE University, Kolkata, India

Marla B. Royne Stafford, The University of Memphis, USA

Routledge Taylor & Francis Group 2015 Steven J. Shaw Best Paper in Retailing Track

Brick vs. Click: A Resource Based View of Community Engagement

Donald J. Lund, The University of Alabama at Birmingham, USA

Clara Cid, The University of Alabama at Birmingham, USA

Robert A. Robicheaux, The University of Alabama at Birmingham, USA

Irina Kozlenkova, Michigan State University, USA

Best Paper in Services Marketing Track

Reputation and the Role of Relationship Quality in a Chinese Lodging Context

Scott R. Swanson, University of Wisconsin-Eau Claire, USA

Lujun Su, Central South University, Changsha, China

Best Paper in Social Media Track

To Share or Not to Share? Branded Content Sharing in Twitter

Adriana M. Bóveda-Lambie, Rochester Institute of Technology, USA

Victor J. Perotti, Rochester Institute of Technology, USA

Tracy Tuten, East Carolina University, USA

Doctoral Dissertation Proposal Winners

WINNER

Brand Image from Corporate Social Irresponsibility – Does It Matter?

Max Phillip Backhaus, University of Cologne, Germany

RUNNER-UP

Self-Oriented Competitiveness: Implications for Sales Managers

Wyatt Schrock, Michigan State University, USA

Sharon E. Beatty Best Proposal in Services Marketing

Experiential Antecedents of Self-Image Congruence and its Relational Outcomes in the Context of High-Contact Services Brands: An Empirical Investigation of Moderators and Mediators

Julija Dzenkovska, Newcastle University Business School, UK

SMA Best Proposal in Retailing

Shop Different: Consumers' Heterogeneous Motivations for Unplanned Purchased

Jacob Suher, The University of Texas at Austin, USA

Teaching Competition Winners

Cengage Pride-Ferrell Innovations in Teaching Competition

Developing Student Motivation: The Kickstarter Marketing Project

Elliott Manzon, University of Cincinnati, USA

AxcessCapon Distinguished Teaching Competition

WINNER

My Teaching Mentors: The Fortune 500

D. Joel Whalen, DePaul University, USA

RUNNER-UP

Engaging Students, Executives, and Companies in Marketing and Sales Education: A Personal Journey on Three Continents

Joel Le Bon, University of Houston, USA

RUNNER-UP

Engaging Students Where They Are

Shane Hunt, Arkansas State University, USA



SOCIETY FOR MARKETING ADVANCES

Forward

For more than fifty years, faculty colleagues and managerial practitioners from around the world have attended the Society for Marketing Advances Conference, held this year at The Sheraton Gunter in San Antonio, Texas. Presentations of scholarly works, jubilant comradely, and profusion of scholarly networking abounded throughout the conference occurring November 3 through the 7, 2015.

We thank the many contributors to these 2015 SMA Proceedings for their thought-provoking papers as well as all who participated in sessions. Specifically, we thank Charlene Davis, President and Tracy Meyer the Program Chair, and the 2015 Program Committee (listed elsewhere in the Proceedings) for their exceptional contributions and commitment to seeking innovative and exceptional research in competitive papers. In addition, we thank the SMA Officers for their encouragement and support. We also want to recognize and thank SMA Treasurer, Cynthia Rodriguez Cano, for her communication with participants, reviewers, and officers throughout the process, as well as her dedication to the success of the conference.

We leave these 2015 SMA Proceedings, as has been done in previous years, with a reflection about the purpose of research and collegiality by Frank Rhodes from his novel, *The Creation of the Future: The Role of the American University*: “The assumption is that research and... teaching are everyone’s responsibility...that all gain by the shared responsibility. John Slaughter, former president of Occidental College, put it this way: ‘Research is to teaching as sin is to confession. Unless you participate in the former, you have very little to say in the latter!’...Learning become a lifelong quest, meticulous attention to detail becomes the benchmark. The results, for individuals and for society, can be transforming.” (Frank H.T. Rhodes, *The Creation of the Future: The Role of the American University*. Ithaca & London: Cornell University Press, 2001).

It has been a tremendous experience for us as Editors for the 2015 SMA Proceedings, and we are honored to serve such a wonderful gathering of great minds.

Warmest wishes,

Rebecca

Rebecca VanMeter
SMA Proceedings Editor

Jeri

Jeri Weiser
Production Editor

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Summary Brief

Do Images Speak More Than Calories? Impact of Images and Calories on Consumer's Decision-Making Process

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This research explores the impact of merely mentioning the amount of calories along with the images of food items on consumer's evaluations of perceived food's healthfulness and its purchase intentions. The study demonstrates that when the images of the food are also present on the menu along with the name and the description of the food item, the calorie information gets overridden irrespective of the amount of calories being mentioned on the menu. The results of the experimental study shows that imagery information on the menu results in higher purchase intentions. The findings help the public policy makers to define laws for menu designing to reduce obesity and the restaurant owners to design their menus with appropriate images to increase their sale.

Introduction

The effect of menu labeling on consumers selection of healthful foods has been inconsistent (Elbel et al., 2009; Harnack and French, 2008; Harnack et al., 2008; Yamamoto et al., 2005). Boonme, Kittipong (2014) proposed that visual information plays a significant role in healthy food selection in FFRs. The primary purpose of this study is to examine both the role of images and calories in the decision making process of the consumer while purchasing any food item from the menu. The results of this paper will help the public policy makers to focus on the imagery along with calories designed on the menus which can result in reduction of obesity.

Literature Review

Nutrition Labeling, Visual Information & Both

Provision for nutritional labeling has gained acceptance as an important aspect of consumers' decisions for nutritional purchases for healthy eating (Drichoutis et al., 2006). However, there are some studies which resulted in conflicting or mixed outcomes in regards to the impact of nutrition labels (Elbel et al., 2009, 2011; Kral et al., 2002; Sproul et al., 2003; Stubenitsky et al., 2000). While there can be some differences in the effects of menu labeling, the results were not consistent. Hence, further investigation is needed on the effects of menu labeling. This brings us to our first hypotheses:

H1: The effect of healthfulness expectations on purchase intentions is moderated by the provision of nutrition labeling information disclosure (a) Healthy food items have a positive effect (b) Unhealthy food items have a negative effect.

Fletcher et al. (2007) show that exposure to visual images of chocolate, an unhealthy food, provokes both food cravings and negative affect, such as guilt and depression. In contrast, consumption of healthy foods is easier to justify and, thus, not associated with conflict (Okada 2005; Prelec and Loewenstein 1998). As we see that images can impact the behavior of the consumer by simulating the motor activities, we come to our next hypotheses:

H2: The effect of healthfulness expectations on purchase intentions is moderated by the provision of visual information disclosure for both (a) Healthy food items have a positive effect (b) Unhealthy food items have a positive effect.

As we have seen above, the calorie information may negate the purchase intention of unhealthy food items whereas the visual information may have a positive effect on them. But what happens when we have both calorie and visual information displayed together on the menu items. How would the consumers react to that? Would they go ahead and still purchase or they would not? This brings us to our third hypotheses:

H3: The effect of healthfulness expectations on purchase intentions is moderated by the provision of both visual information disclosure and nutritional information disclosure (a) Healthy food items have a positive effect (b)

Unhealthy food items have a positive effect.

Method

Approximately 338 adult American consumers participated (with an alpha of 0.05, effect size of 0.25, and power of 0.90 with 8 groups and 2 covariates) were obtained using Amazon's Mechanical Turk (mTurk). Predictions were examined using a 2 (healthfulness: healthy vs. unhealthy) x 2 (picture: absent vs. present) X 2 (Menu labeling present or not present) between subjects factorial design.

Restaurants can use the results to make modifications to their menus to better accommodate consumers' dietary constraints. From a public policy standpoint, this research suggests that at-risk populations may need to be shielded from exposure to images of unhealthy foods.

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Summary Brief

What Makes Male Cosmetics Tick – Self-Image, Functional and Simple Products? An Ethnographic Study on Men’s Perceptions of Cosmetics

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The purpose of this study is to gain insight on male shopping behavior in regards to male cosmetics. Applying an ethnographic framework, two males between the ages of 18-40 were interviewed through a series of 144 questions pertaining to their demographics, lifestyle, perceptions of their self-image, attitudes toward masculinity, skin care, grooming and cleaning behaviors. The results indicate three overall themes: (1) men are self-conscious about their outward appearance and are persuaded by brands that encourage them to think about their own self-image and offer how the brand image fits in with their self image, (2) younger men are conscious about aging and consider anti aging products to address their concern around aging, (3) Men do not like to spend too much time grooming themselves, and prefer to use a single (vs. multiple) product that serves multiple benefits. Further, a brand was considered persuasive if it provided decision rules and evaluative criteria for product choice and solved this by offering how that brand possessed these criteria.

Introduction

Consider the following scenario: A top male executive from a prestigious firm is seen at a downtown convenience store in the cosmetics aisle, browsing through multiple facial moisturizers. His shopping basket contains the following products that might have been considered unconventional a decade ago: exfoliating scrub, a “Just for Men anti-aging” cream, and a “Just for Men” hair coloring kit.

This scenario is prominently seen in major urban areas, but has gradually spread to suburban and rural ones as well. Not only is shopping for male cosmetics becoming commonplace, news articles have also reported a growing trend in use of make up by males. While some men shop for products more openly, others may buy these products via their significant others. Not surprisingly then, companies such as H&M and Clinique have reported that their new launches of cosmetics and make up products are largely customer-driven since with enough men asking for these products. Along this vein, concepts such as the “feminization of masculinity” and the “metrosexual generation” (e.g. Clarkson, 2005) have surfaced as men become increasingly open to the possibility of using male cosmetic as part of their daily regimen.

It is extremely surprising that male consumer behavior particularly for male cosmetics is under-researched, despite the steady growth of this trend in today’s market. Despite a lacuna noted in research on male grooming products fifteen years ago, it is surprising that current research on male shopping behavior, lacks in-depth research in identifying the variables that inform, guide, and influence male consumers’ use of cosmetics. Thus, this study aims to extend the research on male grooming, and examines potential insights into male shopping behavior and the hidden motivations that males have toward cosmetics through an ethnographic research approach.

Theoretical Underpinnings and Propositions

Self-Image

An increase in the number of men magazines that highlight grooming products and images of well built men in clothes and styles aligned with latest fashion possibly creates lower perceptions of self esteem and tarnished perceptions of their own bodies. It is also likely that these perceptions of self contribute to the increasing reliance on male cosmetics as a way for men to reach their preferred self-image or desired identity (Bakewell et al., 2006). Thus, we propose the following:

Proposition 1a: Men are self-conscious with their physical appearance, leading them to buy cosmetic products to fit their aspirational self-image.

Proposition 1b: Men are likely to be more persuaded by brands that encourage consumers to think about their own self-image and how their self-image fits in with the advertised brand image.

Aging Effects

Young men are aware and conscious about what aging does to their skin (Coupland, 2007). Very little research has been conducted to investigate the effect of aging on men's body concerns. Thus, we propose:

Proposition 2: Younger men are conscious about aging and will be persuaded by anti-aging products.

Product Functionality, Evaluative Criteria and Decision-Making

Certain aspects of a product persuade men and women differently, because they process information differently (Coley and Burgess 2003). Specifically, men are more likely to be persuaded by functional products, while women are more persuaded by aesthetic ones (Dittmar et al., 1996). Further, while they do seek functional benefits in products, they are unlikely to use multiple products to achieve the desired skin benefits. So, an ad such as this might be more meaningful and persuasive: "Keep in mind that a good after shave should keep your skin healthy, hydrated, balance skin tone and not sting your skin like most alcohol-based aftershaves. Brand X is the only after-shave that meets all these important criteria". In line with the above research that shows that men spend lesser time shopping for products, we also contend that men spend lesser time grooming themselves. A lesser preferred option would be a three step grooming process involving three different products: where the first one is an after shave alone, the second a moisturizer that provides hydration and a third that balances skin tone.

Following this line of discussion, we propose the following:

Proposition 3a: Men are more likely to be persuaded by an ad of a brand that not only provides decision rules and evaluative criteria for making a product choice, but also stresses that the brand possesses these criteria.

Proposition 3b: Men do not like to spend too much time grooming themselves, and prefer to use a single product that serves multiple benefits as opposed to an engagement with multiple products that leads to multi-step grooming.

Methodology and Implications

Results of this ethnographic study provided insights into male grooming habits and attitudes on personal care products. The results supported the hypotheses and provide pivotal implications for marketers who are devising strategies to sell male cosmetic products, especially considering that it is a hard-to-break-into market. Thus, the results of this paper may provide implementable marketing strategies to increase the bottom lines. Specifically, marketers could utilize this paper's findings to develop more effective and persuasive advertising. For example, an effective ad should highlight product functionality, key attributes-benefits linkages while keeping the product simple.

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Summary Brief

Toward an Independent Scale of Boasting: Initial Development and Exploration in a Vanity Sizing Context

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Boasting has received considerable attention in the psychology literature. However, to date, an independent scale to measure boasting has not been developed. This research seeks to conceptualize boasting and develop such a scale through an early exploratory study of boasting and its relationships with self-deception and gender identity. In this early exploratory study, vanity sizing is used as the context. The results demonstrate initial reliability and validity of the boasting scale, and future research is briefly discussed.

Introduction

The present study seeks to make several contributions. First, the study builds on prior scholarship to conceptualize boasting. Second, items are developed to measure such a conceptualization of boasting. Third, an early investigation of the scale is conducted. Finally, boasting is explored in relationship to two constructs, self-deception and gender identity, that previous researchers find relevant (Decapua and Boxer 1999).

Some points of disagreement exist regarding the definition of boasting. According to Decapua and Boxer (1999), a core component of boasting is exaggeration. Tal-Or (2008) implies that boasting is intended to portray to others one's own positive characteristics, regardless of whether exaggeration is involved. Boasting as non-exaggeration is also implied in the self-promotion literature (Rudman 1998; Tal-Or 2010). Therefore, to extend prior conceptualizations by encompassing both the act and the goal of boasting, the present research conceptualizes boasting as all prideful forms of explicit communication of one's personal characteristics, accomplishments, possessions, abilities, and other aspects with the intended goal of making oneself appear exalted or capable to others. Gender is also relevant to boasting. Men are considered to boast more often than women (i.e., Decapua and Boxer 1999) often attributed to gender norms (Smith and Huntoon 2013).

In this early exploratory study, vanity sizing is used as the context for the following two reasons. Since vanity sizing yields positive results in the perceptions of consumers (Aydinoglu and Krishna 2012), boastful consumers who encounter vanity-sized garments may be likely to tell others. Additionally, vanity sizing permeates the apparel industry, influencing the perceptions of consumers on a broad scale.

Data

One hundred fourteen (114) respondents (43 male) were recruited from Amazon Mechanical Turk to participate in a survey in exchange for fifty cents each. Respondents were presented with a questionnaire that measured boasting, self-deception, and gender identity. Then, respondents were presented with a vanity sizing scenario and were asked to indicate the number of people they would tell about the smaller size as an indication of boastful response. 103 respondents remained for the analysis after removal of inattentive responses.

To assess boasting, respondents were asked to rate their agreement with eight items along 7-point Likert scales. The tested scale items were developed based on our conceptualization of boasting above. Items 1, 5, 6, and 7 deal with the action itself, while items 2, 3, 4, and 8 involve the goal. The items encompass various causes of boasting, from one's own accomplishments (1, 2, and 6) to one's good fortune (2 and 4) or a combination of both (3, 5, and 8; item 7 is a general statement). Exploratory factor analysis yielded a single factor with an eigenvalue greater than 1 (loadings: .659 to .915; $\alpha = .928$). Self-deception was assessed using Paulhus's (1984) Balanced Inventory of Desirable Responding, designed to measure the dimensions of impression management ($\alpha = .853$) and self-deceptive positivity ($\alpha = .686$). Gender identity was assessed using the Bem Sex Role Inventory (Palan, Areni, and Kiecker 1999; masculinity: $\alpha = .896$, and femininity: $\alpha = .926$).

Results

Boasting is significantly related to impression management ($PC = .325$; $p < .01$) and masculinity ($PC = .227$, $p < .05$) but not to self-deceptive positivity (the partial correlation matrix is available from the authors upon request). This finding is intuitive in that one may seek to lie to oneself without needing reinforcement from boasting. Boasting is significantly related to the number of people told ($PC = .463$, $p < .001$). This may be good news for brands pursuing vanity sizing strategies, since telling others can potentially lead to others' improved perceptions of that brand in addition to the higher perception of the boasting consumer. Meanwhile, femininity is not significantly related to boasting, impression management, self-deceptive positivity, or people told. While this confirms the gender norms literature, the lack of association with number of people told in the vanity sizing context implies that even with the presence of societal body image pressures, women may not be likely to tell others when they drop sizes in apparel. Further investigation is warranted.

Discussion

The research's contributions are threefold. First, the study conceptualizes boasting. Second, the study indicates that the developed boasting scale is both statistically and theoretically validated given the acceptable factor loadings and Chronbach's alpha. Third, the results align with prior literature on boasting, self-deception, and gender norms. Subsequent validation across multiple contexts is to be addressed in future research, since the testing of this scale in a single instance is a limitation of this study. Since word-of-mouth is a known contributor to a firm's performance (i.e., Martin and Lueg 2013), boasting in the context of a specific firm may actually enhance that firm's status among its market. While the focus of such a conversation is quite likely on the boaster, the firm indirectly benefits. Future research should address performance outcomes of such boasting.

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Summary Brief

Impact of Sales Promotion on New Fast Moving Consumer Goods

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Despite the large number of research studies on sales promotion, little is known about the impact of salient promotion characteristics and the role of moderating variables in different time periods. This study addresses these issues. It examines the effects of different levels of promotion desirability and relatedness to the product over multiple promotion time periods and post-promotion time periods. It also examines the moderating influence of need for cognition over the same time periods. In a context of using sales promotions to help introduce new products, this study uses different types of free gift premiums as sales promotions and fast moving consumer goods as promoted products. It investigates response formation at the time of promotion and response persistence after the promotion has ended. Key findings show patterns of interactions which suggest strong moderating effects. These and other findings suggest possibilities that companies have in designing promotion programs for new products.

Introduction

Most studies on the impact of consumer sales promotion have focused on the initial effects in promotion time periods (DelVecchio, Henard, and Freling 2006; Macé and Neslin 2004). Less attention has been dedicated to examining the delayed effects in post-promotion time periods (i.e., the carry-over effects after the promotion has ended). Findings from some studies have suggested that the misuse of sales promotions can be harmful to products and can lead to unfavorable consumer reactions (Blattberg and Neslin 1989, 1990; Buil, de Chernatony, and Martínez 2013). However, promotion decision-makers have had difficulty in deciding on suitable sales promotions, partly, because of a lack of research on the role of moderating variables and the effects of promotion characteristics.

Almost all types of sales promotion have been found to favorably influence consumer responses toward products in promotion time periods; yet, uneven effects, or discrepancies, of equivalent promotion attempts have been reported. Discrepancies have also been reported from studies on the delayed effects in post-promotion time periods (DelVecchio, Henard, and Freling 2006). Findings from related studies have indicated that examinations of the levels of individual differences in need for cognition can help clear up some discrepancies (Haugtvedt and Petty 1992; Lee and Schumann 2004).

Sales promotions can be typecast as being either price oriented (e.g., coupons, temporary price discounts) or non-price oriented (e.g., free gift premiums, games) (Chandon, Wansink, and Laurent 2000). In promotion time periods, all sales promotions have been noted by their level of desirability and effects on responses toward products. Not surprisingly, sales promotions with higher levels of desirability, as compared to ones with lower levels, have been found to produce more favorable responses. Though, researchers have warned that the use of substantially higher levels of desirability might be detrimental to the product (Blattberg and Neslin 1989, 1990; DelVecchio, Henard, and Freling 2006). Free gift premiums (also referred to as near- in- and on-package premiums or direct consumer premiums) have the potential to create more persistent effects than most other promotions (Lee and Schumann 2004). A few non-price promotions, including free gift premiums, can take on a promotion relatedness level not available to others. Researchers have pointed out that promotion relatedness, or the degree of relatedness between the promotion and the product, exists along a continuum from high association with the product's use to low association and suggested that higher related promotions might stimulate more enduring effects than lower related promotions (e.g., Lee and Schumann 2004).

Main Study

In a context of using free gift premiums to help introduce new fast moving consumer goods, the main study considered the role of need for cognition and different levels of promotion desirability and promotion relatedness to the product, and investigated consumer responses in promotion and post-promotion time periods. The study used a between- and within-subjects mixed design with a no-promotion control. It used the following factors: (1) need for

cognition (low vs. high), (2) promotion desirability (normal vs. substantially higher), (3) promotion relatedness to the product (lower vs. higher), and (4) time periods (two promotion and two post-promotion time periods); where need for cognition, promotion desirability and promotion relatedness were manipulated. Time periods was a within- subjects factor (i.e., four sessions or four time periods in which measurement of responses occurred: session one (first promotion time period, immediately after initial exposure – participants were exposed to both the promotion and the product), session two (second promotion time period, two days after session one – exposure to both the promotion and the product), session three (first post-promotion time period, one week after session two – participants were exposed to only the product), and session four (second post-promotion time period, one week after session three – participants were exposed to only the product)). In all four sessions, an assessment was made of each participant's attitudes toward the product, purchase intent and other relevant dependent variables. Identical questions were used in each session to assess the dependent variables, yet in a different order. Changes in responses were calculated by comparing appropriate measures in the different sessions.

Preliminary Findings

In promotion time periods, responses of low-need for cognition participants, who were exposed to normal- and substantially higher-levels of promotion desirability, were more favorable than those of high-need for cognition participants who were exposed to the same promotions. In post-promotion time periods, high-need for cognition participants, who were exposed to higher related promotions, thought more about the use of the promotions and exhibited more response persistence than those in other conditions.

The need for cognition findings reflect possibilities that manufacturers and retailers have in designing promotions to attract different consumers. The findings suggest that companies might consider trying to develop relationships by placing emphasis on different cues. If consumers are processing promotions and products together, congruence between need for cognition and type of promotions helps them remember better.

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Summary Brief

Investigating Native Advertising Effectiveness: Successful Brand Integration Practice or Deceptive Practice?

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With the rapid growth of native advertising, there has been an increased interest to enhance the understanding of consumers' responses to online native ads. We examine three distinct modalities of advertising: (1) in-feed units (static vs. video) and (2) advertorials as compared to (3) banner ads. We hypothesize native ads will be more effective than banner ads in terms of brand recall yet less effective than in terms of trust in advertising.

Introduction

According to the Federal Trade Commission (FTC), native advertising is the practice of blending advertisements with news, entertainment, and other content in digital media. Native advertisements resemble the content in which they are embedded. Depending on the publisher, disclosure language employed varies from branded content, sponsored content, paid content, to presented by [brand].

Native Advertising Effectiveness

Native ads mimic the editorial content that surround them by using distinct modalities (e.g. text, video, text & video). We examine the effectiveness of advertorials, in-feed units, and banner ads. We further explore in-feed units: (1) static in-feed units that use only text and visuals and (2) video in-feed units that use text, visual, & audio. An advertorial simulates the magazine's editorial style using long narrative text while labeling the content as "advertisement" or incorporating the brand logo. Because it is written by the editorial writers, it's perceived to be editorial content. When advertorials are used by magazines that have high source authority a positive spill-over effect occurs (Moorman, Neijens, and Smit 2002; Van Reijmersdal, Neijens, and Smit 2005). Research conducted by Kirmani and Rao (2000) on signaling theory may provide a typology for interpreting cues for understanding the effects of advertorials in static in-feed units, video in-feed units and banner ads.

Proposition 1: Advertorials elicit higher recall than (a) static in-feed units, (b) video in-feed units.

Similar to advertorials, in-feed units are effective by disguising itself as user-generated content (UGC). Past research has demonstrated product placement within computer and video games as a way of eliciting brand recall (Mackay et al. 2009). Analogous to blatant product placements that are audiovisual and produce higher recall (Gupta and Lord 1998) than subtle product placements, video in-feed units communicate in an audiovisual style whereas static in-feed units do so by using only text and visuals.

Proposition 2: Video in-feed units elicit higher brand recall than static in-feed units.

While native advertising is embedded in organic content, banner ads merely are placed next to organic content. The banner ad disrupts the readers' goals and causes the consumer to avoid the noise. Because banner ads are purely commercial in nature, readers avoid the ad due to perceived goal impediment (Cho and Cheon 2004). Banner ads are also less effective as readers turn towards mobile devices. As consumers turn towards the use of mobile devices it may offer new insights, towards consumer attention to advertisement and scanning patterns which may support higher brand recall. For example, skip cues within the ads may inhibit the attention of the video in-feed units versus the static in-feed units causing lower brand recall.

Proposition 3: Banner ads elicit lower brand recall than (a) static in-feed units and (b) video in-feed units.

As native advertising increases, consumer trust in advertising is paramount. Trust in advertising refers to

“confidence that advertising is a reliable source of product/service information and willingness to act on the basis of information conveyed by advertising (Soh, Reid, and King 2009, p.86).” Consumers are already reluctant to trust advertisers because they believe that advertisers use forms of deceptive techniques to manipulate consumers (Darke and Ritchie 2007). The Google case stresses the importance of providing consumers clear insight on information content of advertisements (Eivazi 2014). Research by Nagar (2009) found when both true and false claims are present, true claims are recalled more often than false claims.

Proposition 4: Banner ads elicit more trust in advertising than (a) advertorials (b) video in-feed units, and (c) static in-feed units.

Marketing Implications

As the volume of online advertising increases, it poses a threat to effective reach. Advertisers benefit from native ads by providing another form of advertising to combat banner blindness. Media companies benefit from native advertising as they receive a higher price for native advertising as compared to traditional online display ads. Our research on native advertising effectiveness aims to investigate the advantages and disadvantages of native ads.

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Summary Brief

A Comparative Study of Print and Mobile Media in Dubai

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This study investigates the effect of print and mobile advertising media on consumer behavior in an advanced emerging economy. Review of the literature in relation to attitude towards the ad and brand; novelty; ad and brand recall; and purchase intention is followed by primary research to explore the differences. The results show that mobile ads may improve attitude towards the ad and be perceived as more novel. However, attitude towards the brand; brand and message recall; and purchase intention were not significantly affected by the medium. Furthermore, the endeavor considers the implications this work has for marketing communication decisions.

Introduction

The advertising industry in the United Arab Emirates (UAE) accounts for one third of the Gulf Corporation Council's (GCC) total ad spending which was 4.8 billion US dollars in 2012 (Aglethami 2013). In particular, print media commands about 71% of the overall ad market in the GCC region while digital accounts for 9.4% (Algethami 2013). Advertising is omnipresent in the lives of consumers who reside in the modern city of Dubai. It is reported that 40% of media spending done by businesses in the UAE is for print media (Bhatia 2013). Companies are attempting to create a positive attitude toward advertising through this medium. Throughout the UAE, consumers are offered free magazines and newspapers in convenience stores, petrol kiosks, shopping malls, and other establishments. The content is often filled with many advertisements. Frequently, the advertisements will present values to meet consumers' needs and wants (e.g., a weekly sales promotion from a local retailer). In recent years, however, firms are beginning to exploit mobile phones as an alternative place to advertise. The number of active mobile phone lines in the UAE is considered the highest in the world with 200% mobile penetration (Bhatia 2013) and Dubai is experiencing a steady growth in mobile advertising. Consumers are receptive toward such mobile advertising despite the possible violation of their right to privacy (Sarabdeen 2008). This study compares mobile and magazine print advertising effects in the UAE.

Mobile and Print Advertising

Magazine advertising allows readers to be more involved than any other type of print media (Consterdine 2000). Readers actively screen the pages of the magazine to decide what is important for their needs. If an advertisement appeals to the reader, he or she will then spend more time and effort in understanding the content (Shankar et al. 2010), but readers can also skip ads, which decreases ad processing (de Pelsmacker, Geuens, and Anckaert 2002). Even though magazine advertising is considered more active than broadcast media such as radio (Krugman 1965), Sterne (1999) states that print media is passive compared to the internet which holds customers' attention better. Interaction, in the form of what is seen and the duration of the exposure (Roehm and Haugtvedt 1999), is "said to activate users' relationship with the advertisement" (Nysveen and Breivik 2005).

Sending promotional messages through Short Messaging Service (SMS) or Multimedia Messaging Service (MMS) to target customers on their mobile devices is gaining in popularity with marketers (Rittippant et al. 2009). The mobile phone is a relatively new communication channel to reach consumers in marketing campaigns (Parissa and Maria 2006) and while the concepts and associated theories are relatively inconsistent and fragmented (Srivastava 2012), there is reason to believe that because of a phone's personal nature, it is as active, if not more so, than the internet. Message recipients can choose when to look at the message as well as the duration and number of exposures thus creating more involvement. In fact, Salo and Tähtinen (2005), believe that this increased involvement may be due to the mobile ad's novelty effect. In turn, there is more information processing (DePelsmacker, Geuens, and Anckaert 2002) which positively influences brand attitudes (Rettie, Grandcolas, and Deakins 2005), product attitudes (Bart, Stephen, and Sarvary 2014) and purchase intentions (Bart, Stephen, and Sarvary 2014; Rettie, Grandcolas, and Deakins 2005). Mobile ads are most effective if there is a concrete benefit to

act on, such as a discount (Rettie, Grandcolas, and Deakins 2005). Such incentives also create more positive attitudes and purchase intentions (Drossos et. al. 2007).

Hypotheses

Based on our literature review, we hypothesize that:

H1: An advertising message presented in the form of mobile media will result in a significantly more positive attitude toward the advertisement (Aad) than the same advertisement presented in magazine print media.

H2: An advertising message presented in the form of mobile media will result in a significantly more positive attitude toward the brand (ABr) than the same advertisement presented in magazine print media.

H3: An advertising message presented in the form of mobile media will result in a significantly higher novelty score than the same advertisement presented in magazine print media.

H4: An advertising message presented in the form of mobile media will result in a significantly higher purchase intention than the same advertisement presented in magazine print media.

Method

Recruited by university students as part of a course project, five hundred sixty residents of Dubai completed the study. Each randomly assigned respondent was shown a promotional ad for a well-known fast food restaurant either in the form of a mobile or print ad for one minute. Participants were asked to respond to questions about their attitude towards the ad and brand; ad novelty; and purchase intentions.

Results

H1 was supported; the difference was significant with participants having a more positive attitude toward the mobile ad than the print ad. While participants who viewed the mobile ad had a more positive attitude towards the brand than those who viewed the print ad, it was not significant; H2 was not supported. H3 was supported; mobile ads were significantly more novel than print ads. H4 was not significant; even though those viewing the mobile ad did report higher purchase intentions.

Discussion and Conclusion

This study demonstrates that when mobile ads are utilized, they are perceived as novel and consumer Aad may be positively influenced. This demonstrates that mobile ads could be an effective medium for promotion in a highly cluttered environment with high mobile usage like Dubai where mobile ads have not yet been exploited. Since these findings did not translate into significantly higher purchase intentions nor ABr, future studies could investigate impacts of the brand involved, timing of the message, and ad elements.

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Summary Brief

Are Brands Becoming Less, or More, Useful to Consumers?

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Are brands becoming less, or more, useful to consumers? Some argue that the consumers will use Internet data to make each purchase decision anew, and a brand's reference to past quality will be irrelevant. Others argue that the Internet is not quite the costless route to the truth, and hence brands will still signal quality and inspire loyalty. This presentation examines both positions – that brands are becoming less useful, and that brands are becoming more useful – in the Internet age.

Introduction

Are brands becoming less, or more, useful to consumers? There is currently an ongoing debate. In their book “Absolute Value,” Simonson and Rosen (2014) argue that promotion is becoming increasingly irrelevant in a world where consumers have access to full and current information from non-commercial sources, such as Internet product reviews.

In particular they argue that brands are less useful as indirect indicators of quality when consumers can easily access the quality data directly on the Internet. This is especially true when relative product quality may be in flux such that current quality data is more relevant than a brand's reflection of past quality.

What is the role of marketers in a world where the data consumers share with each other is more useful than promotional messages or branding communications? Simonson (2014) sums it up in a TEDx video entitled “The decline of Consumer ‘irrationality’—the new reality in Marketing.” The “key leftover” roles for marketers include monitoring data provided by consumers and independent sources, and analyzing the data and making quick adjustments. Marketing's goal becomes to amplify positive data and respond to negative data such as complaints or bad reviews.

The bottom line for marketers is that their power to influence consumers is shrinking, a trend that will affect promotion and branding as well as concepts of consumer decision making, loyalty, positioning, persuasion, and market research.

On the other hand, brands do more than signal quality. Consumers get value from “consuming” the brands themselves. For example, brands convey prestige. People also have emotional connections to brands. Isn't it a bit simplistic to say that the Internet is going to be the death of brands, as Surowiecki (2014) wrote in the New Yorker article “Twilight of the Brands?” Some argue that the Internet holds the future of branding, not its demise.

Conclusion

This presentation examines both positions – that brands are becoming less useful, and that brands are becoming more useful – in the Internet age. This presentation will critically analyze the arguments by Simonson & Rosen and others that the Internet's abundance of data will diminish the power of brands. A goal would be to identify evidence that supports or challenges these assertions. A second goal would be to identify the contexts in which one would predict that “absolute value” data will have the most dramatic and visible effects, and the contexts in which brands are powerful on the Internet.

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Summary Brief

Using Holograms in Marketing Education

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As education continues to evolve, educators continue searching for innovative technologies to engage their students. One of the newest innovations that educators are beginning to explore is the use of 3-D holograms in various disciplines. Holography is a technique that uses lasers, light recording, illumination and computers to create a three-dimensional image of a person or object. Although holograms were discovered decades earlier, educators are just beginning to explore innovative ways to use 3D Holographic Technology (3DHT) to reach today's tech-savvy students. Holograms allow educators to reach beyond traditional and online learning techniques in three-dimensional form. As of the first quarter of 2015, only a small number of institutions have explored this technology. However, for today's tech-savvy students, this may be one additional way to bridge the gap between passive learning and active engagement. This paper explores the use of holograms in marketing education.

Introduction

The word, hologram comes from the Greek word “holos” or “whole view” and “gram” which means “written.” A hologram is 3-D recording of light waves or what is commonly referred to as “wave reconstruction”. According to Lee (2013), the foundation for what is now known as 3-D holographic technology began in the 1860's where a series of optical projections were used to create ghostlike images. In 1947, a Hungarian electrical engineer named Dennis Gabor was working to improve the electron microscope when he invented the process for storing three-dimensional images on film. Although the process was used in the decades that followed, it was not until the 1970's that the moving 3-D image became a reality.

Since that time the technology has continued to evolve. Over the past few decades, holographic display has been used in various capacities (Lee, 2013) including political election coverage, military training, and the entertainment industry as well as in business presentations around the world. Some organizations have used it to provide enhance product demonstrations or as part of the human resource training programs. Therefore, it's not surprising that the technology is slowly making its way in educational institutions as well.

Today, the technology known as 3-D Holographic Technology (3DHT) allows educators the opportunity to connect and “visit” classrooms that may be thousands of miles away in real time and in three-dimensional form. In addition, it allows educators to lecture to multiple audiences simultaneously and remotely access classrooms that they may not otherwise have the chance to engage (Walsh 2012). Not only can an educator share information, they can also use the technology to allow professionals and students from other regions of the world to “visit” our classrooms in 3-D form. New developments in hologram technology even allow viewers to “touch” the hologram.

Despite the fact that there are numerous possibilities for educators, many voice concern over costs for the technology which can range between \$400,000-\$500,000 excluding the hefty fees for the high-speed Internet connection that is also required for optimum performance (Sudeep 2012) For many institutions, acquisition is simply not plausible without external funding. However, the benefits may outweigh the costs. The University of Pennsylvania, MIT and others have already experimented with this new technology. Many think this may be the next step in online education. According to Sandra Andrews (Harrison 2009), “Good use of technology is not using bells and whistles for their bells and whistles. Good use of technology has research that backs it up.” Recent research (Buckley and Strydom 2015; Sudeep 2012) has shown that this new form of interactive learning results in better retention and improved student outcomes. Although the literature contains information on the use of holograms in the engineering, medical and information technology courses, little has been published on the use of holograms in the marketing discipline. This paper explores the use of holographic technology in marketing education.

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Summary Brief

Millennial's Attitudes Concerning Traditional Classroom Resources

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There is a growing concern that college students may not be using textbooks as a primary learning tool in the classroom. This study explores the construct of Attitude toward Textbook (ATT) and how it relates to usage and course outcomes. The findings show a generally low ATT among students and an alarmingly low impact of textbook usage on learning indicators.

Introduction

For many marketing professors, college textbooks have been a core resource for many decades. Professors often structure their class schedules around primary topics in the assigned text and cover much of the textual material in class. While many professors cover additional material, the basic course textbook provides students with a foundation resource that can be accessed outside the classroom setting for additional learning and exam preparation. While it seems obvious to many professors that textbooks are an invaluable resource for millennial college students, completion of assigned textbook readings have been steadily dropping for the last 10 years (Lei, et al, 2010) and the decline has continued (Aagaard, Connor, and Skidmore 2014).

Much of the literature has found what appears to be a general negative attitude directed at required texts and subsequently the required reading of such texts (Sikorski et al. 2001). The reasons behind this general dislike are wide and varied and probably begin with attitudes and habits developed as early as middle school. Middle school and high school students generally underestimate the importance of completing assigned readings and were often able to perform well in the classroom by utilizing rote memory tasks (Murden and Gillespie 1997). Students search for alternative methods to reading based on the successes experienced prior to college and often resort to non-reading methods of study when the reading material is too long or presents challenging concepts (Ryan 2006).

Since students have difficulty completing their readings on schedule, textbook reading is often delayed until just prior to an exam. This delay may result in poor grades since many students postpone their reading until they simply do not have enough time to complete it before an exam or quiz that requires them to demonstrate knowledge found in the text (Lei et al 2010). Another more obvious result is that students may avoid reading the textbook altogether. Since many professors expect students' motivation to be low it is common for various motivational techniques (i.e. quizzes and study guides) to be employed.

Results and Discussion

Exploratory Factor Analysis (EFA) was conducted using the Principal component method in SPSS for clarification of the Attitude toward Textbook (ATT) construct. This analysis revealed one component with a Cronbach's alpha of .812. Confirmatory Factor Analysis (CFA) was then conducted in AMOS for ATT and it revealed an adequate level of fit. Several goodness of fit measures were used such as RMSEA (.077), NFI (.945), and CFI (.964) all demonstrating appropriate fit for the construct.

Composite scores were generated for ATT by taking the mean of the items used in the CFA. Linear regression analysis was employed to test the association of ATT with textbook usage, perceived textbook usefulness, grade point average (GPA), and percentage of textbooks purchased for classes that require textbooks. The analysis revealed there was a significant and positive association of textbook usage ($t=3.349$, $p=.001$) and a positive association of textbook usefulness ($t=5.198$, $p<.001$) with ATT. There was no significant association of GPA and percentage of textbooks purchased for classes with ATT.

Pearson's correlation was conducted to see if there was a positive association between GPA and textbook usage. There was no significant positive association between GPA and textbook usage was found. ANOVA was

used to test the assumption that students who preferred other study methods to reading the textbook would have a lower ATT. The sample was separated between those who agreed or strongly agreed that reading the textbook was preferred and those who had no preference, disagreed, or strongly disagreed with the preference of reading the textbook. There was a significant difference ($t=11.988$, $p<.001$) between the two groups, with those who preferred reading the textbook having a higher ATT ($M=3.11$) than those who do not ($M=2.11$).

Linear regression analysis was used to test the association of teacher motivational strategies and textbook motivational strategies with textbook usage. Only one motivational strategy of providing a study guide to complete for credit was significantly ($b=-.725$, $t=-2.006$, $p=.046$) associated but in the wrong direction. The analysis indicates that this strategy actually reduces textbook reading time. The regression model, which examined the impact of motivational strategies implemented to encourage textbook reading, was not a significant predictor of reported textbook usage.

The findings of this study generally support the notion that millennials view the textbook as being a relatively unimportant core tool in the classroom learning experience. The ATT construct had an overall mean of 2.42 on a 5 point scale with a standard deviation of .756, indicating that students may feel textbooks are not the most helpful way to learn and may not be useful in obtaining the grade desired. When students have a higher ATT they are more likely to prefer reading the textbook as opposed to other methods of study. Students with high ATT will spend more time reading the text and find it is a useful valuable resource.

It appears students have adapted to efficiently use other methods of study rather than the textbook because textbook reading seems to have little impact on perceived learning outcomes. While higher ATT does correlate with textbook reading time, a high ATT and high reading time does not seem to lead to a higher GPA. Students indicated they find lecture notes and forming study groups as preferable to spending time reading the textbook for learning. This confirmed data obtained in the focus group. The survey collected open-ended responses for how students might study if they choose not to use the textbook, but few responses in addition to the ones provided on the survey were given. A slight indication was the students may simply look up the topics on the internet using popular search engines rather than reading the textbook. Regardless, students are finding a way to achieve their desired grades without spending the majority of their preparation time with the textbook.

Instructor motivational strategies fared no better. None of the various strategies (e.g. quizzes, class discussion of the material, study guides) appeared to have a positive impact on textbook usage. Surprisingly, if a student is given a study guide to fill out for credit it actually decreased reading time for respondents in this study. Thus, a student may spend time searching the textbook for the study guide answers, but little time may be spent reading for content. Students may never revisit the textbook after the study guide is completed because now the student has created a preferred way to study by using the guide instead of the textbook.

These findings indicate students do not find the textbook as a useful resource and it provides little impact on perceived outcomes. Low ATT by the general millennial student population is a likely indicator that a shift to other study methods away from the traditional textbook is underway.

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Summary Brief

Toward Development of a Measure for Metacognition in Online and Blended-Learning Environments

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The use of online and blended-learning technologies in marketing and business education is increasingly common, yet we lack a developed understanding of how students learn in such environments. The study of metacognition examines how individuals 'think about thinking,' and studies suggest that metacognitive training and development enhance student outcomes. However, no comprehensive measure of metacognition within an online or blended-learning context exists. Therefore, the main purpose of this investigation is to develop a measurement for student metacognition within online and blended-learning environments. To this end, we synthesize prior literature on metacognition, identify four dimensions of student metacognition, and develop a preliminary tool to measure student metacognition within online and blended-learning environments.

For over four decades, metacognition has generated a superfluity of work that is equal to its scholarly perplexity. Beginning in the late 1970's, the study of metacognition emerged with Flavell (1979) providing one of the first published definitions of the construct. While Flavell acknowledges the value in examining metacognition, he also suggests that metacognitive knowledge is "recognition that accuracy of understanding can sometimes be hard to attain and to assess" (Flavell 1979), noting that even though understanding metacognition may be difficult, its inherent value lies in assessing what individuals know about their own learning processes.

For those investigators focused on online and blended learning environments, Akyol and Garrison (2011) note that while past research finds that students with higher metacognitive abilities are more successful in academic achievements, the majority of prior research was conducted within the context of traditional learning environments and not within asynchronous (online and blended) contexts. Thus, these scholars highlight the need for assessing metacognition in online environments and have taken initial attempts at understanding how metacognition manifests within online discussion postings (Garrison and Akyol 2013; Garrison and Akyol 2015) although no comprehensive, multi-dimensional measure of metacognition in online and blended contexts currently exists.

To begin developing a measure of metacognition in online and blended learning environments, a systematic search method was designed that required several steps for review of literature to identify all published scales for measuring metacognition following recommendations by Creswell (2013), Hart (1998), Leedy and Ormond (2012), and Trochim (2001). The steps included (1) identifying the domain for the literature search, (2) agreeing upon a keyword schema to locate appropriate literature, (3) leveraging the advice in scholarly sources for identifying search databases and journal outlets, and finally, (4) using a snowball technique to identify sources not found using the prior three steps. This approach resulted in the identification of 629 articles; each of these articles were reviewed to identify scales and constructs used to measure metacognition.

From this pool, criteria for analyzing metacognition measurement articles within the context of online and blended-learning utilized a seven-step procedure. This seven-step process was influenced by the work of Lipsey and Wilson (2000), Hart (1998), DeVellis (2012), Converse and Presser (1986) and Spector (1992). These steps allowed the research team to identify relevant articles that define the construct, articulate dimensions, and provide measurement items. To synthesize construct definitions and their corresponding operationalization, we used the following steps: (a) a qualitative interpretation of the number and differing categories of metacognition dimensions reported, (b) a meta-analysis of results reported for each dimension given available data, and (c) MAXQDA software employed to conduct an analysis to identify emergent themes in the articles as a collective dataset. The researchers found 306 measurement items that specifically measured metacognition and/or underlying dimensions.

To synthesize the existing items, the approaches of Converse and Presser (1986) and DeVellis (2012) were incorporated. Accordingly, a coding sheet was created to judge the pool of items to determine if any item exhibited qualities requiring refinement or deletion. The coding exercise used trained graduate students and revealed 24 items that emerged as consistent representations of four metacognition constructs: self-knowledge (awareness of learning process), self-planning (ability to set learning and planning goals), self-evaluation (ability to assess his/her overall

learning process), and self-regulation (ability to monitor his/her learning process and make changes).

A pilot study took place with a convenience sample of 140 students in five upper-level marketing courses at a public university in the Southwestern U.S. The sample consisted of primarily business majors (60%) with an average experience of 8 or more hybrid or online classes, suggesting the sample had sufficient experience with online education. The sample was mostly female (83%) with an average age of 32. Analyses were then conducted (EFA and CFA) to examine the four factors. The results of the analyses revealed sufficient factor loading (> 0.60) on the four constructs of interest with the number of items reduced from 24 to 19. Structural equation modeling (SEM) analysis revealed the four-factor metacognition model yielded acceptable fit ($\chi^2 [71, n = 140] = 109.26, p < 0.01$; CFI = 0.95; RMSEA = 0.06; SRMR = 0.07). All factor estimates were above the expected loading of 0.50, and each was significant ($p < 0.001$).

The resulting measure of metacognition consists of four dimensions designed to assess the extent to which students have knowledge about their learning process, plan their learning process, regulate learning during the learning process, and evaluate their learning process after moving through the process. The development of such a measure extends current research that begins to examine how metacognition exists within the online learning environment and offers a foundation for empirically examining the multi-dimensional nature of metacognition within online and blended-learning contexts.

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Summary Brief

Does Communicating Corporate Social Responsibility Contributions Overcome Unfavorable Country of Origin Cues?

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The interplay between what a company is given (i.e., country of origin) and what a company is able to develop (i.e., market-based sustainability and brands) is interesting given the increased global competition and the increased attention to corporate social responsibility around the world. The goal of this paper is to develop a study that analyzes whether communicating corporate social responsibility information can be used to overcome unfavorable country of origin cues associated with firm from developing nations.

Introduction

Companies from developing countries have made their presence felt on the international stage in the past decades. In fact, Kumar and Steenkamp (2013) say that the "economic center of gravity" has shifted from the developed to the developing world in the past three decades. Even with this prosperity, Kumar and Steenkamp (2013) note that only a few companies from developing countries have created successful brands. One possible reason for this could be the negative country of origin (COO) cues consumer associate with companies from developing nations. While all companies compete with unequally distributed financial resources, companies from developing nations also face consumer bias towards their products based on COO cues.

Experts have offered some recommendations to compensate for these negative views. For instance, Deshpandé (2010) states that companies could focus on offering popular products that the country is known for and then communicate these associations to consumers. If producing such goods or services is not an option, it is recommended that managers deflect any association with the developing COO (Deshpandé 2010). Interestingly, we find more and more companies from developing nations entering industries beyond those stereotypical industries. This situation leaves managers with the task of overcoming sub par COO associations. This situation is further taxing when companies from developing countries compete in developed markets. This predicament begs certain questions, for instance; is it possible to use negative COO cues to a company's advantage and what information could management communicate to help overcome such negative cues? One possible way to overcome negative COO association is to develop and communicate a market-focused sustainable strategy (Hult 2011). Hult (2011) defines market-focused sustainable strategy as an integration of corporate social responsibility (CSR) initiatives with a market-oriented strategic approach in order to maximize CSR investment.

Based on our understanding of CSR, COO, and expectancy confirmation/disconfirmation literature it is highly likely that communicating CSR information could help overcome such negative cues with a brand. First, we know that communicating CSR information is inherently positive; however, when we examine the latter two research streams we see how companies from developing nations may benefit. An examination COO literature informs us that consumers tend to have higher quality expectations of products originating from developed countries and simultaneously have lower quality expectations when evaluating products from developing countries (Verlegh and Steenkamp 1999). Therefore, it could be assumed that the similar expectations might be transferred to CSR expectations. In other words, consumer may have higher CSR expectations of companies from of developed nations then for developing nations. Furthermore, our understanding of the confirmation/disconfirmation paradigm leads us to predict that consumers may evaluate CSR contributions by companies from developing nations more favorably than their counterparts because of the low initial expectations (Oliver 1980, Saldivar and Zolfagharian 2015).

Based on the following assumptions two scenario-based surveys will be created to introduce respondents to fictitious companies that engage in CSR practices. Mexico will represent the origin of the developing country and Canada represent the origin of the developed country. These two countries were selected because both countries border the United States and it is highly likely that the United States general population would evaluate Canada as a

much more developed country when compared to Mexico. Findings from this study could offer additional support for integrating CSR in companies, especially in those originating from developing countries.

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Summary Brief

Institutional Branding in Emerging Markets: A Netnography Analysis of Chinese Students' Perceptions of American University Brands

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The objective of this article is to use netnography approach to examine the institutional branding by probing factors that influence Chinese students' decision making on their choice of master-level business programs of American universities. Virtual consumer community provides an interactional platform where consumers post perceptions of a target university in a holistic and unobtrusive environment. The results suggest that American universities should emphasize institutional branding components via online marketing communication tools and acknowledge the cultural differences between United States and China. In order to differentiate positioning effectively in the competitive academic marketplace, administrators and faculty are recommended to work together in creating a competitive brand identity for their university. Among all factors, campus security was found to be an increasingly major concerns that influences international students' decision making.

Introduction

In the 2013-2014 academic year, 274,439 Chinese students came to United States to pursue their academic degrees (IIE 2014), accounting for 31% of the total U.S. international students. Economically, international students contributed approximately \$27 billion to the U.S. economy in 2013 (IIE 2014). University of California campuses have increased enrollment caps for out-of-state and international students in the past five years and will cap the number of California resident students for year 2015-2016 (The Sacramento Bee 2015). 2014 Fast Fact sheet of Opendoor shows that more than 51% of the record high 886,052 students enrolled in universities of 7 states. Liu, Elston, and Zhou (2014) suggest that American universities could build the institutional branding in practice so as to attract international students.

Institutional Branding

Brennett and Ali-Choudhury (2009) define university brand as a manifestation of the institution's features that differentiate it from others, outline its capacity to satisfy students need, and help potential applicants to make wise enrollment decisions. Previous studies on institutional branding mainly focused on survey or in-depth interview in understanding university brand building (Clayton, Cavanaugh, and Hettche 2012). This study employed netnography technique to avoid obtrusiveness, artificiality and decontextualization (Hsu, Dehuang, and Woodside 2009) through examining the consumer-generated posts on Chasedream.com, an online virtual community of Chinese students who are seeking study-abroad opportunities. The study aims to achieve the following objectives:

- (1) Understand the Chinese students' perceptions of extrinsic and intrinsic of a university brand, through their processing of selecting US business master programs;
- (2) Use the findings to inform universities of more effective positioning strategies in emerging markets.

Methodology

Following Kozinets' netnographic method (1999; 2002), this study collected forum users' posts on the Business Master Program Application forum of ChaseDream.com. Founded in 2003, ChaseDream aims to provide an interactive platform for Business School applicants to share their experiences, support each other and sustain the resources. Adjei, Nobel, and Nobel (2010) prove that such C2C information sharing behaviors in online brand communities would have significant influence on potential consumers' purchase behavior. Within the Business Master Program forum, there are six sub-categories and one of them is School Selection. This study gathered the new-created threads and replies posted between May 2014 and August 2014 because the three months are the time

period that applicants do research and compare programs so that they could prepare application packages in September. Within the three months, 360 threads were either created (190 threads, 52.8%) or replied (170 threads, 47.3%). The average replies to each thread are 78. But the average view count of each thread is 2428 (range from 11075 to 19 [posted on the last day of the data collection period]).

Findings

Based on the data, seven factors were analyzed in the data set: 1) Academic Positioning; 2) Campus Security; 3) Location; 4) Alumni Networks; 4) Social Environment; 6) University Name; and 7) Word-of-Mouth. The results are in accordance with Brennett and Ali-Choudhury's findings that the brand covenant is the most important component (2009). Chinese students' prospects on learning environments and career advancement on graduation are even critical dimensions than the academic ranking. In order to acquire competitive positioning in the education markets, the western universities should emphasize on these factors in both online marketing communications and university brochures sent out in Educational Fairs. The statistics report of the job after graduation and salary related information should be emphasized in the recruiting materials. Related to job environments and social environment, geographical locations of the institutions are also important. Campus security has become a major concern for Chinese students and their parents. Thus, the offerings of relevant security trainings might convey a message that the university cares about their students' security. Interestingly, Chinese students' perceptions are affected by non-appealing translation of a university's name. The study also suggests that both administrators and faculty body should work together to build the identity of a university brand.

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Full Paper

The Country-of-Origin Effect on Technology Products

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The country-of-origin effect is a relevant concept for analyzing the purchasing behavior of consumers. Given the development of globalization, products are currently designed, assembled, and manufactured in different parts of the world. Hence, it is important to analyze these three effects on consumer's perception. Although this kind of research has been done in the past with some comparison products, in the case of technology products it is essential to understand consumer's perception. This is the reason for which a technology product (i.e. tablets) was selected for and reviewed in this study using surveys administered to university students, considering that this kind of population is familiar with this product. The results of this review show that, for high technology products, which are considered user friendly or easy to use, consumers do not find it important to know where they are designed or assembled, or even where their components are manufactured.

Introduction

Consumers make purchasing decisions almost every day in their lives (Henderson and Ferdous Hoque 2010). Their reasons to purchase begin with realizing specific problems or needs to which they react with an information search process, evaluating alternatives. Lastly, they choose and purchase the products that best meet their needs. At the same time, thanks to the continuous development of international business, modern consumers are able to find original products from various countries (Henderson and Ferdous Hoque 2010).

The constant growth of global trade, the opening of markets, the customer's increased purchasing power, and the increasingly intense competition are factors that have allowed and, in some cases, even forced companies to expand their operations (Beverland 2002). This has occurred because of globalization in general, but particularly due to globalization of production, which refers to outsourcing of goods and services to various locations worldwide to take advantage of the differences in the costs and quality of manufacturing factors from one country to another (Ahmed and D'Astous 1999)

All of these factors have driven companies in different industries to make the decision of carrying out a series of processes of their value chain in other countries. Some of the activities that can be performed outside of the country of origin (country-of-origin effect or COO) of a company include the following: the terms of country of design effect (COD), country of assembly effect (COA) and country of parts effect (COP), (Biswas, Chowdhury, and Kabir 2011). This means that, for example, a company located in any given country may decide to manufacture a product in a different country using parts or components made in another country.

Therefore, the country-of-origin effect (COO) can be defined as any influence that the country of manufacture, assembly or design has on a positive or negative perception of a given product (Hamzaoui and Merunka 2007). In other words, there is a need to consider other variables that encompass the existing effect on consumer's perception when consumers are aware of the country of origin of the product they are purchasing.

Thus, the purpose of this work is to analyze the general perception of a comparison technology product on the part of consumers when they know what countries were involved in the entire production process from the design to the assembly, including the origin of the components.

Background

Since the first study was conducted (Schooler 1965), more than 700 papers have been published on the topic of the country-of-origin effect (Papadopoulos and Heslop 2002). The reasons for which this concept continues to be relevant can be summarized as follows: i) Consumers are becoming familiar with an increasing variety of foreign products through the media in a globalized context; ii) The COO is used as a quality indicator to simplify the information process; iii) There is a fierce competition among companies in different countries worldwide; and iv) Products are increasingly complex, and standardization restraints lead sellers to make better use of the concept of COO (Hamzaoui-Essoussi 2010).

Additionally, it is said that the country-of-origin effect is the influence of the country of manufacture, assembly or design on the customers' positive or negative perception of a product when they are aware of the country of origin. The country, the kind of product, and company image and brands have an impact on whether the country of origin generates a positive or a negative reaction. Consumers also have a tendency to create stereotypes (or generalizations) of products and countries because of their own experiences, and rumors and myths (Chowdhury and Ahmed 2009).

The COO has an impact on product evaluation (Bilkey and Nes 1982), consumers have preconceptions of certain countries, but they also have specific attitudes towards products manufactured in said countries. This perception may be influenced by demographic or personality variables (Bruning 1997). According to the same author, there is, for example, a positive relationship between the level of economic development of a given country and the way in which a product is evaluated. This means that, when it comes to evaluating a product, the information obtained from the COO can become much more relevant than its price or brand (Bilkey and Nes 1982).

Hence, the effects of origin occur when a potential consumer evaluates a product or a service based on the reputation or image of the manufacturer or provider, as applicable. Reference is also made to the subset of origin as national effects of origin, which express the extent to which the place of manufacture has an impact on product evaluations. This research work suggests that the country of origin is often used as an indicator in evaluating a product, especially if consumers are not very familiar with it (Li, Murray, and Scott 2000).

In recent years, an important dimension was identified in the field of the COO. It has been known as country-of-origin partitions, which have been broken down into specific areas such as COD, COP, and COA (Chao 1993). This contingent factor acknowledges the fact that a large number of companies engage in global alliances or operations to manufacture their products, parts or components abroad, thus being able to reduce the costs because of cheaper parts and/or labor costs (Chowdhury and Ahmed 2009).

Today, a product designed in a given country (COD) is very likely to have been assembled in another country (COA), and it also probably has parts that have been manufactured in a third country (COP). This means that, observing only the effect of the COO of a single country may not be valid for an in-depth review, as a much more in-depth research is required which looks into the components of said effect on the perception of consumers towards product quality (Bilkey and Nes 1982).

Several studies have reviewed the different partitions that comprise the COO associated with quality evaluations of consumer products. The work performed in a developing country is specifically aimed at determining the effect of price and COO on consumer's perception towards product quality and elucidating the role of each of the various kinds of effects (COD, COA, and COP) that comprise the COO, including also the product costs in the analysis (Biswas, Chowdhury, and Kabir 2011).

Since no studies of technology products have been carried out analyzing the three components, the objective of this work is based on applying it to tablets. This work is inspired by previous works done by Biswas, Chowdhury, and Kabir (2011) using a comparison technology product as study subject. According to Hamzaoui and Merunka (2007), comparison products are those that undergo a comparison of intrinsic and extrinsic characteristics during the purchasing process. This allows for a greater degree of certainty that consumers will be informed of and familiar with the general product specifications.

Hypothesis Development

The impact of the country-of-origin effect reflects on consumer's attitude towards the production or product offerings from other countries. In the form of a series of stereotypes that affect the way in which consumers perceive products in terms of quality, performance, and ease of use, all of which have an influence on the perception of risk in purchasing said products (Jo, Nakamoto, and Nelson 2003).

The objective of this study is to measure the perception of consumers towards the introduction of a new comparison technology product (i.e. tablets) into the market when they are aware of the countries involved in the manufacture of the product. In this case, the specific objective is to measure the six following product characteristics: quality, efficiency, performance, durability, ease of use, and price. To this end, five different hypotheses are formulated which address each of these product characteristics:

For the purposes of the scope of this work, several authors define quality with an approach that is closer to the experience with customers. Thus, Feigenbaum (1987) views quality as a determination based on customer's current experience with products or services, while Taguchi (1989), on the other hand, believes that quality is reassured by meeting the customer's expectations.

In general, the studies concerning the COO show a marked effect on the perceptions of quality where stereotypes of the countries of origin play a relevant role in the consumer's assessment judgment (Li, Murray, and Scott 2000).

Several studies have reported that American consumers tend to have negative stereotypes of goods manufactured in recently industrialized countries (Calder, Philips, and Tybout 1981) (Johansson and Nebenzah 1986). And therefore, it could be inferred that consumers in developing countries will probably have positive stereotypes regarding products that have been designed in highly industrialized countries (Biswas, Chowdhury, and Kabir 2011). Consequently, the first hypothesis refers to quality:

H1: The larger the number of industrialized the countries involved in the manufacture of a comparison product, the greater the perception of quality.

As with quality, consumers will be evaluated regarding their perception towards durability of a product. In terms of manufacture, the term "durability" is understood as the probability that an item will continue to perform meeting the customer's level of expectation during its useful life without the need to examine or rebuild the item because of wear (Larrea 1991).

Previous studies indicate that consumer's sensitivity towards the COO largely depends on the product category. In particular, sensitivity is high in the case of long-lasting, complex products (Elliott and Cameron 1994). Then, the second hypothesis evaluates the degree of product durability perceived by consumers, knowing that the product was designed in the most industrialized country according to this study:

H2: When a comparison product is designed in the most industrialized country, it is expected that durability will be more favorable in comparison with that of other countries being reviewed.

A product is deemed a user-friendly product when it is useful and easy to use. In other words, it does not require any specific or additional skills to use it or operate it (Ensor and Drummond 2005). Since globalization has made it possible to introduce a wide range of products into the market, the objective of analysis with the third hypothesis is the ease of use of products, regardless of their origin:

H3: In the opinion of consumers, any comparison product is easy to use, regardless of where it was manufactured.

Several studies have investigated and demonstrated how consumer's perception towards price works as a quality indicator (Erickson, Johansson, and Chao 1984). The argument behind this assumption is presented in one or several of the following beliefs: (a) the manufacture of quality products requires the use of sophisticated expensive machines, which, therefore, increase the product price; (b) manufacturers use high quality raw materials for producing top quality products; and (3) in a competitive world, a low quality product is very unlikely to have a high price (Biswas, Chowdhury, and Kabir 2011). The purpose of the fourth hypothesis is to measure said perception:

H4: The larger the number of industrialized the countries involved in the manufacture of a comparison product, the greater the perception of a higher price.

Lastly, this paper reviews the consumer's perception of the relationship regarding the performance and efficiency of comparison products. These two concepts are defined as the ability to perform the obligations inherent to their function and the ability to accomplish the intended effect, respectively. It is assumed that there is a direct relationship because both characteristics focus on the capacity and ability of a comparison product to perform and meet the purpose that the consumer had in mind when purchasing the product. Therefore, the fifth hypothesis is formulated as follows:

H5: It is expected that there is a direct relationship between the efficiency and performance of a comparison product based on consumer's perception.

Methodology

This study is designed in such a way that it is possible to get an idea of the possible impact of the COD, COA, and COP on consumers when they evaluate new products from other countries with a different level of industrialization. According to the classification used in The Global Innovation Index 2013, the United States is the most industrialized country, followed by China and Brazil. It is responsible for analyzing, measuring, and comparing

various aspects such as the following: economy, human capital, resources, institutions, and infrastructure in all countries worldwide for the purpose of preparing a classification of the countries.

"Tablets" is the product category selected for this study, as tablets have begun to gain importance on the market. At the same time, thanks to the globalization of technologies, tablets started to become ubiquitous, thus allowing dissemination and knowledge of this product to expand worldwide.

A Likert scale was used ranging from 1= "Totally agree" to 7= "Totally disagree." The scale rated the quality, efficiency, performance, durability, ease of use, and price attributes. All measures employed in this study had already been used in previous studies proving them valid and reliable. The main sources used in the attribute selection process were the following: (Insch and McBride 1998; Parameswaran and Yaprak 1987; Bandyopadhyay and Banerjee 2002; Ahmed and D'Astous 1999; Han and Tepstra 1988).

Because of the limited knowledge of the influence of associations available in literature, a research strategy has been initiated controlling potential threats to internal validity. Therefore, no brand or corporate name, price or any other information was used for controlling previous information and focusing only on the effects of associations with the COO.

The survey provided respondents with specific information regarding the country that plays the role of COD, COAD, or COP. As a result, six different kinds of treatments or surveys were prepared. For example, a description was provided of the COD ("USA designed a tablet") and the COP ("The parts were manufactured in China"). Along the same lines, a description was provided of the COA ("China assembles the finished product").

The selection of the sample was made taking into account the product to be reviewed in the study (tablets) and, thus, it was determined that the target population had to be young people. This decision was made because young people are familiar with and have extensive knowledge of these kinds of products, as they are daily exposed to the interaction with and procurement of information from this product category.

Table 1: Questionnaire Design

Type/Treatment	COD	COA	COP
Type 1	USA	China	Brazil
Type 2	USA	China	China
Type 3	Brazil	China	Brazil
Type 4	Brazil	China	China
Type 5	China	China	China
Type 6	China	China	Brazil

The total sample size was 2160 surveys, which were administered to university students, 1080 of the respondents are women and 1080 are men. Both men and women participated in equal numbers in each kind of survey.

Table 2: Sample Profile

Type/Treatment	Gender	Number
Type 1	Female	180
	Male	180
Type 2	Female	180
	Male	180
Type 3	Female	180
	Male	180
Type 4	Female	180
	Male	180
Type 5	Female	180
	Male	180
Type 6	Female	180
	Male	180
Total	Female	1080
	Male	1080

Results

The analysis of the surveys in the study is aimed at evaluating the level of product quality and how the country of origin in which the COD is involved affects the perception of quality. To this end, H1 establishes that the perception of quality is greater when there are a larger number of industrialized countries involved in the manufacture of the tablets. The results show that the products designed in the most industrialized country (i.e. United States) are perceived to have the same quality as those designed in less industrialized countries (e.g. Brazil and China) ($F=1.23$; $p<0.05$). Therefore, there is not sufficient statistical evidence to confirm hypothesis 1. This comparison was made only using the evaluation of the country of design information, disregarding information of

Table 3: H1 ANOVA - One Way ANOVA

	Fv	Sc	GI	Cm	F	P - Value
Treatments:	12.31	5	2.463	1,232	0,295	
Error	419.67	210	1.998			
Total	431.98	215				

Table 4: H1 Summary

Groups	Count	Sum	Average	Variance
T1	360	1,15	3.19	1.25
T2	360	1,27	3.53	1.63
T3	360	1,42	3.94	2.11
T4	360	1,18	3.28	1.52
T5	360	1,25	3.47	2.71
T6	360	1,27	3.53	2.77

Table 5: H1 Variance Analysis

Origin of variations	Sum of squares	Degrees of freedom	Average of squares	F	Probability	Critical value for F
Between groups	12.31	5	2.462.963	123.246	0.30	2.26
Within groups	419.67	210	1.998.413			
Total	431.98	215				

The current rapid pace of progress in technology has accelerated the development of new products and shortened their useful life cycle. This is the reason for which this study aims to determine whether the durability of a comparison product is relevant and whether there is any direct relationship with the country in which the product is designed (COD). To this end, H2 determines that the perception of durability is more favorable when tablets are designed in the most industrialized country. This means that the durability results are higher when a product is designed in the United States in comparison with the designs from Brazil and China, which are the other two countries being reviewed. The results, however, show that the durability of tablets is identical, regardless of the country in which they are designed because there is not sufficient statistical evidence ($F= 0.50$; $p<0.05$) to support hypothesis 2.

Table 6: H2 ANOVA

Fv	Sc	Gl	Cm	F	P - Value
Treatments:	5.93	5	1.186	0.500	0.7757
Error	497.69	210	2.370		
Total	503.63	215			

Table 7: H2 Summary

Groups	Count	Sum	Average	Variance
T1	360	1,33	3.69	2.10
T2	360	1,31	3.64	1.67
T3	360	1,44	4.00	2.34
T4	360	1,42	3.94	2.23
T5	360	1,48	4.11	3.36
T6	360	1,39	3.86	2.52

Table 8: H2 Variance Analysis

Origin of variations	Sum of squares	Degrees of freedom	Average of squares	F	Probability	Critical value for F
Between groups	5.93	5	1.19	0.50	0.78	2.26
Within groups	497.69	210	2.37			
Total	503.63	215				

Considering the technological progress that has taken place worldwide, this study is aimed at analyzing the influence of the country-of-origin effect on the ease of use of a comparison technology product. Thus, H3 considers that a tablet is a user-friendly product, so consumers do not care about the location where it was manufactured. Hence, the results reveal that the respondents in the sample are of the opinion that any tablet is user friendly ($F=1.86$; $p<0.05$) regardless of where it is designed (COD) or where its parts are manufactured (COP) or assembled (COA).

Table 9: H3 ANOVA

Fv	Sc	Gl	Cm	F	P - Value
Treatments:	13.31	5	2.66	1.86	0.10
Error	300.61	210	1.43		
Total	313.93	215			

Table 10: H3 Summary

Groups	Count	Sum	Average	Variance
T1	360	990	2.75	1.68
T2	360	1	2.78	2.18
T3	360	730	2.03	0.66
T4	360	920	2.56	1.57
T5	360	880	2.44	1.63
T6	360	920	2.56	0.88

Table 11: H3 Variance Analysis

<u>Origin of variations</u>	<u>Sum of squares</u>	<u>Degrees of freedom</u>	<u>Average of squares</u>	<u>F</u>	<u>Probability</u>	<u>Critical value for F</u>
Between groups	13.31	5	2.66	1.86	0.1	2.26
Within groups	300.61	210	1.43			
Total	313.93	215				

Several studies have looked into consumer's perception of price as a quality indicator, and many have shown the price to work in such a way (Erickson, Johansson, and Chao 1984). Thus, the purpose is to analyze the consumer's perception of the relationship between price and industrialization. Considering this, H4 establishes that the perception of the tablet price is higher when there are a larger number of industrialized countries involved with production. Therefore, the results demonstrate that the population in the sample does not perceive any direct relationship between the price variable and industrialization ($F=1.21$; $p<0.05$), as there is not sufficient statistical evidence to confirm this hypothesis.

Table 12: H4 ANOVA

<u>Fv</u>	<u>Sc</u>	<u>Gl</u>	<u>Cm</u>	<u>F</u>	<u>P - Value</u>
Treatments:	15.58	5	3.12	1.21	0.31
Error	540.64	210	2.57		
Total	556.22	215			

Table 13: H4 Summary

<u>Groups</u>	<u>Count</u>	<u>Sum</u>	<u>Average</u>	<u>Variance</u>
T1	360	1,34	3.72	2.15
T2	360	1,39	3.86	2.29
T3	360	1,64	4.56	2.71
T4	360	1,44	4.00	2.46
T5	360	1,52	4.22	2.92
T6	360	1,44	4.00	2.91

Table 14: H4 Variance Analysis

<u>Origin of variations</u>	<u>Sum of squares</u>	<u>Degrees of freedom</u>	<u>Average of squares</u>	<u>F</u>	<u>Probability</u>	<u>Critical value for F</u>
Between groups	15.58	5	3.12	1.21	0.31	2.26
Within groups	540.64	210	2.57			
Total	556.22	215				

Lastly, when it comes to technology products, it is necessary to consider the aspects of efficiency and performance as they both aim at the same objective of meeting consumer's needs, regardless of the country of design (COD), country of assembly (COA) or country of parts (COP). Hence, H5 is intended to find a direct relationship between consumer's perception of efficiency and performance. Based on the results, it is observed that there is a direct relationship between efficiency and performance of tablets, regardless of the country of origin because the correlation for all treatments or types is significant as they are all greater than 0.5.

Table 15: H5 Efficiency-Performance Correlation

Treatment/Type	T1	T2	T3	T4	T5	T6
Correlation	0.606	0.615	0.501	0.715	0.705	0.770

Conclusions

Consumers believe that the fact that a tablet is designed or assembled using components manufactured in an industrialized country like the United States is not an indicator that it will be of a better quality or that it is significant enough to justify a higher price on the market. This means that, if other less industrialized countries, such as Brazil or China, are involved in the production process, then the perception of quality and price on the part of consumers will be identical to that of the most industrialized country. This can occur because it may be that consumers do not relate the countries reviewed in the study as being involved in the production of tablets. It may also be the case that they do not perceive any difference in the level of industrialization among these countries.

Consumer's perception towards durability of tablets is not affected by the country involved in their design. This means that if a tablet is designed in the United States, China or Brazil, then consumers will be indifferent to the perception of the attribute of durability. At the same time, it can be observed that these consumers find that all kinds of tablets are easy to use, regardless of where they are manufactured, designed or assembled. This is because this kind of product is considered user friendly, because it has a standard operation, thus allowing for ease of use by consumers, regardless of the country of origin.

Regardless of the countries involved in the production of tablets (i.e. COD, COA, and COP), consumers are of the opinion that their efficiency and performance are directly related with each other. This is to say that, if the perception of performance of a tablet is low/high, it is expected that their efficiency will be low/high and vice versa. When Brazil is involved as country of assembly (COA), China as country of design (COD) and country of parts or components (COP), then the relationship between efficiency and performance is stronger than that of other treatments/types being reviewed.

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Summary Brief

Can a Sports Organization be Against Gambling if it Embraces Fantasy Sports?

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Professional sports leagues embrace pay-to-play (P2P) fantasy sports as both a revenue stream and a method for increasing fan engagement. At the same time, these leagues abhor sports betting and fight efforts to legalize sports gambling to protect the integrity of their sports. However, the nature of the relationship between fantasy sports and gambling remains unclear. If a connection exists between fantasy sports participation and gambling behavior, it could undermine efforts to regulate gambling in the U.S. We propose a series of three studies to empirically examine the relationship between fantasy sports and gambling, with a focus on sports betting and online gambling.

Introduction

The fantasy sports industry has experienced tremendous growth, with over 41 million participants last year in the United States and Canada, up 30% from 2010 (Fantasy Sports Trade Association [FSTA] 2015). However, concerns about the potential negative influence of fantasy sports have also grown (Feldman 2014). Much of the industry's growth can be attributed to the popularity of pay-to-play (P2P) leagues and daily fantasy sports games in which players wager entry fees for a chance to win cash and other prizes (FSTA 2014). Fantasy sports are often viewed as safe forms of entertainment wholly unlike gambling (Weiss, Demski, and Backen 2011). A link between fantasy sports and gambling could undermine efforts to regulate gambling at all levels.

Federal laws such as the Unlawful Internet Gambling Enforcement Act (UIGEA 2006) restrict sports betting and online gambling. However, specific language in the UIGEA exempts most forms of P2P fantasy sports. The four major professional sports leagues (National Football League, Major League Baseball, National Basketball Association, and National Hockey League) and the National Collegiate Athletic Association successfully sued in Federal Court to block enforcement of a New Jersey law legalizing sports betting, arguing it would affect the integrity of their games (Ginsburg 2014). Many of these leagues, however, have established partnerships with two leading daily fantasy sports sites (Drape 2014). While these organizations fight to protect their games from the influence of gambling, they embrace P2P fantasy sports as both a revenue stream and promotional tool. A connection between fantasy sports participation and gambling behavior could undermine the positions taken by pro sports leagues in regards to these activities.

We present three studies which examine the role fantasy sports plays in driving gambling behaviors and the differences in gambling behavior between players who prefer P2P leagues and those who prefer free leagues. Specifically, we address the following questions: Does a propensity to engage in fantasy sports promote gambling behavior? Does a propensity to engage in fantasy sports influence the time and money spent on sports betting and online gambling? Are P2P fantasy sports players more likely to engage in gambling activities than free players? Do P2P fantasy sports players spend more time and money on sports betting and online gambling than free players?

Conceptual Framework

Personality traits represent habitual patterns of behavior, thought, and emotion, which can indicate tendencies to behave in certain ways (Kassin 2003). We examine two traits as potential antecedents of gambling behavior: gambling propensity and fantasy sport propensity. Gambling propensity is a tendency to engage in general gambling behaviors (Mowen et al. 2009). Fantasy sport propensity represents a tendency to engage in fantasy sports contests (Houghton et al. 2015). These two traits were developed in prior research using Mowen's (2000) 3M Model of Motivation and Personality. The 3M Model is a hierarchical framework with four levels of traits: elemental, compound, situational, and surface. Elemental traits are the most basic and abstract, and include the "Big Five" traits (openness to experience, conscientiousness, extroversion, agreeableness, and neuroticism). Elemental traits combine to form compound traits, which in turn combine to form situational traits and surface traits. Surface traits are easily

observed and strongly predictive of behavior. Thus, we consider them to be highly useful for predicting behaviors of interest to marketers and public policy makers. The traits examined in this study are surface traits.

Methodology and Discussion

Data was collected through Mechanical Turk (MTurk). The main sample is 64% male and 80% Caucasian which is in line with the demographics of fantasy sports users (FTSA 2015). A series of regression analyses will be performed to test the predictive hypotheses related to our research questions.

Sports leagues in the U.S. are straddling a fine line: they publicly embrace P2P fantasy sports as a revenue source while simultaneously taking a strong stance against sports betting and lamenting its negative effects on the sports industry. However, it is possible that fantasy sports participation could lead consumers to bet on sports. This could undermine not only the sports leagues' positions but also current efforts to regulate gambling at the state and federal levels. This research seeks to contribute to this conversation by empirically testing the connection between fantasy sports and gambling. The results will provide insights of use to managers and public policy makers.

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Summary Brief

How Does Culture from Emerging Markets Impact on Their Managers' Ethical Decision Making? Latin versus Indian Managers

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This study (1) compares two groups of managers as defined by their cultural contexts, Latin and Indian, in order to ascertain if anyone is more or less ethical, (2) examines the separate and competing effects of key cultural traits regarding ethical behavior, such as religious practice, spiritual values and social values, on the same process, and (3) investigates the moderating effects of culture and cultural factors on the ethical decision-making process of managers to better understand if their ethics is guided by global norms or group-specific norms . Using a quasi-experimental design applied to two distant cultures, Latin and Indian, results show that managers follow similar deontological routes when making ethical decisions. However, the implementation of ethics is not uniform across cultures. A Latin culture adds teleological criteria to make ethical judgments, whereas an Indian culture ignores them. Moreover, a Latin culture opens the door wide to the influence of religious practice, spiritual values, and social values on ethical decision-making mainly because they also use teleological evaluations in the formation of ethical judgments. Finally, the answer to the question of whether managers in some cultural contexts are more ethical than other managers, or vice versa, is determined by the nature of ethics in each context, that is, deontological and teleological in some cultural contexts while deontological only in some other contexts. The managerial implications for cross-cultural business are also considered.

Summary Brief

The Liability of Tenure within the Marketing Industry: A Conceptual Paper

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Contradictory findings exist regarding the relationship between employee tenure and ethical behavior. Many variables have been presented yet have failed to reconcile the relationship, leaving a significant gap in ethics literature. Building on previous theoretical and empirical analysis, this paper addresses the interaction between individual and organizational characteristics, proposing that (un)ethical behavior is driven by the interaction between employee tenure; employee locus of control; and relative ethical standards. This article contributes to theory and practice by connecting the relationship between, and thus providing a better understanding of, the drivers of employee behavior and determining how these interactions lead tenured employees to engage in (un)ethical behavior.

Introduction

For years, the relationship between employee tenure and ethical behavior has been of importance to researchers in both business and psychology literature (Pennino 2002). As a result, much attention has been placed on determining the factors that lead tenured employees to engage in either ethical or unethical business practices. A multitude of variables have been presented to try and determine the relationship between ethical behavior and tenure. To date, however, research has only contributed to the confusion, as conflicting results linking tenure to ethical behavior have been established (Kelley et al. 1990; Loe, Ferrell and Mansfield 2000).

Literature Review

In this paper, tenure is defined as the amount of time an individual has been employed by his/her current organization (Pennino 2002). Researchers continue to find differing results regarding whether tenure is positively or negatively related to ethical behavior. Waddock (2005) asserts that ethical standards are diminishing because graduate business courses fail to emphasize, or in some cases even address, the importance of business ethics.

Trevino (1986) theoretically linked internal locus of control (LOC) with ethical decision making, stating that those who see a clear connection between their own behavior and its outcome would be more likely to take personal responsibility for that behavior. One organizational factor that can greatly affect an employee's ethical behavior is their surrounding organizational ethical culture. Organizational culture encompasses routine behaviors and actions supported and rewarded within an organization. It is this culture that dictates the organization's ethical values and expected behaviors of its employees (Sinclair 1993) and can be an important determinant of an employee's ethical decision-making process (Hunt and Vitell 1986).

Theory Development

Based on tenure research, it is evident that additional factor(s) related to tenure and behavior must be driving (un)ethical decision-making; however, examining both individual and organizational characteristics alone does not explain the relationship between tenure and ethical behavior (Wahn 1993). Researchers have explored the concept of LOC, while others have looked at the ethical standard of the employee relative to the organization, yet none have investigated the interactive behavior of these variables with tenure. The interaction between these three variables can lead to a better explanatory model of (un)ethical behavior in employees.

LOC correlates to an individual's susceptibility to influence; those with strong internal LOC have higher resistance to influence, while those with strong external LOC do not (Loe et al. 2000). Regardless of whether the organization has high or low ethical standards, over time employees with strong internal LOC will not change to meet the standards of the company. If the employee is ethical s/he will remain ethical throughout their tenure, no matter the standards of the organization. Likewise, if the employee is unethical, he will remain unethical throughout their tenure, no matter the standards of the organization.

Employees strong in external LOC tend to associate their behaviors with their surrounding environment (Detert et al. 2008); they are more likely to hold previously established norms accountable for their actions, as opposed to taking personal responsibility for their actions. As standards do not immediately change, but rather adapt over time (Inglehart and Baker 2000), external LOC employees will, over time, adapt to their surroundings. Consequently, employees strong in external LOC will be more likely to commit unethical acts if the organization they work for promotes unethical behavior.

Conclusion

The contribution of this article is the integration of key factors of (un)ethical behavior missing, or simply misplaced, in previous theoretical models, and testing the three-way interaction between key variables. This analysis provides an outline for understanding the relationship between tenure, LOC and relative ethical standards. The discussed propositions are a step toward developing a more comprehensive understanding of such a strategy.

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Summary Brief

Why Stakeholders Should Consult Game Theorists and Ethicists for Development Strategies

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Game theory and ethical theory can lead to better policy decisions in a wide range of development scenarios. We create a scenario that seeks to balance stakeholders' interests for economic development while also maintaining ecological integrity in tourism development. Our findings indicate that two equilibria are possible. One equilibrium focuses on relatively higher short-term profits, but with ecological damage and thus lower cumulative profits over the long run. The second equilibrium requires ecological maintenance costs yet yields long-term, sustainable profitability. Even though the second equilibrium has the highest cumulative profits, stakeholders may not always reach the second equilibrium. Communities that tend to have a long-term perspective and communities that have an ethically guided decision process informed by economic policy are theorized to be more successful in reaching the preferred equilibrium. The practical application of our analysis is that change agents should seek to educate stakeholders about the economic benefits of maintaining ecological integrity while also educating and promoting a sustainability ethic.

Introduction

Crane (2011) calls researchers to focus on system-level design and evaluation that maximizes benefits to all stakeholders. This approach means that “business ethics researchers will have to become more useful at working across disciplinary boundaries and partnering themselves with scholars from economics, science, engineering, psychology, sociology and various sub-disciplines of management in order to make the necessary contributions to knowledge” (Crane, 2011, 159). The present research article heeds this call for interdisciplinary research that has, as its unit of analysis stakeholder cooperation, primarily towards the goals of environmental sustainability and economic development. Researchers in this article work in the fields of business ethics, tourism, economics, and marketing.

Method

The main stakeholders analyzed in the present study include government, tourism companies, local residents and tourists. According to the analysis of the interest demands of each stakeholder involved in sustainable tourism development, it appears that the game equilibrium should be reflected in the proportion of participants who choose the same strategy for improvement. There is a positive correlation in the proportion of participants who choose the same strategy and the profits gained from the choice. The higher the economic gains, the more support from local residents. However, under a reasonable allocation mechanism, the participants' personal gains depend on overall profits. That is, the game equilibrium among stakeholders of sustainable tourism development depends on the maximization of the overall profits under the requirements of ecotourism as well as a reasonable allocation mechanism.

From the sustainable tourism perspective, the ecological benefits are even greater than the economic gains. In contrast, the common strategy of stakeholders is likely to be contradictory to the requirements of sustainable tourism development. To strike a balance among model parsimony and feasibility, we impose a straightforward two-alternative structure for ecotourism development.

Strategy A

The stakeholders only want to gain economic profits, without regard to the cost to maintain the ecological benefits; therefore, there are only fixed and variable costs required in ecotourism development, with no costs for ecological maintenance.

Strategy B

The stakeholders consider not only the cost for obtaining economic profit but also the cost of maintaining the ecological benefits; therefore, there are fixed and variable costs required in development along with ecological maintenance costs.

Results and Discussion

It is unlikely that an ecotourism community will choose exclusively Strategy A or Strategy B. Some stakeholders may be indifferent. Most likely, stakeholders will choose strategy B for ideological reasons and others will choose Strategy A, opting for short-term profit. We theorize that many tourism destinations will experience a partial loss of the environmental quality as the destination becomes a more popular tourist attraction. Once the critical juncture is reached such that the ecosystem is damaged and there is a noticeable decrease in tourism, all stakeholders are likely to invest collectively in the ecosystem. This is essentially what happened in the case of the Wisconsin Dells. The result is a boomerang effect, such that the equilibrium passes by the point where the ecosystem is damaged. As the damage is noticed, more resources are invested in not only preserving the ecosystem, but improving or repairing the damage that is done. Eventually, the equilibrium of Strategy B is achieved and the sustainable tourism community stays intact. However, this is the more costly route in that usually more resources are needed to repair damage than originally would have been needed for preservation. Finally, it is important to note that once some ecological resources are spoiled, it may be impossible to fix. This has happened in the Wisconsin Dells region in that water quality is likely never to return to the pristine levels when tourists first started travelling to the region. Also, many of the most famous rock formations are now underwater and will remain so unless the dam is removed.

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Summary Brief

To Share or Not to Share? Branded Content Sharing in Twitter

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Introduction

Marketers have long recognized the power of word-of-mouth communication to influence consumer brand perceptions. Social media channels such as Facebook and Twitter make possible an efficient spread of communication to potentially large audiences with the added value of the credibility afforded to earned media. Consequently, marketers seek to encourage social media users to share brand-related messages. But how? To answer this question, we must first understand the decision to share or not to share in a social media context. This paper reports on an investigation as to the source and content of a brand's tweets as antecedents of an individual's decision to share that tweet among his/her followers.

We compiled a list of different content strategies recommended for brands (Tuten and Solomon 2015). The categories of content included in the studies were conversation, list, resource, humor, giveaway, counter-belief, how to, curated content, video link, picture, infographic, news, research/stats, case study, slide share presentation, quote and announcement. In addition, we studied two types of content source: 1) consumer-packaged (CPG) goods brands and 2) personal brands (people). Thus the two studies provided insight into what types of content had the highest probability of message amplification and which source is most advantageous for message amplification.

Methodology & Results

Study 1

We selected two consumer brands (CB), one well known and one average as well as two individual/personal brands (PB), again one well known and one average. To generate our sample we used Twitter the Twitter API with the `twitter` package for R. Through the Twitter developer site, we accessed 2,000 tweets total (500 most recent tweets for each brand) during a specific time period in 2013.

We performed six regressions total: one for each brand (CBA, CBB, PBA, PBB,), one for the two consumer goods brands (CBR) and one for the two personal brands (PBR).

CBR ($R^2 = .11$) results showed giveaways and announcements having a positive effect and conversations a negative effect on retweets ($p < .01$).

Individual results showed that CBA ($R^2 = .20$) with infographics ($p < .05$) and announcements ($p < .01$) positively affecting and conversations ($p < .01$) negatively affecting retweets. In contrast, CBB ($R^2 = .42$) had conversations and announcements negatively affecting ($p < .01$) and pictures positively affecting ($p < .01$) retweets.

PBR ($R^2 = .35$) results showed curated content, video links, news, and research/stats having a positive effect ($p < .01$) and pictures ($p < .05$) a negative effect on retweets.

Individual results showed that PBA ($R^2 = .35$) with picture and case studies positively affecting ($p < .01$) and resources ($p < .05$) negatively affecting retweets. In contrast, PBB ($R^2 = .45$) had resources and announcements negatively affecting ($p < .01$) and conversations positively affecting ($p < .01$) retweets.

Study 2

While study 1 included data originating from the tweets of four profiles, study 2 included tweets originating from 14 profiles. The final total for tweets was 5965 generated by 14 accounts, 10 personal brands and 4 consumer brands. Tweet count ranged from a minimum of 300 to a maximum of 496 per account. CBR ($R^2 = .138$) results showed the following factors played a significant role in increasing retweets: humor ($p < .01$), giveaways ($p < .01$), how-to ($p < .01$), curated content ($p < .01$), video links ($p < .01$), and pictures

($p < .01$). Conversation proved to be a significant and negative factor for retweet count for consumer brands ($p < .05$). Whether or not the message was in reply to another message was not a significant factor. PBR ($R^2 = .224$) exhibited quite different results. Replies by personal brand accounts to other messages were significantly less likely to be retweeted ($p < .01$). Content factors conversation ($p < .01$), resource ($p < .01$), humor ($p < .01$), video link ($p < .01$), picture ($p < .01$), infographic ($p < .05$) and quote ($p < .01$) significantly increased the number of retweets for a particular message.

Discussion

Our results support that both type of source and type of content will impact whether an individual decides to share the brand's content. While there are general standards to create engagement with customers on social media, it is clear it is not a one-size-fits-all strategy. Certain types of content had higher message amplification whether the source was a brand or a person.

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Summary Brief

Should I Follow Friends or Crowds in Online Music Listening

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Based on data collected from Last.fm, we analyze the relationship between crowds, friends and focal listeners' online music listening behavior over time. Our results suggest that the relationship between crowds, friends, and online music consumption is more complex than previously thought. Consistent with prior research, we find both crowds and friends positively affect online music listening. However, the results suggest that crowds have a larger impact on mainstream music listening whereas friends have a relatively larger impact on niche music listening. In addition, we find the inverse S-shaped functional relationship between crowds, friends and focal music listeners' online music listening over time.

Introduction

Extant research has generated insightful observations regarding how crowds and friends impact online customer decision making (Abbassi, Aperjis, and Huberman 2012). However, comparative studies on the effect of crowds and friends on online customers' decision-making over time are still lacking. We can ask questions such as in presence of friends in social media, do crowds still matter? Therefore, it is vital to understand how crowds and friends differentially affect customer purchase considering the importance of loyal customer purchases and consumption in firm profitability and sustainability (Abbassi, Aperjis, and Huberman 2012; Dewan and Ramaprasad 2014).

Theory and Hypothesis

Social psychologist Latané (1981) suggests that as the size of the crowds grows, the influence of the friends' decreases. When music listeners search for signals about which songs to listen, they look for particular signals to make decisions as a result of having either incomplete or asymmetric information (Lieberman and Asaba 2006). When a song has few friend listeners, it indicates that the song might be less popular. Prior research suggests that almost any song of average quality may become a hit if the numbers of downloads are published (Salganik, Dodds, and Watts 2006). As such, crowds might have a larger impact on focal music listeners' online music listening behavior than that of friends. We hypothesize:

H1: Compared to friends, crowds have a stronger impact on focal listeners' music listening than that of friends.

Mainstream vs Niche Music

For the mainstream music, since a lot of people listen to the music, before the focal listeners listen to a song, the focal listeners might have knowledge about the songs from the crowds. Therefore, crowds will have larger impact on the listening behavior of mainstream music.

When it comes to niche music, there is less information for the niche music since niche music has far less listeners than mainstream music. As such, music listeners may have much uncertainty to niche music compared with mainstream music. To reduce the uncertainty, they are more likely to seek information from interacting with friends who have more detailed information about the niche music rather than from crowds who may not have desired knowledge about the quality and specifics of the niche music. Moreover, niche music listeners tend to trust more on friends than crowds in evaluating niche music because they are more similar to one another in terms of identities, needs and preferences for specific pieces of music as suggested by social network research. In addition, under social pressure, in a small circle of friends, friends are more likely to conform to the positive expectations of others in the group (Nolan et al. 2008). Pressure to conform is the friends' expectation may cause listeners to become more involved with friends rather than crowds in evaluating and selecting niche music. Thus, focal listeners might succumb more to friends rather than crowds in niche music selection. We hypothesize:

H2(a): When it comes to mainstream music, crowds have stronger influence on focal listeners' music listening than that of friends.

H2(b): When it comes to niche music, friends have higher influence on focal listeners' music listening than that of crowds.

Prior research suggests that many factors such as online reviews influence more on niche products (products in the tail) than that of mainstream products (products in the body). The reason behind this is that consumers value niche products geared to their particular interests more than they value products designed for mass appeal (Anderson 2006). Several studies provide support for this phenomenon (e.g., Dewan and Ramaprasad 2012). Together with prior research (Anderson 2006), H3(a) and (b), we hypothesize:

H2(c): Both crowds and friends have higher impact on focal music listeners' niche music listening than on focal music listeners' mainstream music listening. However, compared to crowds, friends will have highest impact on focal music listeners' niche music listening rather than mainstream music listening.

Functional Structure of Crowds and Friends Influence

If the focal listeners are not happy about the quality and the value of the music to them, they may reexamine and reverse their initial decisions. Post decision regret makes the focal listeners to negatively disconfirm their listening experiences because of the cognitive and emotional dissonance between the focal listeners' original expectations and subsequent listening experiences, which cause a deviation from their initial expectation. The more uncertain the individual is about the correctness of his/her judgment, the more likely he/she is to be susceptible to informational influences by rationally ignoring his/her own information and follows the crowd or friends decisions in making his/her judgment (Tesser et al. 1983). As a result, the numbers of focal listeners' music listening will dramatically increase as the number of crowd listeners or friend listeners increase. In summary, our theorizing suggest that focal listener's music listening experiences should increase to a greater degree at the margins, which leads to a convex shape for elation values and a concave shape for disappointment values. Formally, we have:

H3(a): There is an inverse S-shaped curvilinear relationship between crowds and focal listeners' online music listening.

H3(b): There is an inverse S-shaped curvilinear relationship between friends and focal listeners' online music listening.

Method

Our data is collected from Last.fm website. To test our hypotheses, we randomly selected 38,000 observations from 1,900,000 observations (2% of the total 1,900,000 observations). We used Negative Binominal Model to test our hypotheses (Cameron and Trivedi 2009). The results support our hypotheses.

Discussion

Our empirical results show that crowds and friends have distinct patterns of influences on focal listeners' online music listening behavior over time. Our findings indicate that ignoring the differences between crowds and friends on music listening might undermine the effectiveness of promoting music by crowds and friends to mainstream music and niche music. Second, based on the predictions from herd theory and information cascade theory, we outline the nonlinear relationships between crowds, friends and focal music listeners' online music listening behavior. We find that both crowds and friends have an inverse S-shaped functional relationship on focal music listeners' online music listening. This finding provides us with novel understanding of herding behavior in online digital product consumption.

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Summary Brief

Understanding the Effects of Social Media Follower Interactions

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The interactive characteristics of social networking sites (SNSs) represent the principle component that separates SNSs from Web 1.0 technologies. In this study, the authors focus on the effects of SNSs audience responses to fellow users. We argue that audience reactions serve as environmental cues that are manifested in relational interactions within the social ecosystem. Hence, we propose that when an individual's brand content is recognized by the brand that inspires them, it will enhance the contributor's self-esteem, suggesting a new level of importance to digital branding.

Introduction

Increasing accessibility and use of the Internet has allowed a new type of media to emerge in the online environment. Web 2.0 technology which is better known as social networking sites (SNSs) provides an unmatched platform for consumers to generate digital content based on voluntary participation and collaboration (Kaplan and Haenlein 2010). As participation in SNSs has increased in popularity, its presence in the daily lives of most individuals has become more than just a novelty (Li, Bernoff, and Groot 2011); it has become an integral component of daily lives and social interaction practices.

Nonetheless, extant studies focusing on relational element of SNSs are limited. In practice, social media enables firms to engage with their target audience in a timely and interactive manner and higher degree of efficiency than conventional communication tools. SNSs present substantial potential for firms to connect with those who are genuinely interested in their products and services, and can thus potentially influence revenue growth, cost reduction, and improve efficiency (Baird and Parasnis 2011). Despite such capabilities, firms are only moderately responsive to consumers' SNSs communications and their strategies often focus on product- or service-related issues (Einwiller and Steilen 2015), when in reality users are seeking for an opportunity to engage with those brand identities.

The purpose of this study is to understand the deeper effects of SNSs interaction among individuals, audience, and brands by arguing that SNSs audience's reaction to posted digital content is an act of recognition, which signifies the content contributors' effort.

SNSs Audience Reactions

The current study argues that SNSs audience reactions are social environmental cues, signifying the value of the contributor's content to the public, bestowing meaning of their effort to showcase the content to their audience, and allowing the contributor to assess his/her virtual relational quality. When an SNSs user's effort is recognized publicly, he/she will be rewarded with intrinsic satisfaction because no obvious reward is given to virtual content contributors (Lampe and Bhalla 2007). On the other hand, when content fails to induce any reaction from the audience, content contributors may not feel needed, cared about, or valued by others. In particular, the authors argue that, when an SNSs user's brand content is recognized by his/her aspirational brand—a brand that significantly influences an SNSs user's behavior due to personal relevancy, adopted from the seminal work of Bearden and Etzel (1982)—his/her self-esteem will be further enhanced. We propose that audience reactions to an SNS user's brand post will likely have a positive effect on the user's self-esteem, attitude toward posted brand content, and his/her intention to continue brand content sharing, by examining the following hypotheses:

H₁: *The volume of audience reactions to posted brand content will be positively associated with individuals' self-esteem.*

H₂: *The aspirational brand influence moderates the relationship between audience reactions to posted content and individuals' self-esteem.*

H₃: *SNSs users' self-esteem will be positively associated with their intention to continue content sharing.*

H₄: SNSs users' self-esteem will be positively associated with their attitude toward the brand.

Methodology

Active Twitter users were recruited using an online panel service, Amazon's Mechanical Turk, which is an open online marketplace for task creation, labor recruitment, and data collection (Buhrmester, Kwang, and Gosling 2011). Drawing from the existing literature, the authors modified the state self-esteem scales to be relevant to the SNSs environment (Heatherton and Polivy 1991). In addition, the authors adopted and modified aspirational reference group scales (Bearden and Etzel 1982), attitudes, and intention (Fishbein and Ajzen 2010).

This study employs a 2 × 2 scenario-based experiment to test the hypotheses. The scenarios manipulate audience reactions (high/low) and aspirational brand influence (high/low). In all conditions, respondents were assumed to engage in daily Twitter activities and instructed to answer survey items and manipulation check questions in reference to a randomly assigned scenario. We will examine participating SNS users' self-esteem using an ANOVA with audience reactions and aspirational brand influence as the factors. The main effects of those two constructs will be analyzed as well as their interaction effects.

Discussion

The results of the experiment are expected to support the proposed hypotheses. Given that SNSs users carefully craft their content to showcase it in a public domain, the reactions of a potentially vast audience and the aspirational brand response are influential enough to shape their social behaviors. After the experiment data is analyzed, the results will be presented in a poster forum, highlighting the conceptual model, experimental design, and methodology to elaborate the study's implications on SNSs marketing practices. Lastly, theoretical implications, marketing practices, and branding strategy will be addressed along with the limitations in the current work.

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Summary Brief

Using Social Media Conversations to Understand What Makes or Breaks Product Reviews

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Technologies like social media platforms and online forums/communities enable consumers to voice their opinions not just to friends and family, but to offer their opinions online to complete strangers. Prior research on the impact of consumer reviews online has considered its impact on sales, on brand sentiment, on stock prices, and on what motivates consumers to read reviews online. This research looks at what leads consumers to review a product positively or negatively by analyzing the reviews directly to help marketers improve their strategy. It provides additional understanding of motivations for posting reviews that complements previous research. In addition, most previous research in this area used some metric such as consumer ratings associated with reviews or re-coding of the reviews in order to analyze the data. This research, in contrast, borrows from tools and techniques from the field of information retrieval and data mining to analyze consumer reviews in entirety.

Introduction and Literature Review

Social media has taken on increasing importance lately in marketing budgets. Although, the term social media is more recent, the effect of word of mouth communication on consumer behavior and sales has been researched for more than fifty years. The current research looks at how consumer reviews of a product on Amazon can yield useful information to inform marketing practices. The contribution of this paper is two-fold. First, it offers a way to understand what makes or breaks product reviews. Second, the research borrows from the field of information retrieval and data mining for its capture and analysis of unstructured data directly, rather than re-coding as has often been the practice in previous research.

Research attention to social media is more recent and has grown exponentially in the last decade. Use of social media conversations as a research tool is due to its unobtrusive nature that allows assessment of consumer activity without direct interaction required in survey tools. As such it is an important measure of effectiveness of marketing methods and effectiveness of social media for marketing when compared to traditional methods (Delia and Armstrong 2015).

While previous research has examined the impact of online consumer reviews on sales (Chevalier and Maizlin 2006), brand sentiment/ stock price (Schweidel and Moe 2014), or the motivation for reading reviews (Burton and Khammash 2010; Hennig-Thurau and Walsh 2003), little research has been done to directly look at what factors could possibly lead to consumers writing positive or negative reviews of a product or service online. One of the challenges has been the cost of examining such qualitative data for predictive purposes and lack of tools and text analytical methods. This research is offered as an exploratory effort using a case analysis method by looking at what factors differentiate favorable and unfavorable reviews written by consumers of a specific product. Given that previous research has shown that such ratings influence sales rankings and brand sentiments, this research provides additional information on the motivation behind writing of favorable versus unfavorable reviews. Based on the discussion above, the hypotheses of current research are as follows:

H1: There should be a significant difference in customer experience between customers who provide a positive review of products and those who provide a negative review of products.

H2: Positive reviews of products are expected to be associated with a positive customer experience, while negative reviews of products are expected to be associated with a negative customer experience.

Methodology and Results

Detailed use of text for analysis is rather new and as such different methods have been used in prior research. This study focuses on using predictive modeling using both review text and review rating data to examine factors that lead to good or bad reviews for a product. Although previous studies have examined rating information

or used the reviews indirectly by re-coding, the current research used consumer reviews directly to predict what makes or breaks product reviews for a specific consumer product.

In order to use the actual reviews and user ratings to predict what could lead to good or bad reviews, and to test the predictive model, tools from the field of Natural Language Processing (NLP) were used as it offers a ready set of tools for processing text data (Bird, Klein, and Loper 2009; Brejla and Gilbert 2014; Pullman 2005).

Analysis, Results, and Conclusions

Natural language toolkit (NLTK) which is a module based on the Python language was used to test the model for predicting differences between those customers posting most positive and those posting most negative reviews. The data consisting of 789 reviews on a popular consumer product was divided into training, development, and validation sets. The results showed that the training model predicted with 97% accuracy while the validation model predicted with over 90% accuracy showing there was a significant difference in the words employed by customers posting positive versus negative reviews of the product.

Further examination showed specific words to be more associated with each group of customers providing positive and negative reviews. For example, customers posting positive reviews tended to use words such as “great,” “customer,” “love,” “fun” and “service” twice as often or more than the other group. On the other hand, customers posting negative reviews used words such as “company,” “not,” “very,” and “easy”. Further examination based on the words showed that customers that had higher ratings had a positive product and customer service experience with the company. On the other hand, customers that had low review ratings cited a negative customer service experience or a defective product in their reviews.

The findings have direct implications for marketing strategy. The results show that customer service experience that was positive could overcome a negative situation such as receiving a defective product. While overall, this product had more positive reviews compared to its competitors, the model also reveals how its position could be further strengthened by paying attention to product defects and customer service experience. Complimenting previous research on this topic, this paper offers a perspective and methodology to consider what motivates consumers to say what they say online and how it could be used to improve marketing effectiveness.

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Summary Brief

The Role of Corporate Social Responsibility Information in the Consumer-Brand Relationship

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Given the increased interest and empirical research in corporate social responsibility (CSR) and irresponsibility, the present study identifies two categories of corporate information – corporate operational performance and corporate social performance – to test and predict their respective impact on consumer brand advocacy and brand trust. Through an empirical study, the results from three-way interactions suggest that the valence of CSR and the product involvement have moderating effects on brand advocacy. However, such moderating effects on brand trust are only found in high involvement products. Managerial implications and future research are also included in terms of applying these results for buzz marketing and cause-related marketing strategy development.

Introduction

The interest of this paper aims to study the impacts of corporate operational performance (COP) and corporate social performance (CSP) on consumer brand advocacy and brand trust. In this consumer-brand continuum, customers evaluate brand trustworthiness by two scopes: (1) the product or service the firm offers (i.e., product brand) that is usually associated with COP (Rust, Moorman, and Dickson 2002); and (2) the firm which provides the products and services (i.e., corporate brand) that is connected with CSP (Korschun, Bhattacharya, and Swain 2014). Additionally, consumer response to brand trust and brand advocacy will be moderated by product involvement. The objective of this study is to empirically demonstrate that (1) COP information about high involvement products may elicit stronger brand affects than CSP; (2) the valence of CSR information has a directionally consistent effect on brand evaluation; (3) the exposure of CSR-COP may strengthen consumer brand advocacy, especially in the high involvement product categories; and (4) when consumers look at low involvement products, CSR-CSP becomes more diagnostic than COP information for brand evaluation and advocacy.

Methodology

A 2 (COP: CSR-COP vs. CSI-COP) \times 2 (CSP: CSR-CSP vs. CSI-CSP) \times 2 (Involvement: high vs. low) between-subject design was adopted to examine the above research objectives. A total of 326 undergraduate students were recruited. A fictitious company producing juices was used as the low involvement product category and another fictitious company manufacturing TV sets was used as the high involvement product category.

Results

The results suggest that as the different roles of CSP and COP in the diagnosticity and judgment, such type of positive information consistently influence brand advocacy in the same direction. However, as the level of uncertainty and perceived risks are different between low and high involvement products, the nature of CSP and COP information seems to be a better predictor of brand trust for high than low involvement products. Compared with low involvement products consumers probably weigh quality and reliability of products or services more important than other dimensions for high involvement products. Combining these judgments into a summary construct, brand trust, consumers use it as an indication of expected future performance.

Furthermore, the moderating effect of involvement on CSR and customer-brand relationship suggests that individual current attitude serves as the reference framework to categorize received information based on this framework. According to the social judgment theory, involvement moderates the effects on consumer attitude (Wang and Lee 2005). In the current study, individuals were more likely to employ COP information for high involvement product while CSP had a strong interference effect on brand advocacy for low involvement product.

Discussion

Together with purchase intention, brand advocacy is used as one of the dependent variables to examine the impacts of COP and CSP on word-of-mouth (WOM) and purchase intention in this study. Individuals have different WOM preferences in CSP and COP information for low/high involvement products. These findings further contribute to the everlasting WOM valence research and the effectiveness of cause-related marketing in terms of the selection on non-profit organizational partners (Andrews et al. 2014) as well as the design of sponsorship activities (Robinson, Irmak, and Jayachandran 2012). Moreover, by extending the expectancy value theory that posits overall brand attitude through the formation of brand associations held in consumer's memories (Ajzen and Fishbein 1980), these results add that for low involvement products, consumers associate a company's CSP information as more diagnostic information compared with COP in brand evaluation and consequent advocacy behavior intentions because CSP is more valuable in terms of information than is COP. For high involvement products, conversely, COP is viewed more diagnostic and valuable for brand association and thus leads to brand advocacy.

The current study introduced an additional variable that companies can deploy to be influenced by processing COP and CSP information, brand trust. Trust is one of the factors that differentiate relationships from transactions (Garbarino and Johnson 1999). In a marketing context it is impossible to completely detach trust from the nature of its object. These empirical results shed some light on the moderating effect of product involvement in the consumer and brand relationship. Similar to brand advocacy, for high involvement products, positive COP and negative CSP have stronger effects than their opponents on brand trust.

Managerial Implications

This research has several implications for contemporary marketing management. First, companies in different product categories should make cause-related marketing a powerful tool to break through advertising clutter, generate publicity, and foster consumer preference for both the promoted brand and associated brands (Andrews et al. 2014). Second, building customer advocacy is now one response to the vulnerabilities of brands and branding in the face of rising consumer empowerment. Advocates for a company's cause-related marketing efforts can be interwoven through interpersonal connections. CSR creates new opportunities for brand-customer dialogue, knowledge creation, and, critically, provides a new context in which the interests of a corporation and those of its customers can be more closely aligned. This paper provides information about which product categories would be more appropriate for utilizing different categories of corporate social responsibility practices from the consumer viewpoint. Thus, buzz marketing would be a good option for the company marketing a publicly visible product. Especially given the competitive situation in the business world, the powerful electronic WOM in the online community would be an effective means of communicating such corporate support of social issues with the public.

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Summary Brief

Cultural Orientation and Prestige Brand Preference

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This study examined the influences of consumers' self-construals on their perceptions of prestigious brand appeals. Participants were randomly assigned to one of two advertising appeals (individualistic or collectivistic) via an online survey. After viewing a photo, they were asked to measure their likelihood of purchasing the product.

Introduction

Self-construals, how people perceive themselves to be connected (or not) with other people, mirror their culture's norms and rules (Markus and Schwartz 2010). Self-construals are a widely used dimension of culture that distinguishes between cultural values shared by members of a society. Consumers are influenced by culture and their own socio-demographic when obtaining products and services and they seek possessions that are compatible with their self-concept (Allen et al. 2009). This study investigated whether people with independent (interdependent) self-construals are more likely to purchase a prestige brand that is presented in an individualistic (collectivistic) ad.

Literature Review

As defined in Merriam Webster's Dictionary, prestige is someone or something that has credit, estimation or standing in general opinion. According to Czellar's study (2003), prestige is associated with value/money, fame, power, social status, products and brands, luxury, quality, exclusivity, personal success, and respect, in order of significance. Brands reinforce a symbolic sense of individual identity and of social meanings within groups (Jevons et al. 2005). Prestigious brands include both a self-impression and a social approval aspect. Demand for prestige brands is driven by emerging economies, such as Asian countries. East Asia, the biggest market for prestige brands made in the West, accounts for a great deal of sales for prestige brands (Euro Int. 2015). Considering the size and scope of the prestige brand market, empirical research on culturally divergent consumers' consumption is valuable.

An independent self-construal emphasizes internal thoughts, uniqueness, and self-expression. This also includes self-awareness, pursuing personal goals, and direct communication with others. Interdependent self-construals, in contrast, belonging and "fitting in" to one's "proper place" is important (Oyserman and Lee 2008). Eastern idealistic traditions are less likely to encourage people to act according to their internal attributes and private states, and even actively discourage them from forming individual preferences (Savani et al. 2008). Because self-construals influence an individual's motives and decision making (Oyserman and Lee 2008), these differences have been prevalent in how marketers influence and persuade consumers. In analyses of website content, Cho and Cheon (2005) found that corporate Web sites in the U.S. (a dominantly independent culture) tend to emphasize consumer-marketer interactivity. In contrast, those in Japan and Korea tend to emphasize consumer-consumer interactivity, which stresses collectivism. In an empirical study by Han and Shavitt (1994), advertisements emphasizing individualistic benefits were more persuasive in the U.S. than in Korean and ads emphasizing family or in group benefits were more persuasive in Korea than in the U.S. While previous studies can be generalized to everyday consumer choices (utilitarian products), this study focuses on prestige brand choices (hedonic products).

Method

Previous studies (Han and Shavitt 1994) support that individualistic ads generally feature pictures of individuals, whereas collectivistic ads generally feature groups of people. To generate individualistic and collectivistic appeals, the headlines and illustrations for both ads were taken from actual magazine ads. Participants saw one of three advertisements: an individualistic print ad, a collectivistic print ad, or collectivistic Instagram ad. The ads were tailored to participants' gender. For male participants, a Rolex watch was featured and for female participants, a Coach bag was used. To check the accuracy of each appeal, a pretest was conducted where undergraduate students ($n = 71$) rated the effectiveness of the ads. They were asked whether they understood the ads and whether the ads represented either an individualistic appeal or a collectivistic appeal. The pretest results verified that these ads differed in each appeal. One hundred and two U.S. participants completed the survey. They were over 18 years old and 56% were men. Their mean age was 29. Participants completed an online survey. Following random assignment, participants viewed an ad and they rated their likelihood of purchasing the product on a 5-point

Likert-type scale (e.g., 1 = strongly disagree; 5 = strongly agree). Next, participants completed the self-construal scale (Singelis 1994) to measure their chronic self-view. Self-construal was measured on a 5-point Likert-type scale with 24 items from Singelis' (1994) scale (Cronbach alpha for independent = .85; for interdependent = .76). This scale used 12 questions to measure interdependence and 12 questions to measure independence. Participants' scores for these two scales were independent each other. The survey concluded with questions on demographics.

Results and Conclusion

To start, a series of correlations bivariate were conducted. The results suggested that two significant correlations of interest. There was a negative correlation between age and the likelihood of purchasing prestige brands, $r = -.202$, $p < 0.05$. There was also a positive correlation between interdependent self-construal and the likelihood of purchasing prestige brands, $r = .207$, $p < 0.05$. A linear regression was conducted to predict likelihood of purchasing a prestige brand. Results indicated an interaction effect between (independent) self-construal and ad settings, $F(2, 99) = 2.19$, $p < .05$. In terms of significant relationships between demographic characteristics (age, gender, education and income) and purchasing likelihood, age, education (negatively) and income (positively) predict the likelihood of purchasing ($p < 0.01$). This study helped to understand the influences of consumers' self-construal (i.e., independency and interdependency) on likelihood of purchasing a prestige brand. A future study will examine the persuasiveness of individualistic and collectivistic appeals for prestige brands in the U.S. and Asian countries. It is expected that independent and interdependent cultural differences play an important role in persuasion processes. The practical implications of this study is critical as more people from different cultural backgrounds engage with each other in a global market. Prestige brands project strong earnings growth, which is driven by new consumption in fast-growth emerging economies. Thus, practitioners and researchers benefit from the further understanding of cultural influences on motivations to purchase prestige brands.

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Full Paper

Investigating Cross-Category Influences on Brand Loyalty: An Exploratory Study

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Brand loyalty is essential to the longevity of all brands. Understanding how it emerges among various types of shoppers will help managers create effective marketing programs, whether the goal is to maintain high loyalty, or, to overcome the loyalty that potential customers have toward other brands. The authors present the idea that considering both the skills consumers gain through frequent convenience product purchases, and the beliefs they develop through involvement in shopping product purchases, may enhance managers' ability to predict brand loyalty. The more consumers shop is the more confident they should feel in their ability to choose brands. The authors propose that the choice confidence and preference stability that consumers exhibit in convenience product purchases also influence buying behavior in shopping product purchases. Furthermore, we show that these frequency-based skills often interact with longer-term beliefs, such as self-brand connection and expertise, to enhance brand loyal tendencies.

Introduction

Brand loyalty remains one of the most important goals in marketing. Most businesses rely on the repeat purchase pattern of loyal consumers who engage with its brands over the long term. Rather than obtaining a single transaction from each consumer, brand loyal consumers provide firms with consistent revenue streams (Jacoby and Chestnut 1978; Odin, Odin, and Valette-Florence 2001). Over the years, the definition of brand loyalty has evolved from “repeated purchases of particular products or services during a certain period of time” (Yi and Jeon 2003, p. 231) to a two dimensional construct (Bloemer and Kasper 1994; Dick and Basu 1994; Oliver 1997; Yi and Jeon 2003). The two dimensions are: 1) behavioral – brand loyalty by definition, must involve repeat purchase behavior, and 2) attitudinal – brand loyalty requires that consumers feel a strong commitment to the brand and will therefore resist the temptation to switch. Some researchers sought to distinguish between “spurious brand loyalty” (repeat purchase through habit or inertia) and “true brand loyalty” (Bloemer and Kasper 1994; Dick and Basu 1994), and determined that the two brand loyalty types constitute separate segments of consumers. Other researchers find value in considering both types of loyalty as two aspects of the same construct (e.g., Yi and Jeon 2003), which is the approach that we adopt in this paper.

Understanding how each of these brand loyalty dimensions develop will help marketers to make better decisions about ad messages, loyalty programs, and schemes to attract customers from competitors. Thus far, researchers have considered the development of brand loyalty on a case-by-case basis, often in a specific product category. However, we propose that since the development of brand loyalty is part of a learning process – there are skills that develop primarily through frequent decision-making. This is true for convenience products. These skills should therefore tie into the behavioral aspect of brand loyalty. Correspondingly, beliefs about the salience of brands should also develop through the act of thinking about brands in a higher involvement context, such as when purchasing shopping products. One's beliefs about the qualities inherent to each brand should then tie into the attitudinal aspects of brand loyalty. Just as an individual's experiences shape his/her personality and world view, the accumulation of marketplace experiences in both convenience and shopping categories would shape the individual's brand loyalty tendencies. This holistic view of brand loyalty undergirds the contribution of this paper.

The main goals of this article are to: 1) identify major frequency-based skills that consumers develop through decision-making in convenience product categories, and major involvement-based beliefs that develop through decision-making in shopping product categories, 2) investigate whether interactions (between skills, between beliefs, and between skills and beliefs) aid in predicting brand loyalty in various convenience and shopping product categories.

Background

Price level and the time between purchases are key differences between convenience and shopping categories. Thus, consumers exhibit different behaviors with respect to shopping in these categories. Before discussing the variables of interest – related to frequency-based skills and involvement-based beliefs, we will break down the two types of products.

Convenience Products

Murphy and Enis (1986) provide an overview of the classic definitions of products as convenience, specialty, and shopping goods. They define convenience goods as frequently purchased items that involve the least effort (i.e., money or time) and perceived risk for the consumer. Loyalty for convenience product brands is due less to any deep emotional connection to brands (attitudinal loyalty), but more due to habit derived commonly through socialization and price hunting (behavioral loyalty). Firstly, familiarity with convenience product brands typically begins with multiple consumption experiences at an early age within a family or peer group level. A great deal of exposure to the same brand occurs due to the relatively short purchase cycles – of purchase, use, and repurchase. This knowledge base about both the product category and the brand associated with the category typically produces preferences that are often passed on from one generation to the next. Secondly, the low perceived risk incurred by convenience products also encourages price shopping, that is, selecting the cheapest brand at each shopping occasion. If a particular brand is generally the lowest priced, then it gains the favor and behavioral loyalty of these consumers. This is clearly a key determinant of the success of store brands.

Shopping Products

Citing Copeland's (1923) definition of shopping products, Murphy and Enis (1986, p. 26) reported that, "shopping goods are those for which the consumer desires to compare prices, quality, and style at the time of purchase. Usually the consumer wishes to make this comparison in several stores." Compared to convenience products, shopping products trigger higher levels of involvement, where consumers are less likely to compromise if they do not see their preferred brand. Typical examples of shopping products include clothing, furniture, electronics, and regular automobiles (non-sports cars). Due to the importance of these purchases to consumers, there is a higher likelihood of emotional involvement – and strong associations between one's self and the brand. This is more popularly known as "self-brand connections" (discussed below). Repurchase cycles for shopping products are longer than for convenience goods. Therefore, consumers strive to make careful decisions about the brands they select. The repeat purchase behavior observed in shopping product categories is likely to stem from thoughtful elaboration on brand differences, which over time, builds into expertise (discussed below).

Hypothesis Development

Choice Confidence

A person's choice confidence essentially relates to the shopper's level of assuredness in his/her ability to distinguish between brands. Those displaying high levels of choice confidence would report lower levels of difficulty in identifying and/or selecting brands in a given category than individuals reporting lower levels of choice confidence. This is sometimes broadly referred to as "consumer self-confidence" (Bearden, Hardesty, and Rose 2001; Mieres, et al. 2006). Bearden, et al. (2001) indicated that while shopping expertise and product knowledge are related, they are separate constructs and are both related to consumer self-confidence. Because high choice confidence implies both the ability to identify the brands in each category, as well as familiarity with the attributes associated with brands in each category, high choice confidence individuals are expected to spend less time evaluating products and be more confident at the point of purchase than individuals exhibiting less choice confidence. Bearden, et al.'s "consumer self-confidence" includes three decision-making factors: 1) information acquisition and processing, 2) consideration set formation, and 3) personal and social outcomes. We maintain the label, choice confidence, to focus on the first two factors – which relate to distinguishing between brands and selecting appropriate brands to satisfy one's needs. Furthermore, our construct focuses on the certainty consumers feel because of frequent shopping activity, such as in buying relatively inexpensive, convenience products.

Whether shoppers purchase the same brand on a repeat basis, or whether they switch brands frequently, the normal operation of the marketplace exposes consumers to a myriad of brand related, price-quality dynamics that serve as choice cues when making purchase decisions. The authors maintain that the additional confidence gained in accumulated shopping experience extends beyond the categories that account for this experience. Indeed, the increased confidence and self-efficacy should transcend product type, whether convenience or shopping. Confidence serves as a precursor to differences in relative attitude toward brands, and leads to higher loyalty (Dick and Basu 1994; Jensen and Hansen 2006). Thus:

H1a: High choice confidence individuals will exhibit more brand loyalty (regardless of product type) than low choice confident individuals.

Expertise

Expertise in a product category relates to the degree of product knowledge one has about the category itself and the ability to evaluate the most important attributes associated with the performance of a product in that category (for a review, see Mitchell and Dacin 1996). Experts tend to maintain more elaborate knowledge structures than novices due to experience. Indeed, Mitchell and Dacin (1996) found that relative to novices, the reasons that experts reported for their choices included concern for usage situation, comparison to benchmarks (not presented), and less comparison to the presented options. These reasons suggest that compared to novices, experts should be less easily swayed by impromptu offers, primarily because their decisions are apt to be based on more information and their own history of category experience.

For our purposes, we consider expertise to develop over a longer period, a wider variety of usage situations, and in higher involvement contexts compared to the abilities gained in the choice confidence context described above. Experts, based on their knowledge about certain shopping product categories, are better able to assign weights to important attributes and then distinguish between brands based on how well each brand matches up against those weights. Hence, a consumer's level of expertise in a particular product category should not only increase his/her likelihood of finding a preferred brand, or narrow brand-set. The result is increased brand loyalty.

Thus:

H1b: High expertise individuals (regardless of product category) will exhibit more brand loyalty than low expertise individuals.

Preference Stability

We define preference stability as an individual's proclivity to repurchase from a selective group of brands. This is not to suggest that repeat purchase of the same brand implies true loyalty. Rather, the individual has established a pattern of buying from a specific subset of brands, despite the availability of other brands on the market. Previous research has sometimes labeled an individual's attraction to a brand-set as "multi-brand loyalty" (Olson and Jacoby 1971; Jacoby and Kyner 1973; Oliver 1999), and observed that this phenomenon perhaps creates obstacles for those attempting to operationalize the brand loyalty construct (see Yi and Jeon 2003). In other words, these researchers frame multi-brand loyalty as a potential sign of disloyalty (Oliver 1999, p. 36). However, we argue that the concept of "multi-brand loyalty" is nebulous since its effect on overall loyalty depends on the number of brands available. Indeed, multi-brand loyal consumers may appear to be more loyal as the total set of brands available increases. For example, a consumer who consistently chooses two brands when faced with twenty brands could appear to be more loyal than a consumer who consistently chooses two brands when faced with only three brands. In order to avoid the [negative] framing of this pattern of purchasing we use the term preference stability, which would be immune to the size of the array of brands available.

It should be noted that consumers who have stable preferences (a preferred brand-set) might not exhibit passion for the particular product category. At a minimum, those who feel indifferent have found a few brands that satisfy a need, leading to a pattern of purchasing from that brand-set whenever the same need arises. These repeat purchases of the same brand set reflect a level of satisfaction indicative of the sort of purchase behavior associated with brand loyalty. As satisfaction is an antecedent of loyalty (Bloemer and Kasper 1995), preference stability should be included as a signal of the individual's brand loyalty. Notably, the combination of preference stability and choice confidence reinforces the "rightness" of what is essentially a brand loyal decision. Thus:

H2a: For convenience products, choice confidence (through repetition) increases the positive effect of preference stability on brand loyalty.

According to Bearden, et al. (2001), expertise should strengthen the negative relationships between self-confidence and variables such as persuasibility and perceived risk. An interesting follow-on question is whether a self-described expert can suffer from low choice confidence. Theoretically, more expertise should accelerate decision-making. However, novices and experts tend to use different attributes to make decisions based on their ability to process attribute information. Novices, for example, tend to use the non-functional attributes that signal quality, such as price or brand. In contrast, experts are more prone to use functional attributes because of their superior understanding of direct evaluative indicators (Rao and Monroe 1988; see Raju, Lonial, and Mangold 1995 for a review). There are classic studies that have identified an inverted-U shape pattern, where moderately familiar

consumers invest more effort in brand decisions and encode product attribute information more accurately than high and low familiarity consumers (Park and Lessig 1981; Johnson and Russo 1984). This leads to the question – why do some consumers self-identify as moderately familiar versus highly familiar? Could it be that the moderately familiar consumers have equal category knowledge as highly familiar consumers, but have different levels of choice confidence? This concept of choice confidence may explain the different rates of processing fluency at different levels of familiarity. Moreover, when choice confidence complements expertise, there is a positive interaction effect on brand loyalty in shopping categories. Thus:

H2b: For shopping products, choice confidence increases the positive effect of expertise on brand loyalty.

Self-Brand Connection

Some products take on significant meaning to some individuals while remaining “merely products” to others. Self-brand connection involves deep cognitive and emotional bonds to the brand where the individual adopts the brand as part of his/her identity (Park, et al. 2010). The original authors of the term define it as “the extent to which individuals have incorporated brands into their self-concept” (Escalas and Bettman 2003, p. 340).

Two reasons firms employ costly branding strategies are to 1) instill awareness, and 2) trigger brand recognition at the point of consumer purchase uncertainty. The prominence of the brand implies that the brand is relevant, desirable, and ought to be included in the consideration set of products in a particular purchase category. “Brand prominence”, or strong positioning of the brand in the mind of the consumer (Park, et al. 2010, p. 2), reinforces the positive relationship with the brand for those who already buy the brand, and represents a signal for others. Those consumers who have formed attachments to the brand due to its prominence have high self-brand connection, and therefore exhibit brand loyalty. Conversely, consumers who do not feel strong self-brand connection – but have high choice confidence – may also exhibit high brand loyalty, relying on the brand as a signal of quality. The two traits appear to be negatively correlated with respect their effects on brand loyalty. Those individuals who exhibit high levels in one trait and low levels in the other, should be considerably more brand loyal than those who exhibit high levels on both, or low levels on both. The combination of these two negatively correlated emotional/behavioral states in the same individual appears to exert a substitutive effect on that individual’s propensity toward brand loyalty. Thus:

H3: Individuals with high self-brand connection but low choice confidence – or low self-brand connection and high choice confidence – will demonstrate higher levels of brand loyalty when both are present, than individuals who demonstrate only a single trait.

Methodology

A sample of 74 undergraduate students at a southern university participated in a survey on brand loyalty for course credit. The survey introduced the idea of convenience products as “the types of products you purchase on a routine and repeated basis at virtually any convenience store or supermarket. Convenience type products are typically low priced, they are used frequently, and don’t involve a great deal of search effort in the purchase decision.” Respondents answered a series of questions about their feelings and shopping behaviors in these categories in general, rated on a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree). (Table 1 shows a summary of the items).

After these measures, respondents indicated the degree to which they “stick with a particular brand” when shopping for convenience products while on a shopping trip to the supermarket. The response scale was 1 = I often switch brands when shopping for this product; 2 = I sometimes switch brands; 3 = no opinion or I am neutral; 4=I usually buy the same brand; or 5 = I always buy the same brand. Respondents rated their loyalty in the following categories in random order: mayonnaise, ketchup, cola, hot sauce, breakfast cereal, beer, coffee, milk, liquor, ice cream, toilet paper, laundry detergent, bath soap, tooth paste, razors, sugar, canned vegetables, flashlight batteries, potato chips, and bread.

Similarly, we introduced shopping products as “the type of products that someone will spend considerable time and effort gathering and evaluating relevant information concerning the product’s price and quality. Additionally, shopping products include those in which the consumer may evaluate many competitive alternatives before making a decision about which brand to purchase. Examples include clothing, electronic appliances, furniture, and automobiles (see Murphy and Enis 1986 for a review). Respondents answered similar questions to the ones about their feelings and shopping behaviors for convenience products, rephrased to pertain to shopping products. Respondents then indicated their level of loyalty (which is our dependent variable) for the following categories in random order: dress pants/skirts, dress suits, polo shirts, dress shoes, casual shoes, athletic shoes, jeans, cellphones, cellular service, computers, tires, small appliances, large appliances, televisions, music systems, furniture, and

automobiles. The final section collected demographic information including age, gender, ethnicity, marital status, number of people within their household, and grocery shopping frequency.

Results

We performed an exploratory factor analysis with Varimax rotation in order to group the items and see how the items loaded. Eight factors had eigenvalues above one. The first five factors accounted for 59.8% of the variance in the data, and the items loaded correctly on the constructs we planned to measure. We took the items that loaded on each factor and performed a confirmatory factor analysis to determine construct validity and reliability. The items for the factor described the following constructs: preference stability (4 items trimmed to 3; $\alpha = 0.794$), choice confidence (5 items trimmed to 3; $\alpha = 0.748$), self-brand connection (3 items; $\alpha = 0.897$), shopping expertise (6 items trimmed to 3; $\alpha = 0.699$), and price-quality perception (3 items; $\alpha = 0.671$).

We ran the full model in AMOS to check for composite reliability. As shown by a moderately low Cronbach alpha for the price-quality variable composite reliability (CR) did not reach the 0.7 benchmark. Therefore, we dropped that variable and ran the model again. Some of the average variances extracted (AVEs) were below the level using all items, calling for stepwise removal of items with the lowest loadings. After trimming, all four variables had AVEs above 0.5; each CR was above 0.7 and higher than its respective AVE and squared correlation (see Hair, et al. 2010 for benchmarks). Based on these results, the model has no convergent or discriminatory validity issues (see Table 2). The model fit statistics were also acceptable (CMIN/df = 1.114, AGFI = 0.842, CFI = 0.983, RMSEA = 0.04). We imputed the factor scores from the confirmatory factor analysis and standardized them for use in a MANOVA. In the MANOVA, all main effects and two-way interactions were included.

Hypothesis Testing

The MANOVA revealed significant models for loyalty in three convenience product categories: mayonnaise, ketchup, and cola; and, seven shopping product categories: dress shirts, dress pants, polo shirt, dress shoes, casual shoes, athletic shoes, and jeans (see Table 3 for a directional summary of the results).

In H1a, we proposed that choice confidence should have a positive effect on brand loyalty (both product types). Choice confidence had no main effect in the three convenience categories, but there was a positive main effect in two of the seven shopping categories (casual shoes: $\beta = .382$, $t(1, 63) = 2.027$, $p < .05$; and jeans: $\beta = .528$, $t(1, 63) = -2.629$, $p < .05$). Therefore, it appears that for the most part brand loyalty is not predictable based solely on whether people feel confident in their ability to judge quality and choose among brands. In summary, we found support for H1a in only two shopping categories.

Despite weak support for H1a, we anticipated that self-reported expertise (which is a more shopping product-based construct) would lead to higher levels of brand loyalty (H1b). We found support for this hypothesis in almost all shopping categories (dress pants: $\beta = .352$, $t(1, 63) = 2.025$, $p < .05$; polo shirts: $\beta = .446$, $t(1, 63) = 2.36$, $p < .05$; dress shoes: $\beta = .358$, $t(1, 63) = 1.989$, $p = .051$; casual shoes: $\beta = .514$, $t(1, 63) = 3.015$, $p < .01$; athletic shoes: $\beta = .423$, $t(1, 63) = 2.196$, $p < .05$; jeans: $\beta = .308$, $t(1, 63) = 2.629$, $p = .011$), supporting H1b.

In H2a, we hypothesized that choice confidence increases the positive effect of preference stability on brand loyalty for convenience products. The results for all three convenience products support this hypothesis with a positive preference x confidence interaction (mayo: $\beta = .734$, $t(1, 63) = 4.202$, $p < .001$; ketchup: $\beta = .745$, $t(1, 63) = 4.188$, $p < .001$; cola: $\beta = .615$, $t(1, 63) = 3.659$, $p = .001$), supporting H2a. Considering the results for H1a and H2a, it appears that habitual choice among a small set of brands (preference stability) is likely to lead to loyalty, especially when the consumer feels competent at judging quality and choosing (choice confidence).

Similarly, in H2b, we predicted that choice confidence would increase the positive effect of expertise on brand loyalty for shopping products. The results confirm this interaction effect in four of seven categories (dress shirts: $\beta = .617$, $t(1, 63) = 3.098$, $p < .01$; casual shoes: $\beta = .457$, $t(1, 63) = 2.334$, $p < .05$; athletic shoes: $\beta = .571$, $t(1, 63) = 2.585$, $p < .05$; and jeans: $\beta = .348$, $t(1, 63) = 1.669$, $p < .1$). This supports the idea that confidence derived from shopping and comparing brands (in convenience categories) has an effect on loyalty in shopping product categories, especially in consumers who self-report high levels of expertise.

In H3, we proposed that there is a substitutive effect between self-brand connection and choice confidence. The stronger the self-brand connection beliefs consumers hold, is the higher the value they place on brands, and the more readily they will use brands as signals of quality. It is well-established that consumers who do not trust their ability to judge quality (i.e., low choice confidence) or who have imperfect information will also rely on brands as signals of quality (Rao and Monroe 1988; Erdem and Swait 1998). Therefore these two constructs (self-brand connection and choice confidence) should be negatively correlated – which is consistent with our results ($r = -.317$, $p < .01$). We acknowledge however, that a person may have low choice confidence and low self-brand connection beliefs. Likewise, there may be consumers who have high choice confidence and high self-brand connection beliefs. Therefore, it is interesting to consider the interaction of choice confidence and self-brand connection on brand loyalty. We found a significant negative interaction in four shopping categories (dress shoes: $\beta = -.369$, $t(1, 63) = -$

1.841, $p < .1$; casual shoes: $\beta = -.474$, $t(1, 63) = -2.495$, $p < .05$; athletic shoes: $\beta = -.463$, $t(1, 63) = -2.162$, $p < .05$; and jeans: $\beta = -.393$, $t(1, 63) = -1.942$, $p < .05$) and a marginally significant negative interaction in one convenience product (mayo): $\beta = -.331$, $t(1, 63) = -1.774$, $p < .1$), supporting H3.

Discussion

In this paper, the authors examined the effects of belief-based variables such as self-brand connection (brands show what type of person you are) and expertise (how knowledgeable one feels about broad categories of shopping products) – which are more closely related to shopping products. We also considered frequency-based variables, such as choice confidence (competence in judgment and choice), and preference stability (smallness of one's consideration set). Both are often gained through frequent, convenience product purchases. We demonstrated that these four factors are distinct constructs. Nonetheless, they should be considered together in order to more accurately predict brand loyalty. The latter two variables found to be frequency-based – choice confidence and preference stability – were revealed mostly in convenience product categories. Interestingly, choice confidence on its own had no main effect on brand loyalty. However, it reinforced the effect of a small consideration set (preference stability) on brand loyalty.

As expected, the higher involvement levels for shopping products resulted in expertise emerging as a significant predictor of loyalty. Experienced consumers are more likely to have found a brand that they like, regardless of whether they have tried only one brand, or tried multiple brands. Based on the longer inter-purchase time in shopping products, the variables that rely on purchase frequency (particularly important in convenience products) did not individually play a major role in predicting brand loyalty. However, two exceptions occurred across the seven shopping categories, specifically: choice confidence in casual shoes and jeans; and preference stability in dress shirts and jeans (see Table 3). However, in some cases, these variables interacted with the more enduring variables such as 1) preference stability with self-brand connection, and 2) choice confidence with expertise.

Choice confidence and self-brand connection happen to have a negative correlation although they describe different concepts. This also plays out in their effect on loyalty for several shopping products. Essentially, our data revealed two groups of loyal consumers: 1) “independent thinkers” – who are self-assured or confident in their ability to compare options, and discount any self-brand connections; and 2) “believers” – who are not confident in their ability to compare options, but feel that brands signal quality and reflect the identity of those who own them. Evidence confirming the existence of these two segments emerged in four out of seven shopping categories and in one convenience category, where the interaction between self-brand connection and choice confidence had a negative effect on loyalty. Closer inspection of this interaction revealed that the positive effect of choice confidence on loyalty only occurred at low levels of self-brand connection, described above as independent thinkers. Similarly, the positive effect of self-brand connections on loyalty occurred only at low levels of choice confidence, described above as believers.

Preference stability and self-brand connection interacted positively in dress pants, polo shirts, and dress shoes. Generally, the preference stability x self-brand connection interaction and the choice confidence x self-brand connection were significant predictors of brand loyalty in different categories. The one exception was dress shoes, where both were significant. This yields an interesting line of inquiry for future studies. We suspect the reason these interactions showed up in different categories lies in the fact that respondents preferred to remain close to the standard or norm in some categories (e.g., dress pants, polo shirts - preference x self-brand connection). In other categories, respondents prefer brands that help them to stand out (e.g., casual shoes, athletic shoes, and jeans – choice confidence x self-brand connection). Dress shoes probably triggers these desires equally, which leads to both significant interactions (choice confidence x self-brand connection and preference x self-brand connection).

The expertise x choice confidence interaction may suggest an underlying cause for the classical findings regarding the deeper processing of moderate expertise consumers compared to the processing of high expertise (familiarity) consumers. It is possible that a more accurate description of high expertise consumers should include a high degree of product knowledge and a high degree of choice confidence. Ultimately, the combination seems to lead to higher levels of brand loyalty in shopping categories.

Notably, the self-brand x expertise interaction was not significant in any category. The higher processing fluency of experts should allow particular brands to rise in brand prominence. The results of Park, et al. (2010) suggest that experts who have high levels of self-brand connections should feel greater brand attachment; however,

this did not show up in our results. Instead, we found that preference stability (by habit – in convenience products) reinforced the effect of self-brand connections in a number of shopping product categories.

These interactions between frequency-based constructs and involvement-based constructs reinforce the ethos of this paper, which is to show that the skills consumers develop in the process of shopping and comparing brands can transcend product type. Taken together, they may help to explain brand loyalty in a more comprehensive manner than the literature has uncovered.

Implications and Conclusion

The findings discussed above present a starting point for discussion of the totality of the consumer experience in shaping brand loyalty. In a number of cases, single variables, such as choice confidence or self-brand connections were not good predictors of loyalty. Rather, interactions among these variables were essential to predicting loyalty, showing that consumers' experience at shopping for one type of product can carry over to loyalty in other product categories. The findings also suggest that preference stability contributes positively to consumers' perception of their own brand loyalty. This is contrary to prior research which frames the construct as multi-brand loyalty. Managers of shopping product brands can take advantage of the findings by making salient consumers' experience at comparing brands in all categories and tie these skills back to their self-brand connection beliefs.

Table 1: Measures

Factor 1 – Choice Confidence ($\alpha = 0.748$, all 5 items reverse coded)

1. In most cases, it is difficult for me to choose among the various brands in each convenience product category.
2. Differences in the quality of convenience type brands are often very difficult for me to judge.
3. When facing a shelf full of competing brands, I am never really sure about which one to purchase. Trimmed items:
4. Differences in the quality of the various brands in each shopping category are often very difficult for me to judge.
5. In most cases it is difficult for me to choose among the various brands in each shopping product category.

Factor 2- Shopping Expertise ($\alpha = 0.699$)

1. I would definitely consider myself an expert on different types of athletic shoes.
2. I would definitely consider myself an expert on electronic devices such as cell phones.
3. I would definitely consider myself an expert on different fashion brands. Trimmed items:
4. I will only buy a certain brand in each shopping product category whenever I go shopping for that category of product.
5. For most shopping items (such as clothes or appliances) I have a favorite brand that I tend to purchase the majority of the time.
6. I would definitely consider myself an expert on household appliances.

Factor 3 – Self-Brand Connection ($\alpha = 0.897$)

1. The brands I buy say a lot about the type person I am.
2. The brands I use are part of my self-image.
3. You can tell a lot about a person based on the brands they use.

Factor 4 – Preference Stability ($\alpha = 0.794$)

1. For most convenience items (such as mayonnaise or ketchup) I have a favorite brand that I tend to purchase the majority of the time.
 2. There are certain brands of convenience type products that I definitely prefer over others whenever I go shopping at the supermarket.
 3. I will only buy a certain brand in each convenience product category whenever I go shopping at the supermarket.
- Trimmed item:

4. The difference between the price and quality of the various brands in each convenience product category is generally quite large.

Note: Factor 5 (price-quality perception) was dropped as it did not meet validity benchmarks

Table 2a: Reliability Statistics

	CR	AVE	MSV	ASV
Self-brand	0.904	0.761	0.100	0.047
Confidence	0.773	0.547	0.100	0.042
Expertise	0.749	0.523	0.025	0.012
Preference	0.800	0.573	0.031	0.011

Composite Reliability (CR), Average Variance Extracted (AVE), Maximum Shared Variance (MSV), and Average Shared Variance (ASV).

Table 2b: Correlation Matrix between Latent Variables

	Self-brand	Discern	Expertise	Preference
Self-brand	0.872			
Confidence	-0.317	0.740		
Expertise	0.100	-0.157	0.723	
Preference	0.177	-0.010	-0.018	0.757

Diagonal statistics represent square-roots of AVE

Table 3: Summary of ANOVA Results (Dependent Variable: Loyalty)

Dress	Factor	Convenience			Shopping						
		Mayo	Ketchup	Cola	Shirt	Dress Pants	Dress Polo	shoe	Casual shoe	Athletic shoe	jeans
Preference		+	+		+						+ ms
Selfbrand	Expert										+ ms
Confid											+ ms
Confid_x_Exprt				+	+	+	+	+	+	+	+ ms
									+		
Confid_x_Selfbrand		-ms						-ms	-	-	-ms
Confid_x_Pref		+	+	+							
Exprt_x_Selfbrand											
Exprt_x_Pref					+ms	+ms					
Selfbrand_x_Pref		+				+	+	+			

Signs of significant parameter estimates are indicated; ms for $p < .1$; blank for not significant

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Full Paper

The Influence of Difficult Recall on Desire: the Role of Time Pressure

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Desire refers to an affectively charged psychological state or cognitive event of motivation for consuming a pleasurable product. Desire can be constructed through the feeling of deficit provoked by the recall difficulty of past consumptions. We are interested in conditions such as time pressure. Through one experiment (170 students in France), we demonstrated that when consumers are under time pressure, difficulty of recall effectively impacts desire for consumption. However, when consumers are not under time pressure, the difficulty of recall does not impact desire for consumption. In addition, we demonstrated that desire positively influences purchase intention.

Introduction

Difficulty of processing, a topic that has been broadly studied in social sciences, is defined as the difficulty with which people process information which influences the evaluation or judgment of an object or a person (Alter and Oppenheimer 2009). For instance, the difficulty to recall positive properties of a product diminishes the favorable evaluation of such a product (Menon and Raghurir 2003). The difficulty of evaluating the attributes of a product diminishes the possibility of purchasing such a product and consequently increases the likelihood of deferring the decision (Novemsky et al. 2007). The difficulty in processing experiential attributes reduces the evaluation of the experiential product (Brakus, Schmitt and Zhang 2014). However, such difficulties can also have a positive impact on the evaluation of a product. For instance, the meta-cognitive difficulty increases the attractiveness of products by making them appear as exclusive or unique (Pocheptsova, Labroo and Dhar 2010). In this research we argue that the difficulty of recall will positively impact consumption desire under time pressure. It is interesting to study this relationship because the difficulty of recall makes consumers feel that they have not consumed the product a lot, and consequently consumers will feel more desire for consumption.

Past research on how to persuade the consumer choice for products principally focused on preferences, attitudes, and satisfaction. Our interest in desire is due to its high degree of volatility, such that desire can be totally contextual and can depend on the individual's imagination. Empirical studies in consumption desire have focused on self-control; over time desires diminish faster for consumers with higher self-control than those with lower self-control (Dholakia et al. 2006; Redden and Haws 2013). Also, desires are experienced and resisted substantially more in a promotion focus than in a prevention focus (see Regulatory Focus Theory, Higgins 2000). Other studies about desire have focused on the length of non-consumption, stating that desire increases with prolonged non consumption (including missing, liking and consumption intention) and when there are no substitutes (Dai and Fishbach 2014). Moreover, studies have focused on the affective and cognitive responses that also accompany the experience of consumption desire. Desire, in this case, is experienced because of psychological events conducted by the affective (i.e., pleasure, discomfort, and guilt) and the cognitive (i.e., control) (Boujbel and d'Astous 2015). Apart from this kind of research, nothing has been studied about the relationship between memory and consumption desire. Retrieval of past experiences plays an important role in decision-making (Loewenstein 1988; Weber and Johnson 2006). Also, preferences, attitudes, and choices depend on the way people recall past consumption experiences when they are exposed to products. In the same way that preferences are constructed (Amir and Levav 2008; Lichtenstein and Slovic 2006), desires are also constructed in the process of choice making (Huaman-Ramirez and Maaninou 2015; Redden and Galak 2013). Specifically, this research focuses on the conditions in which desire for consumption is constructed by the difficulty of recall.

People feel guilty for not being able to manage their time. This feeling of being limited by time can be explained by the fact that people have more options of spending their time and therefore more needs to satisfy (natural needs or needs that are created by the advertisements). When under time pressure, consumers have a limited capacity of processing information and consequently make irrational decisions. Past research in consumer behavior regarding the effect of time pressure on decision-making demonstrated that consumers can change their preferences or choices in this context (Dhar and Nowlis 1999; Nowlis 1995; Pieters and Warlop 1999; Suri and Monroe 2003; Svenson and Edland 1987). As demonstrated in studies about the effect of time pressure on memory (Iyer 1989;

Park, Iyer and Smith 1989), consumers were less able to recall the encoded purchasing sequence under time pressure and consequently made unplanned purchases and even switched brands or products. Since processing fluency is malleable and context sensitive (Schwarz 2008), in our research we are interested in taking time pressure as a condition that can influence the information processing. Consumers are more likely to be influenced by processing difficulty when they are under time pressure. In this sense, we argue that studying the influence of time pressure on the relationship between the difficulty of recall and desire for consumption is relevant in the progress of marketing research.

In this current research, unlike the study on the construction of desire (Huaman-Ramirez and Maaninou 2015; Redden and Galak 2013), we will focus on malleability of the difficulty of recall as information in the construction of desire. We use the malleability of naive theories (Schwarz 2010) to principally justify our propositions. We will demonstrate that when consumers are under time pressure, the difficulty of recall affects desire for consumption; but when consumers are not under time pressure, the difficulty of recall does not affect desire for consumption. In addition, we will show the effect of desire on purchase intention.

Theoretical Background

Desire has principally been studied in psychology. Desire has been conceived in several streams in the literature: (1) psychological vs. physiological, desire is a psychological experience that includes emotions, images, thought of appetitive objects or experiences (Papies and Barsalou 2015; Salkovskis and Reynolds 1994); it can be caused by physiological deficit (Kavanagh, Andrade and May 2005) and can produce preconsummatory responses (like salivation). Desire can be triggered purely by cognitive processes (Papies and Barsalou 2015); (2) affective vs. cognitive, desire is an interplay of the heart (affective) and the mind (cognitive) (Boujbel and d'Astous 2015; Irvine 2007; Kavanagh, Andrade and May 2005), desire is an affectively charged cognitive event (Kavanagh, Andrade and May 2005); (3) conscious vs. unconscious, desire involves a conscious, cognitive process whereas our unconscious may establish some behavioral responses (Robinson and Berridge 2003). These implicit processes are not themselves desire, although desire can be generated from them (Kavanagh, Andrade and May 2005); (4) positive vs negative, desire is a positive event (Fridja 1985) although experiencing desire can have negative elements such as discomfort and guilt (Boujbel and d'Astous 2015); (5) vary over time, desire is dynamic and can be recovered from satiation (Redden 2015), future desire can be different from current desire (Loewenstein and Schkade 1999); (6) satisfiable/unsatisfiable, desire is never totally satisfied, it is only temporally satisfied; (7) intensity, desire can be strong (passion) (Belk, Ger and Askegard 2003) and can vary in its intensity (Boujbel and d'Astous 2015; Dholakia 2015); (8) goal vs. no-goal, desire is a necessary antecedent of the consumer's intentions to achieve a goal (Dholakia 2015; Perugini and Bagozzi 2004), desire can pursue higher-order goals and also the concrete mean to achieve them (Bagozzi and Dholakia 1999). In our research, the conception of desire is defined as a psychological state (Papies and Barsalou 2015) or cognitive event (Kavanagh, Andrade and May 2005) of motivation for a specific stimulus (objet or person) or experience that is anticipated to be rewarding (Papies and Barsalou 2015) and is lacking in the present.

Desire is also different from other concepts such as attitude and preference. An attitude is an overall evaluation that expresses how much we like or dislike an object, issue, person, or action (Petty, Unnava and Strathman 1991). Desire is an internal motivation that arises with an exposition to a stimulus. Attitude tends to persist over time whereas desire varies over time (Redden 2015). For example, a consumer can have a positive attitude toward a product but at the same time may not have the desire to consume the product in that moment. Attitude is ambivalent while desire is only positive if it is triggered. Preference, on other hand, is an evaluative judgment of liking or disliking an object (Scherer 2005) that results in an optimal choice. Desire, however, is a motivation from an internal simulation and expected rewarding (Papies and Barsalou 2015). Preference often exists in a context of decision-making (Lichtenstein and Slovic 2006) whereas desire can be triggered simply with an exposure to the product.

The Construction of Desire from a Heuristic Approach: The Role of Recall Difficulty

The concept of psychological construction is important in the social sciences. Individuals construct their preferences (Lichtenstein and Slovic 2006), their choices (Bettman, Luce and Payne 1998) and their social judgments (Martin and Tesser 2013) due to the complex information processing (i.e. concepts, procedures, episodic experiences) and also due to the influences of the context, the stimulus, and the task (Whittlesea 1997). In the same way, it is possible that individuals construct their desires and do not depend on the content information of recalled experiences. For example, Wansink, Painter and North (2005) showed that individuals who ate soup in self-refilling soup bowls (the biased visual cue) ate much more than those who just ate in normal soup bowls. Individuals were persuaded by contextual factors such as the bowl size and the perceptual effect of seeing that they do not eat much. Thus, Galak,

Redden and Kruger (2009) show that desire also depends on the recalled consumer environment. In their study consumers felt a stronger desire for products when asked to remember the context in which they had consumed these products. Consumers were asked to focus on other products that they had consumed and it seems that noticing and remembering the consumption is crucial for desiring products, probably because desire is a function of the past consumption amount that people remember (Helson 1964). For this reason, desire can be cognitively constructed from the perception of the individual's past experiences of product. In the next section, we present the theory that explains how the difficulty of recall can be used as information in the recall of past experiences.

Difficulty of Recall as Information: "More Difficult to Recall, Then I Have Not Consumed Much"

People do not often analyze the content of the information needed to make decisions. They can use heuristics, especially when the information processing is complex or when the information is unavailable. We are interested in the latter. The availability heuristic (Tversky and Kahneman 1973) is based on the fact that people tend to estimate the frequency of an event based on the availability of this information in their memory. In the same way, Schwarz et al. (1991) analyzed the ease of retrieval defined as the ease with which examples or experiences come to mind. Schwarz et al. (1991) suggested a difference between the content of the information that people remember and the subjective experience of ease that can accompany this retrieval. These authors became interested in the informational function of the subjective experience of ease. By manipulating the conditions of the ease of retrieval, they showed (experiment 1) that the participants who recalled six examples of assertive behaviors classified themselves as more assertive than those who recalled twelve examples. Moreover, those who remembered six examples indicated a stronger ease of recall than those who provided twelve examples. As Tversky and Kahneman (1973) and Schwarz et al. (1991) explained, this phenomenon shows that people relate the ease of recall with having experienced more than their actual behaviors or experiences. This inference has been largely replicated in marketing. For instance, the ease of recall of positive properties of a product enhances the favorable evaluation of such a product (Menon and Raghuram 2003). The ease of reading and choosing a product improves the possibility of purchasing such a product or diminishes the choice deferral (Novemsky et al. 2007). The ease of processing experiential attributes enhances the evaluation of the experiential product (Brakus, Schmitt, Zhang 2014). The meta-cognitive difficulty increases the attractiveness of products by making them appear exclusive or unique (Pocheptsova, Labroo, and Dhar 2010).

Quantity Consumed and Desire

Now that we have established that people can use inferences to estimate the quantity of past consumptions, we will try to link it with desire. Deficiency or lack is one of the reasons why people feel desire for consumption (Kavanagh, Andrade and May 2005). The need theory (Cabanac 1971) stipulates that people's desires increase when their needs are unsatisfied. This is because people miss using products and that makes them crave for consumption. When people imagine the experience of consumption and the feeling of not having a particular product, they start missing the experience, and consequently feel desire. For example, consumers who become conscious that they have not consumed a product (such as Coca-cola) for a long time feel more desire for its consumption. Also, in the case of seasonal products (or products for special days as Christmas or Mothers' days), people sense an increased desire for them. Similarly, if consumers are aware of the fact that they have not consumed a product in a fair amount, they will desire it more.

Based on the difficulty of recall as information (Schwarz et al. 1991), and the relationship between the perception of past consumptions and desire (Dai and Fischman 2014; Helson 1964), Huaman-Ramirez and Maaninou (2015) demonstrated that consumers desired drinks more when the recall of past consumption was more difficult.

Malleability of the Inference: The Role of Time Pressure

Time pressure is identified as an exogenous variable capable of influencing consumer behavior (Howard and Sheth 1969) and can be viewed as a perceived limitation of time available to consider information or to make decisions (Suri and Monroe 2003). Time pressure may limit the amount of information that can be processed and thus influence the consumer's decision-making (Iyer 1989; Park et al. 1989; Pieters and Warlop 1999). Primarily, it may also impact the process of information processing in two ways: (1) accelerated pace of decision with the use of non-compensatory models (Bettman et al. 1998; Mantel and Kellaris 2003; Suri and Monroe 2003), and (2) tendency to use heuristics to simplify the cognitive task (Andersen et al. 2007; Chaiken 1980; Kaplan et al. 1993). Moreover, according to the heuristic-systematic model (Chaiken 1980), the use of heuristics for the recall of past consumption of a product also depends on the time pressure a person perceives.

Desire and Behavior

The immediate consequence of the desire for something is action. People who crave for consuming products are inclined to act to achieve the goal of consumption. For example, people who desire an apple will spend energy and time to be rewarded with the pleasures generated by the consumption of the apple. Desire makes consumers pay more attention to the stimuli that are taken as a source of pleasure. People who desire certain products focus on the cognitive aspect of this attention by imagining rewarding experiences from them.

Hypotheses

Desire makes humans engage in a consummatory behavior (Kavanagh, Andrade and May 2005). Desire influences behavior (Hofmann and Van Dillen 2012, p. 318). Since desire involves the simulation of images lived, it reinforces preparatory behaviors required for the acquisition of the consummatory target (Kavanagh, Andrade and May 2005). As desire is a motivational state, it drives people to pursue activities (Hofmann et al. 2012). Consumers experience desire and are motivated to act. Based on this argument, we hypothesize:

H1: Consumption desire has a positive effect on purchase intention.

If consumers were asked to recall information of their past experiences, the processing of information would make individuals be influenced by emotions based on these recalled rewarding experiences. In this sense, they would be motivated to realize the effort of recalling past experiences, and consequently not to be influenced by the inference of the difficulty of recall. If individuals were not influenced by the difficulty of recall, then they would not feel a deficit of consumption, and consequently, desire would not be affected by such a deficit. Based on this argument, we propose:

H2a (b): The difficulty of recall does not impact desire for consumption (purchase intention).

The manner in which information is processed also depends on the increase in time pressure (Payne, Bettman and Johnson 1988; Suri and Monroe 2003). When the amount of resources required to decide is greater than the resources available, even when the individual is motivated, the consumer will use a model of non-compensatory decision or will only use his or her intuition or inferences (Mantel and Kellaris 2003). For example, if a consumer is limited by time in the decision of buying or not buying a dirt-cheap drill, he or she will certainly buy it with absolutely no idea if he or she is going to use it in future. Consumers will only reason by taking into account the derisory price of that drill. For this reason, we argue that time pressure could boost the difficulty of recall as information; consumers will have a greater tendency to relate the difficulty of recall to having consumed less of the food, due to the situation of limited time. Consumers will be less rational and depend more on inferences even if they are possibly motivated. Based on this argument, we propose:

H3a (b): The difficulty of recall positively impacts the desire for consumption (purchase intention) in a situation of time pressure.

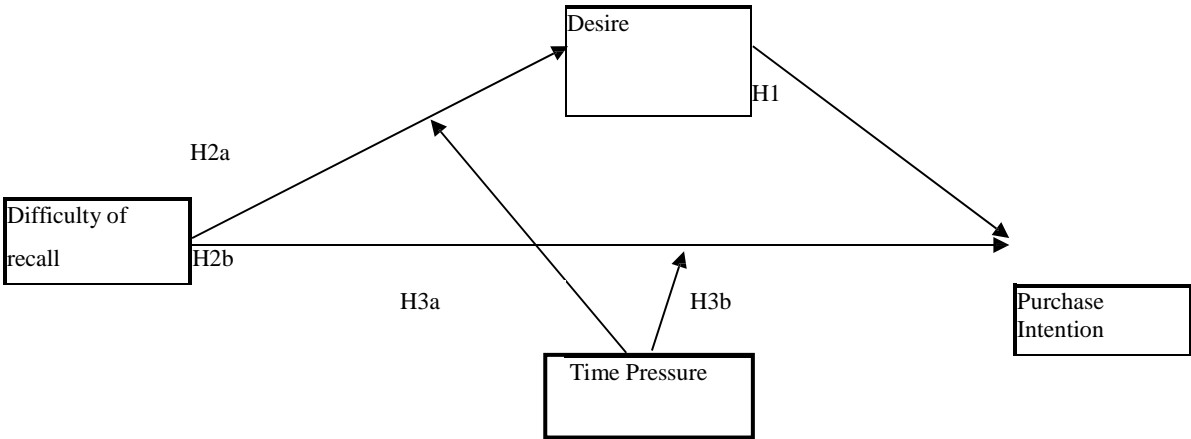


Figure 1: Model Research

Method

One hundred and seventy students from Aix-Marseille University participated in a study conducted in France (101 males, 69 females; age between 18 and 25 years old). This study used a 2 (difficulty of recall: 2 recall vs. 6 recall) x 2 (time pressure: under time pressure vs. without time pressure) between-subjects design. Participants were randomly assigned to one of four experimental conditions. We used a survey method for data collection and it was administered in person. In the beginning of the survey, we asked participants to select a refreshing drink (with predominantly hedonic characteristics and repeated consumption) from a list of eight products containing the most popular soft drinks in France: Coca Cola, Pepsi Cola, Sprite, Fanta, Ice Tea and some local brands. This manner of choosing drinks provides participants with a similar hedonic state. Then, participants in the first experimental condition were asked: "Remember the two (2) last times you consumed this drink" without time pressure. Participants in the second experimental condition were asked: "Remember the last six (6) times you consumed this drink" without time pressure. For participants in the third experimental condition, we asked them to remember the two last times they consumed the drink and we controlled time by giving participants one minute to answer all questions (including desire and purchase intention). For the fourth experimental condition, we asked them to remember the last six times and we gave them one minute and a half. Finally, participants answered questions about the difficulty of the task (manipulation check variable) and the preference and the frequency of consumption (control variables).

In regard to the measure of variables, desire was measured by the following question: "How much would you like to consume this drink now?" (Redden and Galak 2013) on an 11-points scale (0 = not at all; 10 = very much). For purchase intention, we used the scale of Dodds et al. (1991) and adapted it to our context: "How likely would you buy this drink, if you had the opportunity right now" and "Would you intend to buy this drink, if you had the opportunity right now" on a 11-points scale (0 = not at all; 10 = very much). In order to ensure that the difficulty of recall has a significant difference, participants assessed the task difficulty with three statements: "The recall task was difficult"; "The recall task took you a lot of effort"; "The recall task makes you think a lot" (Menon et al. 1995), using 11-points likert scale (0 = don't agree at all ; 10 = strongly agree). To verify that individuals have the same level of liking the product we asked the following question: "How much do you like this drink?" on an 11-points scale (0 = null; 10 = very much) and finally, we asked about frequency: "What is the frequency of consumption of this drink per month?"

Results

We only considered the individuals with a consumption frequency greater than 2 per month because the control condition of this experiment was to have respondents with a relatively high consumption frequency. Thus, we had 39, 39, 31 and 36 respondents for each experimental condition, respectively. The second control variable of this study was the fact that consumers must like the chosen drink. Indeed, there was a significant consumer preference for drinks, $M1 = 8.05$, $M2 = 7.72$, $M3 = 7.45$ and $M4 = 8.03$ ($F = 1.119$, $p = .344$, not significant, similar means) for each group. To validate our hypothesis about the effect of time pressure on the relationship between the quantities of recalled past consumptions and desire, we tested the equality of means for each condition. The reliability of scales was validated: purchase intention (cronbach's alpha = 0.922); difficulty of recall (cronbach's alpha = 0.933). We transformed these latent variables to manifest. The manipulation check of the difficulty of recall was tested for the two conditions: without time pressure ($M1 = 3.18$ vs. $M2 = 4.46$, $t = 1.896$, $p < 0.05$) and with time pressure ($M1 = 5.02$ vs. $M2 = 5.55$, $p > 0.051$). The desire for drinks was similar (Figure 2) in the recall of the two past experiences ($M1 = 6.08$, $SD = 3.58$) and the recall of the six past experiences ($M2 = 5.67$, $SD = 3.46$) without time pressure ($t(76) = 0.514$, $p = .609 > .05$); without time pressure the difficulty of recall does not impact the desire for consumption (H2a validated). However, the desire felt by those who recalled last two experiences ($M3 = 4.81$, $SD = 3.44$) was significantly lower (Figure 2) than those who recalled last six experiences ($M4 = 7.42$, $SD = 2.52$) under time pressure ($t(65) = -3.568$, $p = .001 < .005$); with time pressure, the difficulty of recall impacts the desire for consumption (H3a is validated). In the same way, purchase intention was similar under no time pressure ($M1 = 5.11$, $SD = 2.9$ vs. $M2 = 5.02$, $SD = 2.98$; $t(76) = 0.134$, $p = 0.893 > 0.05$, H2b validated) but also completely different after time pressure ($M3 = 3.72$, $SD = 2.83$ vs. $M4 = 6.34$, $SD = 2.47$; $t(65) = -4.042$, $p < 0.05$; H3b is validated). Finally, we tested the positive effect of the desire for consumption on purchase intention ($t=11.814$; $p < 0.05$;

H1

is

validated).

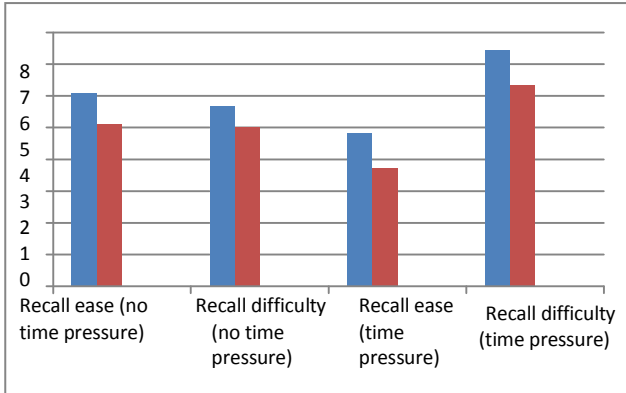


Figure 2: Desire and Purchase Intention Effects

Conclusion and Discussion

As it was proposed, the relationship between the difficulty of recall and desire for consumption depends on time pressure. When consumers are asked to recall the last six times they consumed a soft drink, the difficulty of recall does not have an impact the desire for consumption. It is explained by the fact that consumers are influenced by experiential information, and consequently they do not use inferences. However, when consumers are under time pressure, the difficulty of recall effectively impacts desire for consumption. Consumers depend on a heuristic information processing. Furthermore, other conditions such as the frequency of consumption and preference have been successfully controlled in order to test the relationship between the difficulty of recall and the desire for consumption. Manipulation checks were validated.

Desire plays an important role in consumption. Individuals who feel desire for possessions, status, affiliation (Rassuli and Hollander 1986) and pleasure are motivated to consume objects and live experiences. Desire is a principal cause of our actions in daily life. Research in consumer behavior has analyzed desire in relation to the self-control and regulatory focus (Dholakia et al. 2006; Hofmann et al. 2012; Redden and Haws 2013) and the experience of desire itself (Boujbel and d’Astous 2015). Unlike previous work, we have focused more on the effect of the recall of past consumptions on desire for consumption.

Our work is aligned with the effect of time pressure on decision-making (Suri and Monroe 2003). Consumers that are under time pressure have the tendency to rely on heuristic or inferential evaluation or decision. Our research is in accordance with the Dual-Process Theory (Chaiken 1980; Chaiken and Trope 1998).

Our contribution has the potential to help marketers act more on the recall of past experiences by the consumer. For instance, marketers can use questions to instate recalling in retailing and influence desires of consumption. Marketers can also make sellers induce consumer recall of past consumptions in speedy decision making situations. Furthermore, marketers can use communication strategies, such as asking people to recall several past consumptions, in order to increase consumer desire. Future research should focus on the inferences that consumers can use in the construction of desire based on information content and not only on accessibility experience (Lee 2004). In addition, it would be interesting to analyze other relevant conditions under which the use of the studied inference might actually have an effect.

¹ Individuals perceived almost the same difficulty of recall because they associated the difficulty to the time pressure.

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Summary Brief

Experience as a Retail Weapon: Examining the Effect of High Quality Customer Experience on Showrooming Intentions

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Combatting the act of showrooming, where the consumer will utilize the resources of a retail location to gain knowledge of a product with the ultimate intention of purchasing that product somewhere else, is quickly becoming a goal of many retailers. One possible way for retailers to curb this type behavior is through providing a quality customer experience to the customer while the customer is in the retail environment. The proposed research looks to explore the effect that high-quality customer experience perceptions have on the customer's intentions to engage in showrooming behavior.

Introduction

Showrooming occurs when an individual consumes the services of a full-service retailer and then uses the knowledge and services gained from that retailer to make a purchase from a limited-service retailer, which often boasts lower prices (Singley and Williams 1995). The ease of comparing prices and ordering products online from home or via mobile technology has caused a sharp increase in free riding behavior recently, with as many as 50% of online shoppers stating that they first viewed products in a brick-and-mortar retailer before making their online purchase (Zimmerman 2012).

While showrooming may seem to be a byproduct of today's more informed consumer, it is causing major problems for brick-and-mortar retailers who are footing the bill for shoppers without getting sales in return. Brick-and-mortar retail owners have many costs associated with creating a functional shopping experience, which include staffing their store with knowledgeable employees, paying utilities and taxes, and keeping their stores adequately stocked (Greene 2012).

Theoretical Development

As evidenced by the increasing media attention directed at showrooming behaviors and the strategies that some retailers are employing to counteract these behaviors, this topic is of great importance to the managers of brick-and-mortar retailers. Studies have shown that as many as twenty to fifty percent of consumers may be free riders (Van Baal and Dach 2005; Zimmerman 2012). With as many as half of consumers engaging in this behavior, the negative impact of showrooming is becoming increasingly problematic for retail owners and managers. Beyond the direct costs associated with showrooming, there are other negative effects to the retailer. The costs associated with showrooming can be detrimental to retailers (Kucuk and Maddox 2010).

Currently, there are few studies in the showrooming literature which focus on retailer tactics designed to deter showrooming behaviors. Some notable exceptions to the lack of focus on showrooming include past research that has focused on consumer decision-making and marketplace interaction styles and their relationship to showrooming activity (Burns 2006; 2007). The findings in these studies add understanding to why an individual might feel positively or negatively towards showrooming, but do not lend much assistance in understanding and deterring showrooming intentions.

Personal connection to the retailer, extra-role service at the retailer, and atmospherics may each play a role in increasing purchase intentions and decreasing showrooming intentions in some retail contexts (Horky 2014). While these factors are elements of retail shopping experience, to date there are no studies that examine the impact of the holistic retailer experience quality on showrooming intentions or behaviors. The concept of customer experience is driven by Swinyard's (1993) examination of the retail environment on the mood, involvement and ultimately on the purchase intentions of the customer. Customer experience is retail centric and is defined as the customer's "cognitive, affective, emotional, social and physical response to the retailer" (Verhoef et al. 2008, p. 32). While many studies show that price disparity may be a driving force behind showrooming behavior (Horky 2014;

Singly and Williams 1995), the examination of experience literature suggests that viewing a retail purchase as a pure exchange based solely on price may be leaving out key emotional elements of the consumption process. Providing customers with a high quality retail experience may increase purchase intentions with that retailer, thereby decreasing showrooming intentions. This effect may be particularly strong when the high quality experience results in positive emotions toward the retailer.

Proposed Methodology

A survey will be developed and made available to consumers via Amazon.com's Mechanical Turk (MTurk). Respondents will be asked to recall a specific shopping instance at a brick-and-mortar retail store. They will be asked to give a brief description of the shopping experience and its outcome. Then, they will be asked to complete a variety of survey questions regarding the quality of their retail experience, the outcomes of the experience, and their feelings toward the retailer after their experience. The data collected from the survey will then be analyzed and reported. The results of this study will give insights as to the importance of retail experience quality in consumer purchase intentions.

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Summary Brief

Rewriting the Schedule: Some Benefits to Retailers of Closing One Day per Week

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Retailers in some areas close one day per week. Reasons for closing include more employee time for personal pursuits, less materialistic focus within a society, and greater adherence to religious beliefs. Each of these reasons represents the point of view of employees, society, or religious organizations. Less represented in the literature are the benefits of closing to retailers. The objective of this conceptual manuscript is to identify potential benefits to retailers of closing physical locations for one day per week. Additionally, methods of overcoming the lost revenue of closing one day per week are discussed.

Introduction

Not very long ago, retailers usually closed one day per week. In the United States, several areas had “blue laws” in which stores were required to close on Sundays (Kennedy 2010). Although a trend is toward greater opening hours, stores on both the American and European continents usually close or keep shorter hours one day per week (Grünhagen, Grove, and Gentry 2003). While the origin of store closures and shortened hours is often linked to Judeo-Christian traditions of a Sabbath (Lawrence-Hammer 2007), closing one day per week is also cited as providing family time to retail employees and consumers (Ingene 1986). Regardless of the reasons for shortening hours or closing, the practice represents some common value of a large segment of humanity across the centuries.

The existence of this practice across diverse groups of peoples from antiquity suggests it offers benefits. A social benefit of the practice includes increased parental time for children and each other, resulting in more productive members of society (Grünhagen, Grove, and Gentry 2003). However, such a practice might be good for an entire society but not for individuals within the society. For example, while reducing carbon dioxide emissions is good for society it can hinder the individual car manufacturer. A primary purpose of this manuscript is to investigate the benefits of closing physical locations one day a week for retailers.

Investigation of the benefits of closing is important for retailers and academicians. Increasing competition combined with resource constraints push retail managers to accurately identify all potential benefits of closing for a day. New technologies allow retailers to serve consumers at potentially less cost. Closing one day per week can help retailers reduce payroll expense.

Identifying the benefits associated with closing for a day is important for the retailing literature. A focus on direct economic gains and costs of closing one day per week ignores other factors, which have may have indirect but potentially substantial influences on economics.

Literature Review

Researchers have examined the societal benefits of closing one day per week as well as the benefits of opening every day. Evidence supports closure creating an environment of relaxation, wherein consumers and retail employees are able to pursue non-commercial interests (Dickinson 2005; Ingene 1986). Research suggests that opening one store in an area effectively forces all to open, due to competitive pressures. Other research suggests that opening on traditionally closed days increases prices, as retailers struggle to cover increasing overhead (Ingene 1986).

In contrast, research identifies some societal benefits of opening every day per week. Evidence suggests that everyday opening increases employment and overtime (Skuterud 2005). Certainly consumers can more easily purchase and receive physical goods when stores are open, thereby potentially increasing tax revenues.

Another stream of research examines consumer perceptions of shopping on those days that retailers were traditionally closed. These studies were usually conducted soon after the repeal of laws forcing closure on a certain day (i.e., blue laws), traditionally Sunday in the United States. One study identifies the demographics of Sunday shoppers as well as their motives (Varble 1976). Another study examines the effect of individual differences (e.g.,

religiousness) on Sunday shopping in specific regions (i.e., the south) of the United States (Siguaw and Simpson 1997). Less explored are the benefits to individual retailers of closing one day per week and opening seven days per week. This manuscript seeks to fill this gap by examining the benefits to individual retailers of closing one day per week.

Conclusion

This manuscript offers two contributions to retailing practice and the literature. First, a set of propositions regarding the benefits to retailers of closing physical stores one day per week are discussed. Benefits include positioning opportunities, improvements in customer service, and customer satisfaction. Closing one day per week also allows an extra day, which can be used by retailers when necessary. Two factors influencing the relationship between closing for one day per week and customer satisfaction are identified. A second set of propositions identify some ways of offsetting economic losses suffered by retailers choosing a strategy of one day per week closure. Methods of offsetting costs of closure include using the web, decreases in employee turnover, decreases in costs associated with health care, decreases in the variable costs of store operation, and incorporating automated systems. Discussion is also offered of how some of these methods of offsetting costs might reduce the benefits of closing one day per week.

The manuscript suggests that closing physical sites one day per week, while probably reducing revenues, can show benefits for retailers. In determining operating days, these benefits should be considered by retailers. While initially seeming too costly, consideration of these benefits and their consequences should help retailers better identify the most appropriate strategy. The contribution of this manuscript is identifying factors that may have been overlooked in making decisions about days of operation.

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Summary Brief

Does eWOM Affect Touch and Purchase Intention?

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While the concept of touch has received limited attention in the marketing and sales literatures, previous research has demonstrated that touching an item increases perceived ownership and item valuation. Electronic word-of-mouth (eWOM) has received substantial attention regarding its impact on product purchases, however, marketing scholars have yet to examine the relationship between touch and eWOM. Thus, the goal of this research is to uncover whether or not the impact of touch will be enhanced by positive eWOM and/or negated by negative eWOM.

Introduction

There are a number of persuasive influences that can be used to encourage customers to purchase items, one of which is the act of touch. While touching an object increases perceived ownership and valuation of the object (Peck and Shu 2009), the marketing and sales literatures have focused little attention on the concept of touch and its potential to increase sales. To fully understand the power of touch, it is important to recognize other catalysts that may enhance or decrease its impact. Thus, the goal of this research is to understand if and when electronic word-of-mouth (eWOM) will influence the impact of touch. While the marketing literature has given much attention to the persuasiveness of eWOM (Li and Zhan 2011; Brown and Reingen 1987), from our knowledge, there has not yet been an empirical investigation regarding the relationship between touching an object and being exposed to eWOM about that object. Accordingly, this paper attempts to better understand the influences of touch and eWOM on purchase intentions, as well as to uncover whether or not there are any enhancing or discounting effects when these two influences are combined.

Literature Review

Touch Persuasion and Perceived Ownership

Touching is a basic human element that provides humans valuable information. Touch, which is often referred to as haptic or the haptic system, is defined as “the active seeking and picking up of information by the hands” (Peck and Childers 2003, p. 36). Peck and Shu (2009) demonstrated that touching an object not only relates object information but can also increase perceived ownership of that object. Perceived ownership, also referred to as psychological ownership, exists when a person does not have official legal ownership of an item, but this person feels like s/he owns it (Peck and Shu 2009). Control, personal connection and self-investment encourage these feelings of perceived ownership, which are enhanced by the act of touch (Peck and Shu 2009).

Electronic Word of Mouth

Electronic word-of-mouth is considered an extension of traditional word-of-mouth that is now available in electronic form via the Internet, online forums, product reviews, and social networking sites (Hung and Li 2007). eWOM is found to have a persuasive impact on attitude and behavior changes, as a result of participating in this form of communication (Li and Zhan 2011; Brown and Reingen 1987). It has been previously established that attitudes affect product choices (Floyd et al. 2014), product judgments (Hung and Li 2007), and purchase decisions (Schlosser 2011; Hung and Li 2007).

Conceptualization and Hypotheses

As an extension of the Peck and Shu (2009) study, we examine the impact of eWOM on the relationship between touch, perceived ownership, and purchase intention (see Figure 1). We believe positive eWOM of an object will increase the desire to own an object and will thus enhance the relationship between touch and purchase intention. However, we also believe that negative eWOM will have the opposite effect and actually attenuate purchase intention. Accordingly, we propose the following hypotheses (H1a is replica of Peck and Shu 2009):

H1a: Touching an object will lead to greater perceived ownership of the object.

H1b: Perceived ownership is positively related to purchase intention.

H2: Positive eWOM positively moderates the relationship between perceived ownership and purchase intention.

H3: Negative eWOM negatively moderates the relationship between perceived ownership and purchase intention.

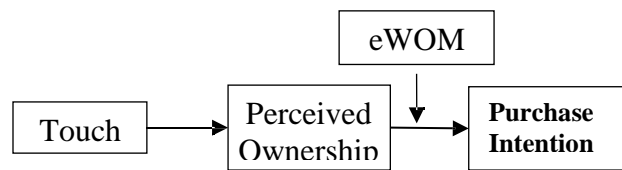


Figure 1: Conceptual Model

Potential Method

In order to test these hypotheses, a 2 (Touch: touch, no touch) x 2 (eWOM: positive, negative) between subjects factorial design will be performed in a lab setting. Subjects will be randomly assigned to one of the four conditions, either having access to touch an object or not and being subsequently exposed to either a positive or negative reviews about the object. Subjects will be assessed on their interest in purchasing the object.

Implications

Gaining a more in depth understanding of the relationship between touch, eWOM, and purchase intention will contribute to both marketing and sales literature. If support is found for the proposed hypotheses, from a managerial perspective, retailers and salespeople may wish to alter their sales strategies to encourage customers to touch their products. They may also want to assess the information customers have been exposed to about their store or the specific product prior to the sales pitch implementation. If positive eWOM is discovered to enhance the impact of perceived ownership on purchase intention, then marketers and salespeople can provide positive testimonials along with the touch experience. If negative eWOM is found to counter positive effects of touch, marketers and salespeople can work to correct the issues stemming from the negative eWOM to improve the evaluation of the product or service.

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Special Session

Stupid SPSS Tricks and Predictive Analytics Using Modeler 16

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This special session focuses on expanding a marketing professional's understanding of two areas of methodological knowledge. SPSS is one of Marketing's most used programs for the processing of empirical research and can be used for multiple purposes beyond the most basic such as multivariate analysis. This session will provide additional uses for SPSS beyond the basic uses. The second session will focus on predictive analytics and how to perform analysis using IBM's companion package with SPSS, Modeler 16. Providing a demonstration of its graphic user interface will give the participants a chance to understand its capabilities and give them sufficient knowledge to compare its functions and uses against other analytic packages.

Introduction

SPSS has been one of the tools of choice for many marketing professionals. However, many people only use a narrow band of its abilities. SPSS is a target-rich tool that has been used for purposes not written down. In Session 1 we will discuss some clever uses for SPSS beyond the traditional. In Session 2, we will introduce IBM Modeler 16, the newest member of the SPSS family for the purpose of doing marketing analytics.

Session One: Stupid SPSS Tricks

Introduced in 1968, the Statistical Package for the Social Sciences (SPSS) was a statistical science package originally developed for the social sciences such as psychology and sociology. In combination with the SPSS manual it has been described as one of "sociology's most influential books" in giving everyday researchers the ability to perform analysis independent of professional analysts (Nie, Bent and Hull, 1970). Its package of statistical tools were so complete that its users quickly grew to include marketing and the health sciences.

While the software package is "target-rich", few use all of the capabilities of SPSS. Many users limit themselves to using SPSS for data reduction, independent sample T-tests, and some multivariate analysis. In this session, we intend to show some of the newly-added features from the current release, including file-splitting, SPSS output to smart devices, and other additions including creating a covariance matrix using SPSS. If there is time, we plan to show how to run a multiple regression (MR) analysis using AMOS and compare the SPSS outcomes with the AMOS outputs.

Session Two: Using SPSS Modeler 16 for Predictive Analytics

Data mining refers to "a rapidly growing field of business analytics that is focused on better understanding characteristics and patterns among variables in large databases using a variety of statistical and analytical tools" (Evans, 2013; p. 367). "Usually, a data mining project involves a combination of different problem types, which together solve the business problem" (<http://the-modeling-agency.com/crisp-dm.pdf>), such as segmentation, classification, and dependency analysis (e.g., regression analysis, association rules, Bayesian networks). Quite a number of commercial data mining software packages are available on the market, include R, RapidMiner, Excel, SAS Enterprise Minder, IBM SPSS Modeler.

The development of IBM SPSS Modeler could be sourced back to Clementine(r) by Integral Solutions Limited (ISL) in 1994. After ISL was acquired by SPSS in 1998, Clementine went through several revisions. Subsequently, SPSS was acquired by IBM in 2009, and Clementine was marketed as a powerful data mining software packager under the name of IBM SPSS Modeler. According to a 2011 Kdnuggets poll on 1103 voters, IBM SPSS Modeler was not among the top three popular data mining software packages but #10 (<http://www.kdnuggets.com/polls/2011/tools-analytics-data-mining.html>).

Then, why would we intend to focus our special session on IBM SPSS Modeler? It is because that SPSS has been a popular statistical software package adopted by many business schools and that IBM SPSS is providing qualified educational programs free access to its Modeler program (<http://www-01.ibm.com/software/analytics/spss/academic/programs/map.html>). In this special session, we intend to demonstrate how to use perform CHAID, K-means cluster, and the identification of outliers using IBM SPSS Modeler with a relatively large data set. It is our belief that today's college students (tomorrow's business decision makers) would be of benefit to learn how to make an informed decision with increasingly available large datasets.

Summary Brief

Digital Marketing Strategy Adoption and Success for Small Businesses: An Examination of DIY Behaviors

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Components of a digital strategy include search engine, social, video, and display online marketing. Websites, blogs, mobile (devices), and data analytics are heralded as the premier mediums for promotions, customer exchanges, brand awareness, leads, and sales generation. Yet, many small businesses do not have (mobile) websites, do not sell products or services online, and do not take advantage of available data analytics. Technology adoption issues are known as the primary contributors to this conundrum. This study investigates how situational determinants and attitudinal factors towards digital marketing strategies affect small business owners. This project integrates the Technology Adoption Model (TAM) and Do-It-Yourself (DIY) behavior model in an effort to better understand the digital footprint of small businesses.

Introduction

There is a general agreement that digital media has transformed the way marketers communicate with today's consumer. More consumers own mobile devices, which contributes to the growth of social networks such as Facebook, Twitter, and YouTube. Despite the known benefits of digital communication much of the digital marketing strategy literature focuses on large businesses and corporations (Celuch et al. 2007) hence, neglecting small businesses and their specific digital demands. Compared to large firms, small businesses have drastically different digital footprint and technology adoption speeds necessitating more specific research of their digital needs. Both practitioner and academic literature assume all businesses outsource all or portions of the digital marketing functions (Edelman 2010; Montalvo 2011), yet 55 % of small businesses in the United States do not have a webpage (Pisani 2014). In an effort to bridge the gap, the objective of this research is to investigate the gap of digital media implementation by applying the Technology Acceptance Model (TAM) and the Do-It Yourself (DIY) consumer behavior model to better understand digital marketing behavior of small business firms.

TAM Acceptance Model

Previous research associated with digital marketing utilizes the technology adoption model (TAM) (Srinivasan et al. 2002). This model theorizes that an individual's perceived ease of use, technology usefulness, and user acceptance are determinants of adoption behavior (Davis 1989). One general principle of TAM is that the easier a system is to use, then the more useful the system becomes to the user and company (Venkatesh and Davis 2000). An extensive search indicates that the TAM has not been applied to the comprehensive use of digital marketing strategies by small businesses.

Hypotheses Associated with TAM:

H1: The perceived usefulness of a digital marketing strategy will have a positive effect on the small business owner's intent to use the strategy.

H2: The perceived ease of use of a digital marketing strategy will have a positive effect on the small business owner's intent to use the strategy.

H3: A high (low) level of behavioral intention to use a digital marketing strategy will have a high (low) effect on the actual behavior (use of digital marketing strategy).

DIY Behavioral Model

Research by Wolf and McQuitty (2013) established a model of situational and outcome variables associated with DIY behaviors. This study suggests advancing the Wolf and McQuitty definition of DIY to reflect the popular culture application and a more generalizable meaning. Wolf and McQuitty state, "the physical and

cognitive skills required by typical DIY activities extend the notion of value creation from how to use, maintain and repair... to the consumer's direct participation in the process of planning, designing, and constructing a product through self-effort," (2013, p.198). The idea and embodiment of a small business owner is similar to a do-it-yourself type of individual. It is this involvement of the owner's self-effort that makes the application of the DIY behavioral model valid. As such, this study applies the DIY consumer behavior model and extends the application (Wolf and McQuitty 2013) to digital marketing strategy adoption by small business owners. Validation of this model in a small business context could provide a new angle for marketing strategies of small businesses.

Hypotheses Associated with DIY:

H4a: The perceived economic benefits are positively related to participation in a digital marketing strategy.

H4b: The perceived lack of product quality is positively related to participation in a digital marketing strategy.

H4c: The lack of customized product availability is positively related to participation in a digital marketing strategy.

H5a: Participation in a digital marketing strategy is positively related to a sense of control.

H5b: Participation in a digital marketing strategy is positively related to a sense of fun and excitement.

H5c: Participation in a digital marketing strategy is positively related to a sense of self-improvement.

H6: The relationship between Digital marketing participation and the DIY outcome values is mediated by perceived success.

Still in progress, the final analysis of this study is a comparison of the performance results of each model. Do small business owners participate in digital marketing strategies because they easily embrace technology? Is participation in digital marketing perceived by the owner as a challenge to create something unique and of value? The answers to these questions provide a better understanding into the digital footprint of the small business owner.

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Summary Brief

Describing Trends in Consumer Media Use Through Two-Part Models

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Media use is an essential component of consumer behavior research. As media use changes over time, accurately documenting trends is critical in understanding media behaviors and preferences. Responses to time spent consuming media often contain two distinct pieces of information: whether or not a given media is consumed and the extent to which the media is consumed. Such data are characterized by zeros that represent the portion of individuals who do not use a particular media and positive and continuous values that denote time spent for those who are users. Two-part models were developed specifically for this type of data, called semi-continuous data, and are well suited to the study of time spent using media, making it possible to predict both the likeliness for individuals to use a given media, as well as understanding their extent of use. This approach is applied in the context of Hispanic media consumption.

Introduction

Documenting trends in media use can depend on consumer reports of time spent engaged in different media. Whether reports are based on retrospective, self-report measures or actual time spent, it is common for a portion of respondents to report that they do not use a form of media, particularly as some media forms begin to supplant others. For users who are engaged, the amount of time spent naturally varies among users. Given these patterns, reporting average time spent on different forms of media can be influenced by the portion of users who do not engage in a given media. Similarly, having some users who consume media to a relatively great extent can exaggerate a summary measure of time spent.

These patterns in media use share features of time use in other research domains. That is, time use data will include a spike of zeros if some respondents do not engage in the target behavior. Then in combination with the zeros are positive, continuous responses that represent time spent in the target behavior for those who engage in the activity. Data that include a discrete value combined with positive and continuous values are referred to as a semi-continuous data. Two-part models are statistical models that were developed to capture the unique features of these data. Two-part models are gaining popularity in many fields of research given their unique interpretation. It is therefore worthwhile to consider two-part models as a tool for improving our understanding of trends in media usage.

Semi-continuous data present an analytic challenge because the data are not normally distributed. Thus, the application of standard analytic procedures that assume normally distributed data is unsuitable. The challenge is that these data can have a high frequency of zeros with the remaining scores often being skewed to the right. A solution is a two-part model (Duan et al. 1983; Tian and Huang, 2007). The model is based on two independent parts with each relating to a distinct aspect of the measured behavior: The first concerns whether the behavior has occurred, and the second concerns the magnitude or degree of the behavior if it occurred. Thus, the model has as its outcome measures two new variables that are based on the original response. The first is a binary variable that is usually set equal to 1 if the original response is positive and is equal to 0 if the original response is equal to zero. The second is a continuous variable that is equal to the original response if the original response is positive and is missing otherwise.

A two-part model is straightforward to estimate. Each of the two new variables is analyzed separately to draw inference about the likeliness that the behavior occurred, such as by using logistic regression, and conditional that the behavior did occur, the magnitude or extent of the behavior, such as by using linear regression. Predictors in either analysis need not be the same. That is, different predictors may be used to study the likeliness that an individual consumes a particular media and the amount of use conditional that the media was consumed.

Analysis of Time Spent Using Traditional Media

Using a representative sample of U.S. adult Hispanics, self-report measures of hours spent using traditional media over a 7-day period were analyzed first using linear regression for the original measures of time spent and then again using a two-part model for two new variables that represented whether individuals spent any time using the media, and conditional that any time was spent, the amount of time spent. Predictors were sex ‘Male’ (1=male, 0=female) and language in which the survey was taken ‘English’ (1=English, 0=Spanish). Table 1 provides estimated unstandardized regression coefficients for all sets of analyses.

As shown in Table 1, the interpretation of the effects of the predictors Male and English depend on the selected approach to the analysis. In predicting time spent browsing the Web in English, for instance, the standard approach suggests that English positively predicts time spent. Using the two-part model, English predicts whether or not an individual spent any time with this media but does not predict the time spent conditional that any time was spent. Results from this study suggest different interpretations about media use behaviors with new insights provided by taking a two-part model approach.

Table 1: Maximum Likelihood Estimates from Linear Regression and A Two-Part Model for Media Use Behaviors

Regression Time Spent Given Any Original Measure ^a Use ^c	Logistic Regression		Conditional Regression			
	<i>Male</i>	<i>English</i>	<i>Male</i>	<i>English</i>	<i>Male</i>	<i>English</i>
Reported time spent						
Web browsing - English	0.2(0.5)	2.4(0.5)*	-0.1(0.2)	1.3(0.2)*	2.1(1.4)	0.9(1.4)
Web browsing - Spanish	0.4(0.3)	0.5(0.4)	0.0(0.2)	0.7(0.2)*	0.9(1.2)	0.2(1.2)
TV - English	-1.5(0.9)	4.4(1.0)*	0.1(0.1)	1.7(1.1)	-1.5(0.9)	4.2(1.0)*
TV - Spanish	-1.7(0.9)	-4.5(0.9)*	0.1(0.7)	1.5(1.1)	-1.1(1.0)	-4.7(1.0)*
Radio - English	-1.0(1.0)	5.5(1.0)*	-0.2(0.3)	1.4(0.3)*	-0.5(1.4)	3.6(1.4)*
Radio - Spanish	-1.6(1.0)	1.1(1.1)	-0.2(0.3)	0.8(0.3)*	-2.0(1.3)	1.0(1.4)
Newspaper - English	-0.2(0.4)	2.6(0.4)*	-0.1(0.2)	1.8(0.2)*	0.5(0.5)	1.6(0.5)*
Newspaper - Spanish	0.7(0.3)*	-0.7(0.3)*	0.6(0.2)*	-0.7(0.2)*	0.2(0.8)	0.5(0.9)

^aLinear regression.

^bLogistic regression.

^cLinear regression.

Standard errors of the estimated regression coefficients are in parentheses.

* Denotes a statistically significant result using a two-tailed test and $\alpha = 0.05$

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Summary Brief

Applying Configural Models of Culture, Economics, and Religion to Explain Tipping Behavior

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While culture is defined as “a complex whole which includes knowledge, belief, art, morals, custom and any other capabilities and habit acquired by man as a member of society” (Tylor 1871/1920), ironically, most research reports net effects of individual dimensions of culture on some dependent variable using symmetric tools of correlation and regression. This study uses a “recipe” or “algorithm” approach to theory and data analysis to examine the effects of cultural complex wholes on tipping behavior. The results of this study support the core tenets of complexity theory (equifinality, opposing ways that individual ingredients in different recipes can lead to the same outcome, and causal asymmetry) to offer a richer, deeper perspective of how culture affects behavior than traditional symmetric, positivistic testing methods.

Introduction

Using data from Hofstede’s (1980) principal cultural values of 45 nations and a compilation of tipping data (Cure, et al. 2002) and symmetric testing tools (e.g., correlation and regression), Lynn and Lynn (2004) found a positive relationship between tipping and power distance (PD), uncertainty avoidance (UA), and masculinity (MA) and a negative relationship between tipping and individualism (ID). In this study applying asymmetric “recipe” analysis (qualitative comparative analysis or QCA) to the same data, the authors report no relationship between tipping and PD; a positive relationship between restaurant tipping and UA; a positive relationship between taxi tipping and ID; and a positive relationship for tipping in both industries and MA.

Core Tenets of Complexity Theory

Complexity theory has its basis in how actual relationships occur in real life. They are usually non-linear with switching (Urry 2005) or tipping points (Gladwell 2002), are asymmetric (Ragin 2008), and outcomes rarely result from a single causal factor (Grekhamer, et al. 2014; Ordanini, et al. 2014). In addition, people are interested in accurately predicting high outcomes rather than explained variance (McClelland 1998).

Configural or set theory methods such as QCA propose that the influence of antecedents on specific outcomes depends of the combination of the antecedents rather than levels of individual antecedents per se. They use Boolean algebra to identify these combinations and are based on the core tenets of complexity theory: 1. Equifinality (i.e., several combinations of antecedents can associate with high outcomes), 2. Contrarian cases (i.e., both high and low scores for the same antecedent condition can appear in different recipes that associate with high outcome scores), 3. Causal asymmetry (i.e., the same simple antecedent condition can appear in both positive and negative versions of the outcome condition), and 4. Necessity/Sufficiency (i.e., high scores for a simple antecedent condition may be a necessary condition for the outcome but the simple condition is rarely sufficient to achieve the high outcome score).

Configurations of Cultural Values, Individual Motives, and Additional Cultural Dimensions Indicating Tipping/Not Tipping Behavior

This research moves beyond symmetric testing of Hofstede’s (1980) cultural values and tipping behavior by testing recipes/configurations of cultural antecedents’ effect on tipping and non-tipping in restaurant and taxi industries across 45 countries. The antecedents modeled include cultural values (PD, UA, MA, and ID) and additional antecedents of national religiosity (REL), gross domestic product by purchasing power parity (GDP), and a measure of income inequality, the Gini index (GI).

Analysis

Calibration

Calibration ranges from full non-membership (0.00) to full membership (1.00). Maximum membership ambiguity is set at 0.50; the threshold for full non-membership, at 0.05; and the threshold for full membership, at 0.95.

Consistency and Coverage

Consistency measures the degree to which a specific recipe of conditions is consistent with the outcome (e.g., high consistency occurs when nearly all cases with a high membership score in the recipe of conditions also have a high score in the outcome condition). Consistency occurs when a case's level of membership in the causal recipe is less than or equal to its level of membership in the outcome (i.e. the causal recipe is a subset of the outcome) (Ragin 2008). Consistency ($X_i \leq Y_i$), where X_i is case i 's membership score in set X ; Y_i is case i 's membership score in the outcome condition, Y , is calculated by dividing the sum of the minimum of X_i or Y_i by the sum of X_i . Consistency ($X_i \leq Y_i$) = $\sum \{\min(X_i, Y_i)\} / \sum(X_i)$ and should be $\geq .85$.

Coverage is degree to which a causal configuration accounts for instances of an outcome. QCA compares alternate paths by determining the proportion of cases that are consistent with a particular configuration (Ragin 2008). Coverage should only be considered after consistency is established. The coverage score calculates the proportion of cases where degree of membership in the configuration is less than the membership in the outcome, but this time divides it by the total score for the outcome condition. Ragin (2008) provides a full description of QCA theory and method; the fsQCA software is available at F

High Tipping Share: Sufficient Models (Consistency Score)

Restaurant Recipes: REL·GI11·~GDP13·UA·~ID (0.88); ~REL·~GI11·GDP13·PD·UA·ID (0.88); REL·~GI11·~GDP13·PD·~UA·~ID·MA (0.94). Taxicab Recipes: REL·~GI11·~GDP13·PD·~UA·~ID·MA (1.00); ~REL·~GI11·GDP13·PD·UA·ID·~MA (0.82); REL·~GI11·GDP13·~PD·UA·~ID·MA (0.86); REL·GI11·GDP13·~PD·~UA·ID·MA (0.93). [Note: “~” indicates attribute negation; “•” indicates the logical AND Boolean operation.]

Negation of Tipping Share Models (Consistency Score)

Restaurants: ~REL·GI11·GDP13·PD·~ID·MA (0.94); ~REL·~GI11·GDP13·~PD·~UA·ID·~MA (0.92); REL·~GI11·~GDP13·PD·~UA·~ID·MA (0.89); ~REL·GI11·~GDP13·~PD·~UA·ID·MA (0.88); REL·~GI11·GDP13·~PD·UA·~ID·MA (0.89). Taxicabs: REL·GI11·~GDP13·~PD·UA·~ID (0.90); ~REL·GI11·GDP13·PD·~UA·~ID·MA (0.87).

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Summary Brief

A Helpful Scale: A Measure of the Psychological Facets of Helpfulness in eWOM

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Consumer-generated reviews are a growing form of electronic word-of-mouth communication that is playing a pivotal role in consumer purchase decisions. Review helpfulness is a key element of consumer-generated information in an online review context. However, the nature of helpfulness as it pertains to online reviews has not been fully explored. In order to close this gap in the literature, we developed and tested a novel scale for helpfulness in three phases using of both qualitative and quantitative methods. Our results indicate that helpfulness is a latent construct with multiple facets.

Introduction

With the burgeoning of the Internet and online retail commerce, the role of online reviews is likely to become more prevalent as more firms endeavor to capture a larger share of the online retail market. It is imperative to know what makes a consumer review helpful and how does it influence consumer behavior, especially in relation to the potential loss of revenue due to negative reviews. Drawing upon information diagnosticity literature (Andrews 2013) and language expectancy theory (Jensen et al. 2013), we investigate the effect of negative electronic word of mouth (eWOM) as it pertains to the helpfulness of online reviews and the impact of these reviews on consumer attitudes. The remainder of the paper presents the conceptual background, introduces our research design and methodology used to sample 231 subjects, and finally discusses our findings.

Conceptual Background and Hypotheses

In written language, readers have expectations of the source that relates to conventional message composition, such as grammar, syntax, and spelling. However, there is a bandwidth of acceptance related to the expertise of the source (Burgoon, Denning, and Roberts 2002). Sources with high perceived expertise are given elasticity to deviate from expected written standards. In contrast, novices are bounded by expected written standards and are evaluated negatively when they violate language expectancies (Jensen et al. 2013). Similarly, we used language expectancy theory to explain the relationship between source credibility and the message effects. Past research suggests that reviewer trustworthiness and reviewer expertise are positively correlated and are two dimensions of source credibility. Therefore, we also hypothesize that both dimensions of source credibility will positively impact the helpfulness of an online review.

Due to the negativity bias found in the eWOM literature, we use negative reviews in our study, as they are more likely to be evaluated as helpful than positive reviews and therefore are more appropriate in diagnosing the underlying facets of helpfulness (Sen and Lerman 2007). Because this study uses negative product reviews, we predict there is an inverse relationship between review helpfulness and the consumer's attitude toward the product. Thus, we have hypothesized that source credibility impacts helpfulness. In turn, we hypothesize that the helpfulness of a negative review mediates that relationship between source credibility and attitude toward the product.

Study

We used an integrated multi-method approach that included both quantitative and qualitative data analyses. The integration of quantitative and qualitative approaches helps attend limitations of each approach by providing both statistical and context-rich analysis (Kaplan and Duchon 1988). First, we tested our scale on 400 subjects using an online survey instrument. Second, we used qualitative data to refine our measurement items. Third, we tested our refined model on 231 subjects using an online survey instrument, which asked subjects to evaluate aspects of a negative review. The measures, except helpfulness, were adapted from existing scales for this study. We developed novel measures for helpfulness, as there were no existing scales in the literature at the time of this study. Our scale

for helpfulness was measured by six facets: two adapted from prior literature (persuasiveness and relevance) and four newly created facets (novelty, adequacy, usefulness, and readability).

To assess the hypotheses, the data were subjected to structural equation analysis in AMOS (Hair et al. 2010). The final measurement model exhibited acceptable fit χ^2 (273.2); df (146); p-value (<.05); CFI (.96); and RMSEA (.06). Convergent and discriminate validity and reliabilities of constructs were acceptable. The structural model also exhibited acceptable χ^2 fit (274.9); df (148); p-value (<.05); CFI (.96); and RMSEA (.06). All hypotheses were supported.

Discussion

This research is among the first to empirically examine the multiple facets of helpfulness using a theory-testing approach. These aspects tapped into the extent to which an adequate and readable online review was also novel, useful, relevant, and persuasive in influencing a person's attitude toward the product. Our study suggests that helpfulness is a mechanism by which a review from a credible source influences a reader's attitude toward a given product, thereby impacting their decision making. The positive path from reviewer expertise to helpfulness suggests that even a non-professional product reviewer can increase review helpfulness if he or she has demonstrated enough review experience. It is plausible that reviewer expertise is initially perceived from review presentation before the reader reads the review text. Thus, the characteristics of the reviewer precede the review itself. Concurrently, the positive effect of reviewer trustworthiness on helpfulness suggests that a non-professional product reviewer can increase review helpfulness if he or she is perceived as being trustworthy. Together, the results offer insights on how people understand helpfulness as it relates to the growing promotional channel that is electronic word of mouth.

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Summary Brief

The Influence of Relationship Beliefs on Gift Giving

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People have fundamental beliefs about what constitutes a good relationship where some people believe that potential partners are meant either for each other or not (entity theorists), whereas other people believe that successful relationships are cultivated and developed (incremental theorists). This research shows that people's beliefs about relationships influence their gift giving behavior. We demonstrate, through one experiment, that entity theorists prefer giving gifts that are high on desirability related aspects and low in feasibility related aspects to their significant others, whereas incremental theorists prefer giving gifts that are low in desirability related aspects and high on feasibility related aspects to their significant others. Finally, we discuss our direction for future research.

Introduction

Recent research suggests that gift-giving is a regular activity for consumers where gifts account for more than 4% of the standard household budget (Gino and Flynn 2011). In the context of romantic relationships, gifts carry symbolic meanings through which gift givers communicate their feelings and commitment to recipients (Nguyen and Munch 2011). Recent research in marketing has shown that various factors such as attachment orientations, relationship satisfaction, and relationship commitment influence gift giving behavior (Nguyen and Munch 2011). However, research in marketing has not investigated how consumers' fundamental belief about what constitutes a good relationship influences their gift-giving behavior. Research in social psychology (Knee 1998) suggests that people believe that relationships are either destined or are characterized by growth. People who believe in destiny (entity theorists) assume that potential partners are meant either for each other or not, whereas people who believe in growth (incremental theorists) assume that successful relationships are cultivated and developed. The purpose of this research is to fill this gap by investigating whether implicit beliefs about relationships influence consumers' gift giving behavior. Across one experiment, we show that people who believe in destiny prefer giving gifts with higher desirability related aspects and lower feasibility related aspects to their significant others, whereas people who believe in growth prefer giving gifts with lower desirability related aspects and higher feasibility related aspects to their significant others.

Theoretical Background

Research in implicit theories show that it can be applied in the realm of relationships where people believe that relationships are destined or that they are characterized by growth (Knee 1998). People who believe that relationships are destined (entity theorists) tend to focus on the idea of initial compatibility that may lead them to search for the perfect partner (Knee 1998), on performance goals, and on signaling positive qualities to others (Dweck 2000). On the other hand, people who believe that relationships are grown (incremental theorists) feel that successful relationships evolve from a resolution of challenges and difficulties, and focus on learning about each other (Dweck 2000). Research in gift giving identifies that many gift choices encompasses a trade-off between the desirability and the feasibility of the gift item (Baskin et al. 2014). Desirability refers to the quality of the item's end-state and is related to the central aspects of the gift such as the quality of the food at a restaurant whereas feasibility refers to the ease, convenience, or other nonessential aspects of the gift, such as the distance to get to the restaurant (Trope and Liberman 2010). Since entity theorists focus on desirability and on signaling positive qualities to others, we argue that entity theorists would prefer giving gifts that are higher on desirability related aspects and lower on feasibility related aspects if they had to make a tradeoff between desirability and feasibility of the gift item. Since incremental theorists focus on learning goals, we suggest they emphasize on the process of reaching an outcome. Since being process-focused encourages focus on feasibility-related aspects of an event (Baskin et al. 2014), we propose that incremental theorists would prefer giving gifts that are higher on feasibility related aspects and lower on desirability related aspects if they had to make a tradeoff between them. Therefore, we hypothesize that:

H1: When purchasing a gift for their significant others, entity theorists will prefer giving a gift that is higher on desirability related aspects and lower on feasibility related aspects, whereas incremental theorists will prefer giving a gift that is higher on feasibility related aspects and lower on desirability related aspects.

Experiment

One hundred fifty nine undergraduate students from a large northeastern U.S. university participated in the experiment in return for extra credits. First, participants filled out the 8 item relationship belief measure (Knee 1998) which measured the extent to which participants believed that the relationship with their partners was destined (entity theorists) or characterized by growth (incremental theorist). Next, participants were asked to imagine a gift-giving scenario where they had to buy a gift for their significant other. In the scenario, participants had to choose between two gift certificates of two different restaurants. Specifically, Restaurant A was a highly desirable but not very feasible (Baskin et al. 2014). On the other hand, Restaurant B was an ordinary Italian restaurant (15/30 rating in Zagat's restaurant guide) that was about a 5-minute drive away, which was considered highly feasible but not very desirable (Baskin et al. 2014). They were then asked to provide their preferences for buying the certificates for Restaurant A certificate and Restaurant B with 7-point scales (1-Strongly disagree, 7-Strongly agree) for their significant others. Regression results show that entity theorists prefer a restaurant A (highly desirable but less feasible) more than incremental theorists do ($\beta = 0.25, p < .05$). Thus, we find that entity theorists prefer giving a gift which is highly desirable but not very feasible for their partners whereas incremental theorists prefer giving a gift which is highly feasible but not very desirable.

General Discussion

In this research, we investigate the implications of relationship beliefs on consumer behavior, specifically gift giving. Our experiment shows that entity theorists prefer buying gifts that are more desirable and less feasible whereas incremental theorists prefer buying gifts that are more feasible and less desirable for their significant other. Our research has important implications for the gift giving and relationship literature. This is the first research that investigates the influence of relationship beliefs on consumer behavior, particularly gift giving. Future research will investigate this effect by manipulating rather than measuring the relationship beliefs. Future research will also investigate what mediates the effect of relationship beliefs on gift giving. Finally, future research will also investigate the generalizability of findings by testing the effect using different scenarios.

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Summary Brief

Exploring the Social Environment of Marketplace Compulsiveness: The Effects of Presence of Others on Compulsive Buying

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That compulsive buyers hide their purchase behavior has some empirical and much anecdotal support. In 2010, Buckler and Braunsberger undertook theory development to better understand this behavior by offering 13 research propositions. This presentation outlines preliminary findings regarding the interaction of compulsiveness and presence of others to better understand how compulsive buyers (vs non-compulsive buyers) might differ with respect to purchase intentions, attitudes toward buying, and attitudes toward the presence of shopping companions when alone, with another person who is merely present or with an evaluative companion. The research has not yet uncovered the secretive behavior described by the literature, but offers insight into doing so.

Brief Review of the Literature

Theory development by Buckler and Braunsberger (2010) began with the effects of compulsiveness on buying behavior (Faber and O'Guinn 1988; O'Guinn and Faber 1989; Ridgway et al. 2006), followed by the effects of the presence of other people on the behavior of individuals in general from social psychology's mere presence theory (Zajonc 1965) as well as the theory of evaluation apprehension (Cottrell 1968). Buckler and Braunsberger (2010) build a case for how this may affect buying behavior. Central to this study is the clandestine nature of compulsive buying (Faber and O'Guinn 1992). To better understand this secrecy aspect, psychology's frustration/aggression literature (Berkowitz 1986) may address the how frustration that compulsive buyers may experience when they feel evaluated (and the desire to avoid frustration) may lead to secretive behavior.

Methodology

For hypotheses 1-10, the experiment incorporated a 2X3 design consisting of matched compulsive and non-compulsive buyers and three fixed levels of presence of others (alone, mere presence, evaluative other) as the treatment factor. The compulsiveness factor used a built-in control group (non-compulsive). The compulsive and non-compulsive participants were randomly assigned to the presence treatment to investigate impact on purchase intention and attitude toward buying. For hypotheses 11-13, a 2X2 design was used to study influence on attitude toward presence of shopping companion. Presence treatments were in the form of written (shopping) scenarios developed through a series of focus group interviews with compulsive buyers followed up with a written survey. Because compulsive buyers are difficult to identify, many studies suggest snowball sampling; therefore we used a snowball sample with the clinical 7-point screener offered by Faber and O'Guinn (1992). Non-compulsive consumers were a matched control for gender and age (O'Guinn and Faber 1989). In total, data from 120 participants were used.

Discussion / Contributions

This study provides a better understanding of compulsive behavior versus everyday consumer behavior. First, it demonstrates that compulsive buyers have higher purchase intentions than non-compulsive buyers. Second, it hints that attitude toward buying is more favorable for compulsive buyers than non-compulsive buyers. Third, it indicates that compulsive buyers feel that shopping companions are more annoying than do non-compulsive buyers. This would explain why their purchase intention was so high even with a companion. The presence of another person was enough to be annoying, but not to the point of behavioral change. Finally, one of the secrecy hypotheses did "hint" in the right direction; purchase intention may be higher for compulsive buyers who shop alone than for non-compulsive buyers who shop alone. This would suggest that more research should be conducted in an attempt to better understand the secrecy aspect of compulsive buying.

Table 1: Hypotheses and preliminary findings (Supported = Sig F < 0.05)

Effect of the presence of others on purchase intention	
1. Alone > Evaluative Others	Not Supported
2. Alone > Mere Presence	Not Supported
3. Mere Presence > Evaluative Others	Not Supported
Effect of the presence of others on attitude toward buying	
4. Alone > Evaluative Others	Not Supported
5. Alone > Mere Presence	Not Supported
6. Mere Presence > Evaluative Others	Not Supported
Combined effects of compulsiveness and presence of others on purchase intention	
7. Compulsive Alone > Non-Compulsive Alone	Not Supported / "hints"
8. Compulsive w/ Evaluative Others < Non-Compulsive w/ Evaluative Others	Not Supported / "hints"
Combined effects of compulsiveness and presence of others on attitude toward buying	
9. Alone > Evaluative Others	Not Supported
10. Compulsive w/Evaluative Others < Non-Compulsive w/Evaluative Others	Not Supported
Main / combined effects of compulsiveness and presence of others on attitude toward the presence of others	
11. Compulsive > (negative) Non Compulsive	Supported
12. Evaluative Other > (negative) Mere Presence	Supported
13. Compulsive w/Evaluative Other > (negative) Non-Compulsive w/Evaluative Other	Not Supported

Next Steps / Future Research

Generally speaking, this research did not uncover clear empirical evidence of the clandestine behavior described by many previous studies. The evaluation manipulation worked well in pre-tests, but fear did not drive the compulsive buyers to be more secretive (have higher purchase intentions when alone) than non-compulsive buyers. It would appear that as evidence of this clandestine behavior accumulates, more studies should be undertaken to manipulate the driving force (probably fear) that causes secrecy among compulsive buyers.

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Special Session

The Role of Brand Identification and Brand Authenticity in Frontline Service

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This paper examines how brand identification processes influence customers' perceptions of brand authenticity during frontline service interactions; and how, in turn, customers' perceptions of brand authenticity impact key brand-related outcomes for the organization following frontline service interactions.

Introduction

Frontline service employees are responsible for remaining aware of ever-changing market trends, remaining knowledgeable about company offerings and being sensitive to customers' preferences and needs (Korschun, Bhattacharya, and Swain 2014). These responsibilities render such employees vital intermediaries without whom there would exist a substantial chasm between organizations and customers (Homburg, Wieseke, and Hoyer 2009). Additionally, given the importance attributed to frontline employees as brand ambassadors, these employees also are critical as it pertains to customers' longing for authenticity (Beverland 2005) and striving for identity in the marketplace (Kirmani 2009), as customers have been shown to depend heavily on brands in order to express, enhance, and verify their sense of self (Aaker 1997). However, despite the fact that "customers are one of the most salient groups with whom frontline employees interact" (Korschun, Bhattacharya, and Swain 2014, p. 22) and empirical investigation has revealed "that frontline service employees whose behavior is strategically aligned with the brand can effectively reinforce brand meaning as they interact with customers" (Baker et al. 2014, p 642), little to no attention has been directed towards understanding how frontline service employees can actually help and influence customers not only in their search for authenticity, but also with their "identity projects" (Morhart et al. 2015, p. 200).

Theoretical Framework

Social identity theory suggests that all individuals are motivated to achieve and maintain a positive self-concept (Tajfel and Turner 1979); and that a person derives his or her self-concept from two primary sources: personal identity and social identity. Here, we focus on the latter, as "social identification provides a partial answer to the question, 'Who am I?'" (Ashforth and Mael 1989, p. 21). Building upon prior research, we incorporate two notions typically associated with social identity theory: identity salience and symbolic interactionism. Identity salience holds that individuals choose to engage in activities that are congruent with salient aspects of their own identities and support institutions that embody salient aspects of their identities (Hoelter 1983). Symbolic interactionism is the notion that individuals' self-definitions emerge through symbolic interactions (Coe 1965). Accordingly, we suggest that both employees and customers are motivated to achieve and maintain a positive concept of self. Thus, we posit that frontline service employees engage in activities that are congruent with salient aspects of their brand identities; and that customers perceive such occurrences as authentic representations of a company's brand when issued by, what they perceive as brand-identified frontline service employees, during direct frontline service interactions. Additionally, we propose that customers' positive self-definitions emerge through such symbolic interactions (i.e., interactions characterized by brand-oriented processes) had with brand-identified frontline service employees. Further, we argue that, in accordance with social identity theory, just "as people identify more strongly with the organization, they become more intrinsically motivated to behave in a manner consistent with its interests" (Hughes and Ahearne 2010, p. 83), as the degree to which customers perceive frontline service employees as having identified with their organization's brand increases, not only will the degree to which customers perceive the brand as authentic increase during frontline service interactions with brand-identified frontline service employees, but so too will customers behave in a manner consistent with the brand's interests following such frontline service interactions. Hence, we offer the following hypotheses:

H1: Perceived brand authenticity will be higher when customers perceive FSE brand identification to be higher.

H2a: Customers' perceptions of brand authenticity during a frontline service interaction positively influence customers' brand advocacy behaviors following the frontline service interaction.

H2b: Customers' perceptions of brand authenticity during a frontline service interaction positively influence customer-brand identification following the frontline service interaction.

H2c: Customers' perceptions of brand authenticity during a frontline service interaction positively influence customers' brand loyalty following the frontline service interaction.

H3: Customers' brand benevolence perceptions positively moderate the FSE-brand identification → perceived brand authenticity relationship.

H4a: Customers' brand benevolence perceptions positively moderate the perceived brand authenticity → brand advocacy relationship.

H4b: Customers' brand benevolence perceptions positively moderate the perceived brand authenticity → customer brand identification relationship.

H4c: Customers' brand benevolence perceptions positively moderate the perceived brand authenticity → brand loyalty relationship.

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Full Paper

Increasing Donation through Decreasing Intangibility: The Moderating Role of Gender

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Evaluation and risk involved in giving to a charity often impact a donor's decision-making. In the service domain, research has shown that perceptions of intangibility influence downstream variables such as evaluation and risk. However, little is known in regards to how perceptions of intangibility influence donation. The present research predicts that when perceptions of intangibility decrease, donation intention will increase. This is because intangibility decreases evaluation difficulty, along with perceptions of risk, thus, impacting donation positively. Additionally, since targeting specific donors is often vital to those in charge of charities, examining how these constructs vary across gender is imperative.

Introduction

Donor contributions from individuals comprise 70% of charitable funds. (Giving USA 2011). Additionally, with the number of charities increasing and government support waning, household contributions have not kept pace with increasing need (Sargent 1999). One reason that may account for this short fall may be the evaluation difficulty and risk associated with donating to a charity. Success from donation depends on perceptions of the rewards relative to the costs involved with donation (Yavas, Riecken, and Babkus 1993). When considering the deterrents to donation, worthiness of the cause, accurate information (Schlegelmilch 1988), fiscal responsibility (Mahatoo and Banting 1988), benefits to the recipient (Margolis 1982), risk and uncertainty (Sargeant, West, and Ford 2001; Yavas, Riecken, and Babakus 1993) are some of the main reasons that prevent donations from individual consumers. This means understanding the antecedents and consequences of evaluating a charity and perceptions of risk associated with charitable donation becomes paramount to increasing giving from individuals. Such information may aide managers in developing real world campaigns that positively influence a donor's decision to give. This research seeks to understand if intangibility influences donation via the path of evaluation difficulty and risk. More specifically, how do the sub-dimensions of intangibility: physical, mental and generality, differentially influence evaluation difficulty, perceptions of risk, and donation intent?

How Does This Advance Current Knowledge?

The donation literature has shown that certain factors can deter potential donors from giving their time, money or goods. The importance of the factors associated with the organization that may deter giving, may be considered via their costs and benefits by way of the donor. Ultimately, donation decisions revolve around the benefits and costs of the decision (Phillips 1982). This means having a better understanding of the constructs that influence these factors will aid donors in making confident decisions.

This research advances current knowledge by showing perceptions of intangibility associated with a charity influence subsequent evaluations and perceptions of risk. These findings are important, as they have not been studied in the donation context, and more research is needed in terms of evaluation difficulty and risk in the charitable domain. These findings add to the current literature by investigating how these three constructs influence donation intent both directly and indirectly through evaluation and perceived risk. By investigating these constructs and their influence, we provide situational factors that can both aid in deciding to give to particular charity, and in deciding which charity to give to, situational influences studied scantily thus far. Additionally, by investigating how these factors vary across gender, we demonstrate the importance of a key demographic in consideration in perceptions of a charity.

Conceptual Background and Hypothesis Development

Intangibility

Intangibility has been defined as impalpable and not corporeal (Shostack 1977), that which cannot be touched (Berry 1980), difficult for consumers to grasp in their mind (Rushton and Carson 1989) and the lack of physical evidence (McDougall and Snetsinger 1990). Research by Laroche, Bergeron, and Goutaland (2001) found that intangibility encompassed three dimensions: physical, mental and general. Physical intangibility represents the idea that the item, good or service cannot be touched or seen (Laroche, Bergeron, and Goutaland 2001), mental

intangibility represents the idea that while a good or item could be physically able to be touched or seen, it may be difficult to grasp mentally or imagine (McDougall and Snetsinger 1990), and generality represents the idea that a consumer may have a hard time precisely defining exactly what a product or service actually does (Laroche, Bergeron, and Goutaland 2001). Additionally, due to credence qualities, studying these constructs in the charity domain is important. Credence qualities are those that cannot be evaluated even after product experience (Darby and Karni 1973). Charitable donations often involve a significant amount of credence qualities. This is because donors are not able to directly observe the results of their donations. Donors cannot advance a cause or directly observe how the money is used. This may increase the difficulty associated with giving decisions.

Evaluation Difficulty

Evaluation difficulty is the cognitive effort exerted and behavioral difficulty that a consumer faces when trying to discern between choices in order to reach a decision (McDougall 1987). Previous research has shown that an inaccessibility to the senses increases evaluation difficulty (Breivik and Troye 1998). The authors argue that physical attributes reduce evaluation difficulty and when these attributes are absent, evaluation difficulty increases. In the case of charities and donation, rarely are physical attributes present either before or after a donation occurs. This typical lack of a physical presence only underscores the importance of investigating evaluation difficulty in this domain.

Perceived Risk

Perceived Risk involves uncertainty in decision-making and can influence the amount of information sought by consumers (Bauer 1960). Research has shown that intangibility can increase perceptions of risk (Murray and Schlacter 1990). This is important because research shows that perceptions of risk impact consumer outcomes, such as purchase intention (Dowling 1999). In donating to a charity, omissions of information, will only increase perceptions of risk and may decrease donation intent. One way to mitigate this influence may be through perceptions of intangibility.

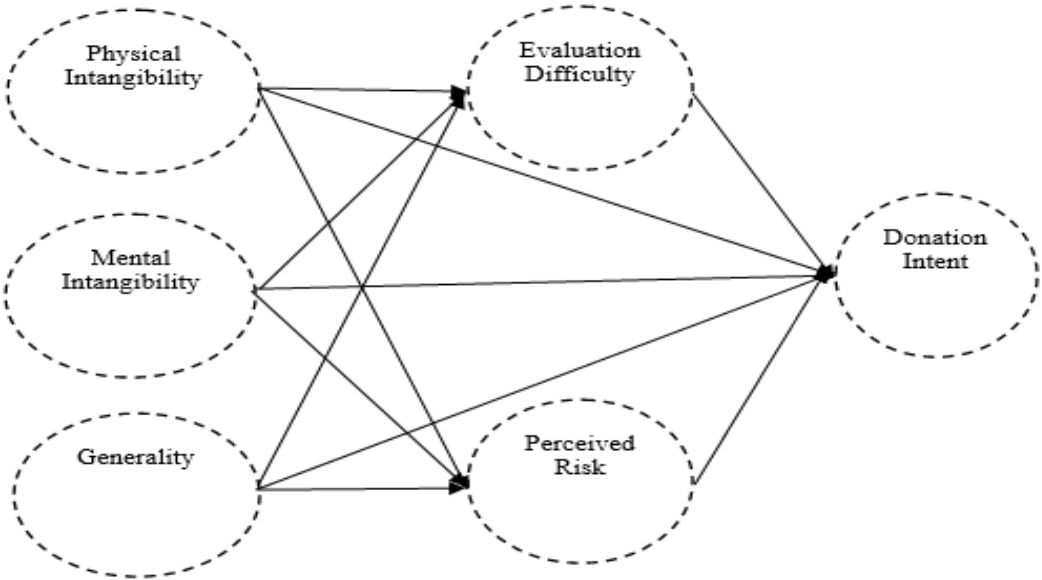


Figure 1: Proposed Model

Intangibility, Evaluation, Risk, and Donation

Research has shown that evaluation (Ostrom and Iacobucci 1995) and risk (Taylor 1974) are essential to decision-making in consumer behavior. Because this is the case, as evaluation difficulty and perceptions of risk diminish, consumer’s ability to make more confident decisions should increase. Translating these findings to the donation domain, the implication becomes that easing evaluation difficulty and risk will lead to increases in donation.

An obvious pathway for decreasing these perceptions is through intangibility. The three sub-dimensions of intangibility are important because research has shown that intangibility is associated with evaluation difficulty and risk (Finn, 1985; McDougall and Snetsinger 1990). For instance, research by Laroche and colleagues found that each of the sub-dimensions of intangibility influences evaluation difficulty and perceived risk. This is of particular importance in the charitable domain as research has shown that services rate higher on intangibility than goods (Mitchell and Greatorex 1993).

Thus, the logic then becomes that as perceptions of intangibility decrease, donation intention increases. This will occur because intangibility eases evaluation difficulty and perceptions of risk associated with regards to the charity. Additionally, in line with previous research, we believe physical intangibility will be the least influential of the three dimensions. Research has shown that the ability to grasp or touch is often the most difficult concept outside of the goods domain (Laroche et al. 2005) and we expect this to be particularly true for charities. Although, previous research has shown that mental intangibility is the most influential in evaluating services and perceptions of risk (Laroche, Bergeron and Goutaland 2003; Laroche et al. 2004), in the case of charities, we believe generality will be the most influential. Simply put, a mental picture or image of a charity may not suffice a potential donor's need for simplification of evaluation and reduction in perceptions of risk. Mental imagery does not allow a donor to comprehend how their money was used or not used. However, specific benefits, features and concrete evidence about the charity will increase the donor's confidence in the organization, and these effects should be evident in perceptions of evaluation difficulty, risk assessments and donation intention.

H1: The three dimensions of intangibility will be significantly related to (a) evaluation difficulty (b) perceived risk and (c) donation intent.

H2: Generality will have the strongest relationship with (a) evaluation difficulty (b) perceived risk and (c) donation intent.

Moderator

We believe these constructs will vary in their influence across men and women. Research has shown that women and men vary in their risk perceptions; while men are more likely to be risk seeking, women are more likely to be risk averse. In a meta-analysis by Byrnes, Miller and Schafer (1999), it was found in general that men were more willing to take risk than women. Men may accept a certain amount of risk regardless of their perceptions, on the other hand, how women perceive the charity may greatly enhance or detract in the amount of risk they perceive. Because they are more risk averse than men, we assert that perceptions of intangibility will have a greater influence on perceived risk for women as opposed to men.

H3: The importance of the three dimensions of intangibility on perceived risk will be greater for women than men.

Additionally, the selectivity hypothesis suggests that men and women differ in regards to evaluating information, while men examine the overall message, women employ engagement message elaboration (Meyers-Levy 1989; Meyer-Levy and Sternthal 1991). Thus, we expect that while women may take the time to engage in truly understanding the message and its content, men will rely heavily on intangibility as a heuristic cue. Therefore, we expect perceptions of intangibility to have a greater influence on evaluation difficulty for men than women.

H4: The importance of the three dimensions of intangibility on evaluation difficulty will be greater for men than women.

Data Collection and Methodology

Sample and Procedure

Online questionnaires were disseminated to 256 students and adults from a large city in the southwest. Of those 239 were usable. The first portion of the study focused on the respondent's awareness of ten well-known charities from charitynavigator.com. This was subsequently followed by the respondent rating their perceptions of the intangibility of each charity via each of the different sub-dimensions of the intangibility construct.

Given the population of our sample, which was comprised of respondents ranging from 18-72, both age and financial situation were controlled for during analysis. This allowed for a much stronger test of our hypothesis. Because each respondent was able to provide perceptions of intangibility of multiple charities, and we were interested in aggregated (Laroche et al. 2005) responses, this became the unit of analysis. Thus, providing an overall sample size of 1241. The sample was comprised of 55 % males and 45 % females. All items in the questionnaires were measured on a seven-point likert scale.

Intangibility items were consistent with the three sub-dimensions developed by Laroche Bergeron, and Goutaland (2001). Evaluation difficulty items were adapted from Breivik and Troye (1996) and perceived risk items were adapted from Stone and Gronhaug (1993). Finally, each respondent was asked about their donation intent to each of the non-profits they selected in the next 12 months. This three item measure served as the dependent variable.

Measures

All items were rated on seven-point likert scales; disagree strongly to strongly agree. First, we conducted an exploratory factor analysis because of the multi-item structure of the data. All items loaded on their expected factor with loadings above .7. Physical intangibility was measured by three items; The charity is very easy to see and touch, I can physically grasp the charity, and the charity is physically tangible (Cronbach’s alpha =.827). Mental intangibility was measured by three items; I need more information about this charity to get a clear image of what it is, this charity is difficult to think about, and this charity is not the sort of thing that is easy to picture (Cronbach’s alpha=.808).These items were then reverse coded as to have the same valence as the other dimensions of intangibility. Generality was measured by three items; It is easy to describe the features related to this charity, I could easily explain many features associated with this charity, and it is not difficult to give a precise description of this charity (Cronbach’s alpha=.827).

Evaluation difficulty was measured by three items; It is easy to decide to support this charity, making a decision to support this charity is not complicated, and it is not difficult to find out if this is the best charity to support (Cronbach’s alpha=.940). Perceived risk was measured by two items; There is a good chance I will make a mistake if I donate to this charity, and I have a feeling I will incur some risk if I donate to this charity (Cronbach’s alpha=.919). Finally, donation intent was measure by three items; I am highly likely to donate to this charity, I definitely will donate to this charity, and It is most probable that I will donate to this charity (Cronbach’s alpha=.982).

Measurement Model

A confirmatory factor analysis was performed for the proposed model. The fit of the model was good: $\chi^2=364.633$, $df=104$, $NFI=.978$, $CFI=.984$, $RMSEA=.045$ with a $pclose=.949$. Additionally, the loadings of all items for each construct were sufficient. Next, the methods of Fornell and Larcker (1981) were utilized to assess convergent and discriminant validity. To establish convergent validity the average variance extracted should be greater than .5 and to establish discriminant validity, the squared multiple correlations should be smaller than the average variance extracted. The requirement were met for all constructs.

Table 1: Correlations

	M	SD	1	2	3	4	5	6
Physical Intangibility	4.8	1.5	1					
Mental Intangibility	5.7	0.84	.165***	1				
Generality	4.8	1.44	.460***	.288***	1			
Evaluation Difficulty	5.1	1.6	.212***	.115***	.332***	1		
Perceived Risk	2.6	1.66	.140*** (neg)	.305*** (neg)	.217*** (neg)	.123*** (neg)	1	
Donation	4.6	1.8	.241***	.176***	.374***	.461***	.358*** (neg)	1

Table 2: Discriminant and Convergent Validity

Correlations Squared	PI	MI	Gen	ED	PR	DI
PI	0.63					
MI	0.03	0.60				
Gen	0.24	0.14	0.65			
ED	0.05	0.02	0.14	0.84		
PR	0.02	0.12	0.05	0.02	0.88	
DI	0.06	0.04	0.17	0.24	0.14	0.95

Structural Equation

A structural equation model was employed using AMOS 22 in order to analyze the data. The three intangible dimensions were allowed to covary among each dimension. Financial situation and age were control variables. Further, the relationship between age and finances was also allowed to covary.

The model fit with a χ^2 of 456.916 and 137 degrees of freedom. The fit indices revealed a NFI =.973, CFI=.981, RMSEA=.043 and p-close=.993. The results indicate that the pathways from physical intangibility to evaluation difficulty was significant at ($\beta =.064$, $p<.1$), the pathway from physical intangibility to perceived risk was not significant. Additionally, the pathway from physical intangibility to donation intent was not significant.

Mental intangibility did not have a significant relationship with evaluation difficulty. On the other hand, mental intangibility was significantly associated with perceived risk ($\beta=-.306$, $p<.001$). However, mental intangibility did not have a significant relationship with donation intent.

Generality was significantly associated with evaluation difficulty at ($\beta=.332$, $p<.001$). Generality was also significantly related with perceived risk ($\beta=-.103$, $p<.05$). Finally, generality had a significant influence on donation intent ($\beta=.215$, $p=.001$). Evaluation difficulty had a significant relationship with donation intent ($\beta=.370$, $p<.001$), and perceived risk was significantly associated with donation intent ($\beta=-.288$, $p=.001$). The results reveal that either by direct influence or indirect influence through evaluation difficulty or perceived risk, each aspect of intangibility influences donation.

Table 3: Measurement Model and Structural Path Estimates

Results of CFA		Results of Structural Equation Model	
$\chi^2=334.633$, $DF=104$, $NFI=.978$, CFI=.984, RMSEA=.045, p-close=.949		$\chi^2=456.916$, $DF=137$, $NFI=.973$, CFI=.981, RMSEA=.043, p-close=.993	
Path	Correlation	Path (Controls-Age, Finances)	Estimate
PI \leftarrow MI	.161	PI \rightarrow ED	.064*
PI \leftarrow Generality	.490	PI \rightarrow PR	-.039
PI \leftarrow ED	.229	PI \rightarrow DI	.023
PI \leftarrow PR	-.138	MI \rightarrow ED	.012
PI \leftarrow DI	.248	MI \rightarrow PR	-.306***
MI \leftarrow Generality	.366	MI \rightarrow DI	-.034
MI \leftarrow ED	.141	Generality \rightarrow ED	.332***
MI \leftarrow PR	-.350	Generality \rightarrow PR	-.288**
MI \leftarrow DI	.200	Generality \rightarrow DI	.215***
Generality \leftarrow ED	.367	ED \rightarrow DI	.370***
Generality \leftarrow PR	-.232	PR \rightarrow DI	-.288***
Generality \leftarrow DI	.412		
ED \leftarrow PR	-.131		
ED \leftarrow DI	.489		
PR \leftarrow DI	-.376		

Moderation

A multi-group analysis was performed for gender. After calculating the estimates, in order to isolate any significant lack of invariance, the largest common non-significant pathway for both groups was removed; this process was repeated until there were no common non-significant pathways to the variables of interest (Gaskin 2011). The path from physical intangibility to perceived risk were removed. The path from mental intangibility to evaluation difficulty, and donation intent were removed.

In order to test differences between groups, the unconstrained (833.767, df=280) model was compared to the constrained (887.316, df=301) model in order to note if there was a significant difference between males and females. Based on a comparison between chi-squares of the unconstrained and constrained model there is a significant difference between groups. Invariance was not present. Further analysis was required.

One at a time each pathway was constrained and then with that pathway constrained, the model was recalculated and the new chi-square was compared to the chi-square confidence intervals at 90, 95, and 99 percentiles.

The first pathway constrained was physical intangibility to evaluation difficulty and based on a chi-square of 1174.719, there is a significant difference in this pathway at the .001 level between men and women. Next, the pathway between physical intangibility and donation intent was constrained. Based on a chi-square of 1239.114, there is a significant difference between men and women at the .001 level. The results indicate that the influence of physical intangibility on evaluation difficulty and donation intent is more influential for women than men.

Following this, the pathway between mental intangibility and perceived risk was constrained. With a chi-square of 1244.598, this pathway was significantly different between men and women. The results indicate that for men, the association between mental intangibility and perceived risk was stronger.

When we constrain the path between generality and evaluation difficulty, we find there is a significant difference between men and women due to a chi-square of 1001.097. Next, we constrained the path between generality and perceived risk, we also find a significant difference between men and women, with a chi-square of 1414.220. Finally, when we constrain the path between generality and donation intent, we achieve chi-square of 1075.835, which means a significant difference between men and women at the .001 level. For women, generality is more influential with regards to perceived risk and donation intent. For men, generality is more influential in regards to evaluation difficulty.

Table 4: Test of Measurement and Structural Path Invariance Between Men and Women

Model	χ^2	DF
1. No Constraints	833.767	280
2. Metric Invariance	852.725	285
3. Moderation	884.844	298
4. Constrained Model	887.316	301

Discussion and Conclusion

Several key findings avail themselves from this analysis. From the three dimensions of intangibility, the expected findings arose, each had at least an indirect or direct influence on donation intent. However, only generality had a direct relationship with donation intent. Additionally, the results suggest that evaluation difficulty, and perceived risk, aid as indirect paths through which the three dimensions influence donation amount.

We also find this model varied across gender. Evidence suggests that for generality, the influence on evaluation difficulty is more important to men, whereas, the reverse is true for women in regards to perceived risk and donation intent. This finding aligns itself in regards to risk as predicted by aforementioned hypotheses. For the other sub-dimensions of intangibility, our predictions did not hold.

For managers, these results show the importance of specifying as much as possible with regards to the charity. This will ease evaluation and risk, and will increase the chances that a donor gives. Additionally, managers may opt to segment their donors, in doing so, they should consider the level of importance for each segment in order to reduce evaluation difficulty or perceived risk.

Limitations and Future Research

A key limitation in this data was the use of a population primarily composed of students. Given their limited financial situation, the use of such population may explain some of the contradictory results. Future research

should investigate these constructs with respondents more settled into the employment stage of their life. Future research should also investigate other constructs, such as issue involvement and psychological distance as moderators to perceptions of intangibility of a charity. In this way, the domain of intangibility and charitable giving can both be enhanced. Additionally, new findings will create concrete recommendations for managers.

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Summary Brief

Impact of Advergame Speed, Brand Placement Strength and Persuasion Knowledge on Brand Recall

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Introduction

The design and style of advertising are continually changing. A number of new and highly effective advertising tools have emerged that have made advertising extremely effective, but also challenging. Advertising on the internet via online games, by viral marketing or on social networks are but a few of the still new non-traditional advertising tools on which the big corporations are expending huge dollars for their brand promotions. Despite this augmented status and significance of advergames as an advertising opportunity, limited scholarly insights exist about the effectiveness of brand placements in online games. While considerable academic work has used brand recall as an effectiveness measure, less is known about the potential factors that affect brand recall in advergames. Therefore, this study explores the effects of game-speed, brand placement strength and persuasion knowledge on gamers' brand recall by utilizing the insights from the work on the Limited Capacity Model of Attention (LCM: Kahneman 1973) and the Persuasion Knowledge Model (PKM: Friestad and Wright 1994).

Background

Role of Advergame Speed and Brand Placement Strength

According to LCM, an individual has a limited amount of attentional capacity at any given point of time and when multitasking, division of total attentional capacity occurs in two parts: one is for the primary task and the rest (the spare capacity) is necessary for the secondary task. The less capacity used for the primary task, the more spare capacity will be available for the secondary task. For an advergame player, game playing is the primary task where processing of in-game brand placements is the secondary task (Grigorovici and Constantin 2004). The more attentional capacity is used for game playing, the less will remain for processing in-game brand placements.

Existing research has found that since prominent brand placements are perceived as more thrilling resulting in higher recall than subtle brand placements. Based on LCM, it is expected that in low speed advergames, fewer attentional resources are required for the game playing task (secondary task). Thus, when a brand is prominently embedded and therefore very noticeable in such a low speed game, gamers need not think much about where the brand is placed; hence, the recall rate will be higher as compared to the subtle brand placement in low speed advergame condition. Further, we argue that in a high speed advergame, more attentional resources are used in the game playing task (primary task), leaving less spare capacity for processing in-game advertising. Therefore, the brand recall differences between prominent and subtle brand placements will be insignificant for high speed advergames. Hence, the following hypotheses are proposed:

H1: A low speed advergame will result in higher brand recall than a high speed advergame.

H2a: For a low speed advergame, a prominent brand placement results in higher brand recall as compared to a subtle brand placement.

H2b: For a high speed advergame, there is no difference in brand recall between a prominent brand placement and a subtle brand placement.

Role of Persuasion Knowledge

When brand prominence appears in a low speed advergame, the player with persuasion knowledge notices the brand, as it activates his/her persuasion knowledge (Friestad and Wright 1994). This increases a player's cognitive elaboration (Petty and Cacioppo 1986), resulting in higher brand recall as compared to the players without persuasion knowledge. Conversely, in high-speed games with prominent placements, there is no difference in brand

recall between the gamers with persuasion knowledge and without persuasion knowledge as the spare capacity is not high enough to process brand-information. Thus, the following hypotheses are proposed:

H3a: There will be a game type × brand placement strength × persuasion knowledge interaction effect on brand recall, such that, for a high speed advergaming with prominent brand placement, there is no difference in brand recall between the subjects with persuasion knowledge and the subjects without persuasion knowledge.

H3b: There will be a game type × brand placement strength × persuasion knowledge interaction effect on brand recall; specifically, for a low speed advergaming with prominent brand placement, the subjects with activated persuasion knowledge will report higher brand recall than the subjects without persuasion knowledge activation.

Results and Discussion

A 2 (game speed: high or low) x 2 (brand placement strength: prominent or subtle) x 2 (persuasion knowledge: with or without) between-subjects experimental design was conducted. 200 students participated in the study. All hypotheses got supported. Results are shown in Table 1. Results show that the effect of the two-way interaction (game speed× brand placement strength) on gamers’ brand recall is conditional upon their persuasion knowledge about the advergaming, although persuasion knowledge does not affect recall rates in the high speed game with prominent brand placement condition. In contrast, for low speed with prominent brand placement advergaming, gamers with persuasion knowledge reported higher brand recall than the gamers without persuasion knowledge.

Table 1: ANOVA Results

	Effects	Mean	F-value	Significance
<i>Speed</i> <i>F</i> (1, 196) = 430.58 <i>p</i> <0.05	Low speed	3.58	430.58	0.000
	High speed	2.53		
<i>Speed × Brand Placement Strength</i> <i>F</i> (1, 196) = 331.64 <i>p</i> < 0.05	Low speed × Prominent placement	4.82	564.84	0.000
	Low speed × Subtle placement	3.01		
	High speed × Prominent placement	2.74	1.31	Not significant
	High speed × Subtle placement	2.64		
<i>Speed × Brand Placement Strength × Persuasion Knowledge</i> <i>F</i> (1, 196) = 72.84, <i>p</i> < 0.05	Low speed × Prominent × With PK	5.82	21.34	0.000
	Low speed × Prominent × Without PK	4.19		
	High speed × Prominent × With PK	2.001.27	Not significant	High
High speed × Prominent × Without PK	2.28			

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Summary Brief

Gender Differences in Processing: Explored in an Incongruent Information Context

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In this paper, we consider the role of gender in emotional and cognitive processing of incongruent pieces of information. We discovered that gender differences in responses to violent-humorous (incongruent content) ads are a result of the increased negative affect experienced by women (vs. men). However, these differences between genders disappear as a result of emotional regulation, which happens through a process of cognitive reappraisal focused on the violence in the violent-humorous ad. In two studies we explain why the two genders process incongruent pieces of information differently; we also propose a way by which the differences in emotions experienced can be bridged.

Introduction

Humor is suggested to influence persuasion through the affective route (Eisend 2011). While humor increases positive affect, violence is suggested to lead to negative affect in the viewers (Eisend 2011; Hoffner and Levine 2005). Given the interplay of two incongruent elements (violence and humor) leading to opposing affect expressions, we pose two research questions in this paper: 1) How do viewers process incongruent information in violent-humorous ads? and 2) What role does gender differences play in cognitive and emotional processing of such incongruent information? Research shows that women perceive violent-humorous ads as less likeable (low positive attitude towards ad) and thus they have low positive attitude towards the advertised brand (Swani, Gulas, and Weinberger 2013). Similarly, Yoon and Kim (2014) showed that feminine individuals found violent-humorous ads with high (vs. low) levels of violence to be less humorous and consequently have lower attitude toward both the ad and brand. In Study 1, we found that as the level of violence in an ad increases, negative affect experienced by the viewer also increases (irrespective of gender). Further, women (vs. men) experienced increased negative affect when they viewed a violent-humorous ad (high/low violence). In Study 2, we tested our hypothesis of emotional regulation and found that the immediate affective reactions disappear when the viewers are asked to deliberate and reappraise the violence displayed in the ad.

Studies 1 and 2

Study 1 was conducted in a Midwestern University with 97 student participants receiving one credit in exchange for their participation. This study was a 2 (violence: high vs. low) \times 2 (gender: male vs. female) between subject design. Each participant viewed two target ads along with other non-affect inducing filler videos. Participants responded to the dependent variables, manipulation variables, confound check items, and some demographic questions (cf. Yoon and Kim 2014). T-tests revealed significant differences between the low and high violence groups for all the four dependent variables: Negative Affect (NA) ($M = 3.34$ vs. 1.73 , $p < .00$), Perceived Humor (PH) ($M = 3.14$ vs. 4.19 , $p < .00$), Attitude toward Ad (Aad) ($M = 3.85$ vs. 5.66 , $p < .00$) and Attitude toward Brand (Ab) ($M = 4.20$ vs. 5.87 , $p < .00$). The impact of gender on NA was also tested. Two-way interaction for gender and violent ads on NA was significant. Irrespective of the violence levels, men had significantly lower NA than women ($M = 1.92$ vs. 2.97 , $p < .05$). Having found differences in negative affect for both the conditions, we tested its role as an antecedent to PH, Aad, and Ab. Gender was included as a moderator due to main effects of the variable. We estimated the paths using partial least squares (PLS), done in SmartPLS 3. The result confirmed that high violence induced higher negative affect that led to lower perceived humor. Further, the moderation effects suggested that women (vs. men) experienced higher negative affect when exposed to a high violence ad which then was likely to influence other downstream dependent variables including perceived humor, Aad and Ab (IE = $-.31$, CI = $(-.42, -.21)$).

In Study 2, we investigated the impact of controlled cognitive processing on emotions. Participants were instructed to deliberate the ads (used in Study 1) and their perceptions of the ads were recorded. The two conditions were: 1) control condition (cognitive elaboration by naturally viewing the ad) and 2) violence reappraisal (focus on the violence in the ad.) In addition, we hypothesized that unfavorable thoughts about the ad which is a result of elaboration of the ad and violence in the ad was likely to increase the negative affect experienced by men (cf. Shiv and Fedorikhin 1999).

This study was conducted in Midwestern University with 97 participants receiving a credit in exchange for their participation. Participants were randomly assigned to one of the two conditions. In the control condition, participants were asked to write any thoughts that came to their minds during viewing of the ad. In the violence reappraisal condition, participants were asked to consider any thoughts related to violence in the ad. In both conditions, each participant viewed the high violence ad from Study 1 along with filler videos and responded to scales similar to the ones used in Study 1. The two-way interaction for gender (male vs. female) \times reappraisal (control vs. violence) on negative affect was marginally significant ($p < .10$). In the control condition, there was significant difference in NA between men and women with women experiencing significantly more negative affect ($M = 3.62$ vs. 2.59 , $p < .05$). However, in the violence reappraisal condition there were no significant differences in NA between men and women ($M = 3.46$ vs. 3.66 , $p > .10$). Further, women showed no significant differences in NA for control vs. violence reappraisal while men showed significant differences with higher NA in the violence reappraisal condition ($M = 2.59$ vs. 3.66 , $p < .05$). Hence, this result confirms our hypothesis that violence reappraisal will lead men to have significantly more negative affective responses toward the ad and brand, and similar to the responses of women.

In further analysis, thoughts were used to develop a thought favorableness index that is the difference between positive and negative thoughts (Xu and Wyer Jr. 2012). We found that when participants are asked to think about the ad during the control condition, cognitive thoughts influenced affect experienced from viewing the ad. Furthermore, the significant relationship of gender \times thought favorableness suggested that both genders display different levels of favorable thoughts which then influences the negative affect they experienced from viewing the violent ad ($\beta = -.21$, $t(49) = 2.69$, $p < .00$). Particularly, women have more unfavorable thoughts which then results in experiencing higher negative affect. When participants were directed to the violence in the ads during violence reappraisal, both men and women experienced higher negative affect which then influenced PH, Aad, and Ab ($IE = .22$, $CI = (.08, .36)$). The non-significant effect of gender \times thought favorableness on negative affect thus supported our hypotheses ($\beta = .04$, $t(46) = 0.29$, $p > .10$).

Findings in the first study revealed that gender differences in the level of negative affect explains the differences in attitudes toward violent-humorous ad observed between men and women. The second study showed that this differential effect of negative affect experienced in men and women disappeared during emotional regulation via cognitive reappraisal of violence (which led to increase of negative affect) of the advertisement. These results provided a more nuanced understanding of gender differences in processing of violent-humorous ads.

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Summary Brief

Becoming Brand Page Fans: A Study of Young U.S. and Chinese Consumers' Perspectives

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This study examines factors that affect consumers' intentions to join brand pages on Social Networking Sites (SNS). The study compared U.S. American and Chinese consumers. The results reveal that American consumers perceive brand pages as a source of brand information rather than a form of entertainment. The positive self-image congruity relationship with intentions to join supports the notion that American consumers join brand pages with expressive values that are congruent with their self-identities. On the contrary, symbolic image congruity has no effect on Chinese consumers. Consumer/brand relationship significantly predicts American and Chinese consumers' intentions to join. This confirms that a strong and trustworthy relationship with consumers is vital to a brand's success on social networking sites, especially for Chinese consumers.

Introduction

Brand pages on social networking sites are important for companies in order to maintain a strong online brand presence. Muk et al.'s (2014) study focuses on cultural differences between U.S. and South Korean brand page followers. However, very little research has examined the effects of brand pages as marketing communication channels in a cross-national context. Three research questions are used to guide this study: RQ1. How do advertising beliefs influence young American and Chinese consumers' attitudes toward brand pages and their intentions to join them? RQ2. How do brand beliefs and participation factors affect young American and Chinese consumers' intentions to join brand pages? RQ3. Are there any differences in the structural relationships among the constructs between the two countries? This study investigates the effects of attitudes toward brand pages, collaborative and participatory factors, and brand page expressive values, as well as the impact of the consumer/brand relationship on consumers' intentions to join brand pages and their purchase intention in the U.S. and China.

Literature Review

Ducoffe (1996) identifies three important predictors of Web advertising values; information, entertainment and irritation. Studies of Social Networking Sites (SNS) brand communities reveal that connecting and sharing information with other members have strong positive relationships between the brand community and its members (Laroche et al. 2012). Tsai and Men (2013) suggest that liking or joining a brand page is a form of self-expression where the action itself gives meaning to one's self-identity. Laroche et al. (2012) argue that trust is one of the important antecedents of brand loyalty and, through repeated brand/consumer interactions, consumers will develop a trustworthy long term relationship with the brands. In general, consumers who follow brands on social media are more committed and loyal to the brands. Joining a brand page may indicate liking for the brand. De Cannière et al.'s (2010) brand relationship quality study shows that strong relationship quality will positively influence consumers' purchase intentions.

Research Methodology

Using snowball sampling technique, data were collected from two American universities and two Chinese universities. In total, there are 343 respondents (174 American respondents and 169 Chinese respondents). All respondents were between 18-26 years old. Using Cronbach's Alpha, all measures demonstrate reliability with alpha values of .87 and greater. A Confirmatory Factor Analysis (CFA) was tested for the overall validity of the measurement theory. The CFA results show a good model fit for a 32-item model, with $\chi^2 = 832.40$, $df = 428$, $p < .00$; Comparative Fit Index (CFI) = .96; Root Mean Square Error of Approximation (RMSEA) = .05; Normed Fit Index (NFI) = .91; and the Tucker-Lewis Index (TLI) = .95. Further, the results support the construct validity of the measurement model. For two - group measurement mode, metric invariance between American and Chinese samples was examined. Overall, the unconstrained model fits reasonably well, with $\chi^2 = 1456.07$, $df = 856$, $p = .000$; CFI = .94; RMSEA = .05; PNFI = 0.74. Next, constraining the measurement weights to be equal between

groups, the model fit with $\chi^2 = 1491.52$, $df = 879$, $CFI = .93$; $RMSEA = .05$; $PNFI = 0.76$. The change in χ^2 by adding these constraints is 35.45 with 23 degrees of freedom ($p = .047$). The results suggest that full metric invariance could not be established. Subsequent tests of partial scalar invariance showed that all factors had at least two zero-intercept terms that were equal between samples. For the two- group structural model, overall fit measures of the unconstrained model indicate that the model is consistent with the data ($\chi^2 = 1625.05$, $df = 882$, $p = .000$; $CFI = .92$; $RMSEA = .05$). Next, constraining the structural weights indicate $\chi^2 = 1678.04$, $df = 913$, $p = .000$; $CFI = .917$; $RMSEA = .049$. The results indicate that the moderation model is significantly different from the unconstrained model ($\Delta\chi^2 = 52.99$, $df = 31$, $p = .01$). Thus, it indicates the model is moderated by country. These results indicate that collaboration/participation has no effects on intention to join brand page in both countries. The U.S. sample explains that irritation values and information values affect attitude toward brand page, but not entertainment values. However, the China sample indicates that irritation, entertainment, and information values influence attitude toward brand page. Intention to join is affected by brand-image congruity and brand relationship for the U.S. sample. Also, attitude toward brand page affects intention to join. However, for the China sample, brand relationship and attitude toward brand page affect intention to join. For both countries, intention to join brand page affects purchase intentions.

Discussion and Conclusion

The findings reveal that both the informational and irritation values of SNS advertising are significant predictors of young American and Chinese consumers' attitudes toward SNS brand pages. The positive attitude-intention relationship suggests that the more consumers like to access advertising on social networking sites, the higher the likelihood is that they will join a brand page on SNS and purchase from them. On the other hand, the negative irritation-attitude relationship reveals that if consumers find a brand page less invasive, they are more likely to accept it. Contrary to expectations, entertainment values have no effect on American consumers' attitudes toward brand pages. A plausible explanation could be ascribed to the presentation or form of brand pages. American consumers might perceive brand pages as a source of brand information rather than a form of entertainment. The results reveal that both self-image congruity and brand relationship variables influence American consumers' intentions to join. The positive self-image congruity relationship with intention to join supports the notion that American consumers might join brands on SNS that are congruent with their self-identities. On the contrary, symbolic image congruity has no effect on Chinese consumers. This could be ascribed to Chinese consumers' apprehension of buying fake goods or poor quality products from unethical online companies. Therefore, in the social media environment when uncertainty emerges, trust and reliability of brands would serve as cues to follow. One limitation of this study is generalizability. Random sampling techniques may provide adequate data and variability to explore how attitude and brand effects affect intention to become a fan of a brand page.

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Note: The authors contributed equally to the paper.

Summary Brief

Reputation and the Role of Relationship Quality in a Chinese Lodging Context

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This study proposes and tests a model that examines three relationship quality constructs as intervening factors between corporate reputation and behavioral intentions. Data were collected from Chinese guests of six different hotels and the hypothesized relationships of the model were tested using structural equation modeling. The findings add to our understanding of how corporate reputation contributes to relationship building. The study provided additional value by incorporating antecedents to the identification construct into an explanatory framework using a hospitality services context. The study adds to the limited research exploring the relationship of customer-company identification and customer commitment by using discriminant validity testing to distinguish between the two constructs. Conducting the study in China also provided a culturally interesting context in which to interpret the research findings while helping to address the general lack of empirical studies conducted with Asian tourists.

Introduction

Reputation is what one is known for, a recognition by others of some characteristic or overall quality, an impression of regard. People judge the character of others in general, but also hold beliefs and feelings about companies. Corporate reputation is, thus, the sum of these expectations and perceptions. The proposed model probes the underlying mechanism by which corporate reputation impacts customer behavioral intentions and examines corporate reputation and customer satisfaction as antecedents of customer-company identification in a hospitality services context. We test our proposed model in a lodging context using domestic Chinese tourists as respondents.

Hypotheses and Methodology

Based on an extensive literature review the following hypotheses are investigated:

H1a) Corporate reputation has a positive influence on overall customer satisfaction, **H1b)** Corporate reputation has a positive influence on customer-company identification, **H1c)** Corporate reputation has a positive influence on customer commitment,

H2a) Overall customer satisfaction has a positive influence on customer-company identification,

H2b) Overall customer satisfaction has a positive influence on customer commitment,

H2c) Customer satisfaction has a positive influence on repurchase intentions,

H2d) Customer satisfaction has a positive influence on word-of-mouth intentions,

H3a) Customer-company identification has a positive influence on customer commitment, **H3b)** Customer-company identification has a positive influence on repurchase intentions, **H3c)** Customer-company identification has a positive influence on word-of-mouth intentions, **H4a)** Customer commitment has a positive influence on repurchase intentions, and

H4b) Customer commitment has a positive influence on word-of-mouth intentions.

All of the investigated constructs were measured using five-point, Likert-type, multiple-item scales. Data were collected from domestic Chinese guests of six different hotels located in Hunan province China. On randomly assigned days, customers who were checking out of the hotel were intercepted and given an opportunity to participate in the study (n=600). A total of 486 questionnaires were returned, 416 of which included complete responses.

Results and Discussion

According to the model evaluation criteria suggested by Hu and Bentler (1999), results indicate acceptable model fit. Findings indicate that all constructs included in the proposed model achieved acceptable levels of reliability with both convergent and discriminant validity being satisfied (Anderson and Gerbing, 1988). The effect of corporate reputation on overall customer satisfaction, customer-company identification, and customer commitment are all statistically significant. Overall customer satisfaction has a significant positive influence on customer-company identification, customer commitment, repurchase intentions, and word-of-mouth intentions. Customer-company identification has a positive effect on customer commitment and word-of-mouth intentions, but not on repurchase intentions. Customer commitment was found to have a statistically significant positive influence on repurchase intentions, but not on word-of-mouth intentions.

The results indicate that hotels with favorable reputations benefit by building relational quality which, in turn, positively impacts behavioral intentions. The findings suggest that it would be myopic for service-based firms to neglect to invest effort in their reputation as perceived by customers. Using research to track not only reputation, but also other important constructs can provide individual firms with insights regarding the effectiveness of their corporate reputation-building efforts.

The current findings indicate a strong relationship between corporate reputation and customer satisfaction, identification, and commitment, which may be at least partly attributable to: (1) Chinese customers being more inclined to provide a more favorable evaluation of a hotels' reputation due to the notion of mianzi, and (2) firms being more likely to be perceived generally as part of a more harmonious service atmosphere that is driven to avoid conflict. Therefore, including constructs in the model that reflect identification and commitment may have strengthened the explanatory power of the proposed model in the Chinese hotel industry.

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Summary Brief

The Influence of Ethnicity and Language on Perceptions of Service Recovery Efforts

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While ethnicity and language of communication were found to impact different aspects of marketing outcomes, their role in service recovery interaction is still unexplored. This study uses a between subjects experimental design to explore the influence of ethnic identification and language on the evaluation of service recovery efforts.

Introduction

One of the main attributes that distinguishes service provision from goods manufacturing is the heterogeneity that the encounter between customers and frontline employees entails. Therefore, the outcome of each service encounter varies based on the enthusiasm, friendliness, and personalities of frontline employees and customers involved in the situation. Not only does this interaction involve what the frontline employees say and how they behave, but other salient factors of who they are come into play. Research findings show that attractiveness, ethnicity, even the accent a service employee uses, are among the salient attributes that impact such interactions (Hill and Tombs 2011; Chung Herrera, Gonzalez and Hoffman 2010; Ahearne, Gruen, and Jarvis 1999).

Results have been equivocal as to whether salient frontline employee factors play a negative or a positive role in service interaction. For instance, Vaerenbergh and Holmqvist (2013) found that when bilinguals are served in their first language, they are more likely to give a bigger tip than when served in their second language. In contrast, Josiassen (2011) found that customers actually experience a “disidentification” effect when the products offered are related to their country origin with which they may have negative associations.

Hence, the role of ethnicity and language has not received the same research attention in the service failure and recovery literature. Specifically, would language used in the service encounter affect the way customers rate the efforts exerted by the employees to win them back? If so, would that effect be negative or positive? In addition, would customers evaluate recovery efforts differently based on the consistency of ethnicity between service employees and customers? Is there an interaction effect between language and ethnic consistency in the way service recovery efforts are assessed? This research seeks to answer these questions.

Study Contributions

This study makes the following contributions: 1) This research will help gain insight as to the best recovery strategies in terms of ideal selection of frontline employee ethnicities and language used in service. 2) The study will examine customers and frontline employees of different ethnicities in an experimental setting. Hence, a clearer understanding of how these different ethnic backgrounds affect the recovery process either positively or negatively will be gained. 3) This study will help show how language and ethnicity interact in the service recovery evaluations. Specifically, findings will show whether it is enough to hire someone that speaks a secondary language or whether ethnicity plays a bigger/ smaller role.

Theoretical Basis and Framework

Social identify theory postulates that individuals identify themselves by the social relationships they form (Tajfel 1982). Therefore, when individuals are members of a group, they identify with the behaviors, attitudes, and values of this group and don't identify themselves with other members outside the group. Customers might use race, religion, customs, and their country of origin as ways of identifying with their culture. Ethnic identification has been found to impact service transaction and customer loyalty post-purchase. Similarly, Holmqvist and Gronroos (2012) found that the use of language affects a. However, neither of these studies addresses how one's native language (Spanish or English) may be used in service failure and recovery. Accordingly, the central premise of this research is that customers will experience higher ethnic identification when the performer of the service recovery is a frontline

employee of the same race and speaks the same language. Furthermore, we propose that the higher ethnic identification, the higher the service recovery evaluation, as well as the trust and the perceived friendliness of service employee. Moreover, based on cognitive consistency theory we propose that having a service provider who speaks a different/second language than that spoken by their race might actually trigger a conflicting perception by customers of the same race and evaluate the transaction less favorably. Our study can be summarized in the following framework (Figure 1):

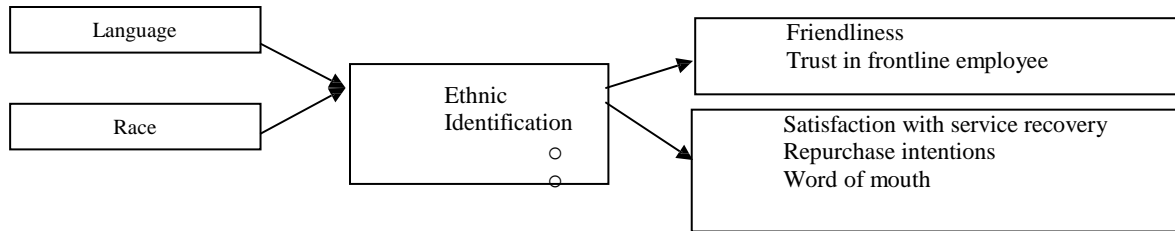


Figure 1: The Influence of Language and Race on Service Recovery

Study Context and Design

Hispanic consumers are considered the second biggest minority consumer group in the United States (Donthu and Cherian 1994). There have been a number of studies exploring Hispanic shopping behavior, yet none of the studies looked at Hispanic customers in the context of service failure and recovery. This study will use 2x2x2 between subject experimental design, where the language used in service recovery (English versus Spanish) and service provider ethnicity (Hispanic versus Caucasian) were manipulated in four different scenarios, and customer's ethnicity (Hispanic versus Caucasian) is used as a covariate. A service failure was created in the scenario in which a customer was charged a higher price than what their menu had stated. The waiter calls the manager over to begin the service recovery. The four scenarios were video-taped. Respondents would view one scenario where they would imagine themselves being in the place of the customer and rate the recovery efforts.

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Innovations in Teaching Comment

Developing Student Motivation: The Kickstarter Marketing Project

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Overview of Challenge and Solution

Student presentations and reports are often formulaic and lack creativity leading to low student motivation. Too often, students merely follow their professor's format by checking the boxes as they complete each step in the rubric. To engage students and promote creativity, a successful project must direct students to apply their learning to a real world business challenge.

To solve the problem of student motivation, I created The Kickstarter Marketing Project. The Kickstarter Marketing Project enables students to apply creativity to a real business challenge in a way they find intrinsically interesting. Kickstarter is an online crowdfunding platform through which entrepreneurs raise the money to produce their products by selling preorders to customers. Students in my New Product Development marketing course create Kickstarter campaign webpages to implement their marketing plans and market their products.

Students are invested in their projects as they apply the course topics immediately and concretely. Students use active critical thinking to analyze Kickstarter campaigns to create insights into how to best apply their marketing strategy based on past successes and failures from actual businesses. The focus on implementation through new technology keeps the content cutting edge and interesting to students. Students see the direct purpose of course concepts as they quickly apply them to their Kickstarter campaign that can be launched at the end of the semester.

The Kickstarter Marketing Project successfully integrates the highest levels of Bloom's Taxonomy for active learning – evaluation and synthesis. Students create their own understanding of what elements are necessary for success and analyze how these ideas can be implemented in their own work. Students then synthesize their new campaigns based on their ingenuity, creativity, and customer insights. The course learning objectives are met by students engaging in a real world exercise where they can apply classroom acquired concepts and creatively solve marketing challenges.

Implementation & Results

I implemented the Kickstarter Marketing Project as the final project for my New Product Development course, but this project could be used for a variety of active learning marketing courses such as marketing research, marketing strategy, and digital marketing. Key points of marketing learning include segmenting the market, researching target customers, and creating a marketing message that will resonate. Concepts that could otherwise be tedious for students, such as analyzing customer demand, become very interesting to students when they use the data they collect to determine their product's success. Students learn best when they can see the application of concepts to a goal they have set themselves.

The webpage the students make for the Kickstarter campaign consists of a video describing the project, advertisements, and text describing why to support the product. Student teams determine how to implement the visual, video, and written portions of the campaign to create an overall project that will sell their product. Students are graded on their ability to justify that their campaign uses techniques from the course. The real business outcome and criteria makes the project engaging to students who want to see a concrete business result through their efforts.

The Kickstarter Marketing Project has led to a significant improvement in the quality of student projects. Since the implementation of Kickstarter, projects have been better executed and the quality of the ideas has improved. Segmentation, targeting, and positioning are significantly better because the concepts are directly applied through the Kickstarter campaign. The creativity of the projects is vastly improved over previous formats as each Kickstarter campaign is unique and carefully crafted for a target group of customers. Active learning through the Kickstarter Marketing Project is innovative in the way that it empowers students to become innovators, entrepreneurs, and creative problem solvers.

Innovations in Teaching Comment

Beyond Concepts and Cases: From Forging a Dialogue to Winning the Game

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Case studies have always been a popular pedagogical tool to impart active learning in a marketing class. However, case instructors often encounter several student centric challenges mostly related to student reluctance in participating in the case discussion. Most of these challenges can be ameliorated if the case is supplemented by game oriented activities, preferably in teams – before, after or during the case discussion. Such activities have multi-pronged advantages. First, in such game-supported case discussions, a student is not just involved in discussing and learning from a case but actively engaged in a task. Second, a game has the potential to stir all the students to participate and any idiosyncratic differences take a backseat in favor of working for a team since individual alone is not subjected to evaluation. Additionally, learning synergies might ensue, as initially apprehensive students might be willing to communicate within a small team setting. Third, a game replicates a real time marketing scenario because every game has a clear winner; hence, there is competition between the groups like that of competition between the firms. Finally, because a game has a clear winner and a loser, engagement in a game is anticipated to be more than engagement in any other forms of activity. In an endeavor to go beyond the standard case discussions most of the cases in services marketing course (offered as elective to the final year MBA students), were complemented with hands-on game oriented activities, using easily available materials like Lego® building blocks, die cast toys, Chinese puzzles, origami, mechanix sets, bottle crowns and even match sticks.

For instance, the game conducted to support the case discussion on service blueprinting involved Lego® bricks, and die cast toys. The activity preceded the case discussion. The class was divided into small teams. Each team was assigned the task to brainstorm and design a specific service layout and the corresponding blueprint with the resource materials provided. These resource materials were pre-designed with Lego® Bricks for the given service layout and each of the Lego® installations, and additional die cast toys represented the tangible elements of an actual service setting viz. airport, amusement park, car servicing center and railway station. The teams were also asked to indicate the possible waiting and failure points in the layout as well as on the blueprint. In about 45 minutes the teams came up with their service layout based on their imaginations and outlined a blueprint for the same. In the remaining 30 minutes the teams were evaluated on how successful they were in designing the blueprint that minimized the failure and waiting points and a winner was announced. The corresponding case study that was intended to teach issues and challenges related to service blueprint was discussed in the following session. As a follow up activity, students were asked to carefully note the case facts and design a blueprint for the company in question.

The games alongside cases provide the students with a scope to learn and explore the concepts of services marketing on their own, without direct supervision from the teacher. Additionally, it incorporates a fun element in learning. Indeed the success of these game oriented case discussions go a long way to show that one need not always resort to ICT or other advanced technologies to enable a rich case learning experience; however, execution of these games alongside cases require meticulous planning and additional effort from the course instructor and easy access to the resource materials. Course instructors who intend to design similar games to complement cases are advised follow few simple ground rules. First, the rules of the game should be simple and the instructions need to be clear. Second, the game should always involve every student in the class; possibly in teams. Third, the parameters for evaluating the teams should be discrete and one clear winner must emerge. Fourth, the debriefing sessions must deploy academic concepts related to the case and should be able to elucidate contrasting theories. Finally, time management is essential. The beauty of the game based case sessions lie in its simplicity, and it's potential to instantaneously convert classrooms to real life service settings, and students to managers. These games require little infrastructure and do not drain the monetary resources of the school unlike technology oriented innovations such as computer simulations, use of polling machines etc. and therefore can be easily replicated in marketing classrooms all around the world.

Innovations in Teaching Comment

Spurring Student Interest in Research: Using MDS in the Classroom

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Introduction and Overview of MDS

The volume of data being collected by marketers has surpassed our ability to analyze it, visualize it, and make sense of it. We need to find ways to attract analytically minded students into Marketing. The introductory Marketing course serves as a gateway and is ideal for introducing inquisitive students to research. However, when undergraduate students are exposed to research in the classroom, it usually takes one of two forms: (1) a discussion of prior research findings related to the course, or (2) a survey given to students to facilitate faculty research. In the first case, students are passive listeners, and in the second case their involvement is limited to the role of subject. They are rarely informed of the research questions being addressed or the potential impact of the research. However, it is possible to spur interest in research among undergraduate students by demonstrating research in the classroom. The key is to select a research method that could provide meaningful results without being overly complex. It is also important that the activity drive discussion and complement course material. The method I chose to demonstrate was multidimensional scaling (MDS). The activity led to a lively discussion and drove student interest in research.

MDS is a research method used to identify dimensions consumers use to differentiate between products, brands, or ideas. The differences are visualized in a 2D perceptual map which spatially separates a set of objects based on their perceived (dis)similarity. MDS is perfectly suited to the task of engaging undergraduate students in the research process because (1) analysis of MDS results requires no prior experience with statistics, (2) MDS is visual in nature, thought provoking, and easy to understand, and (3) the axes of the map are open to interpretation, which can lead to good discussion. In fact, it is suggested that researchers ask the respondents to help them interpret the map's dimensions. Student engagement is built into the research method! MDS can be used to investigate a number of topics such as consumer evaluations of brands or comparisons of product qualities (e.g., perceived tastes, smells, or aesthetics). The process of performing MDS is also relatively easy to demonstrate to students.

Instructions for Implementation and Example of Use

In order to drive class discussion on product development, I designed an MDS study to examine consumer perceptions of digital devices. First, I created a list of 5-7 consumer electronic devices which are similar to each other in form and function: a laptop computer, smartphone, e-reader, desktop computer, smart TV, and tablet. Second, I created a simple survey to assess the degree of perceived (dis)similarity between the devices. Subjects were asked to rate how similar each device was to another. Devices were compared on a pairwise basis (e.g., "Laptop vs. smart phone"). Responses were measured on a 7-point scale (1 = "Very Similar," 7 = "Very Dissimilar").

Next, I ran the MDS analysis in SPSS. The devices were arranged on a perceptual map based on their perceived (dis)similarity. Finally, I took the map into class and asked the students for their input. They determined that the Y-axis represents portability, with desktop computers and laptops seen as less portable than smart phones and tablets. The X-axis was determined to represent functionality or flexibility of use, with e-readers and smart TVs being the most limited in use. Students were excited to discuss their responses and surprised to see how their perceptions compared with those of their classmates. Following the class, students approached me with questions about marketing research and how they could set up an MDS study on their own.

The changing landscape of Marketing requires that we do what we can to recruit new types of students into the field. One way to do this is to demonstrate the usefulness of research in the introductory Marketing course. However, in order to engage undergraduate students, we must be careful not to drown them in complexity. A visually oriented method such as MDS, which encourages discussion between the researcher and the subjects, can accomplish this goal. The activity can also complement the course material and drive class discussion.

Innovations in Teaching Comment

Using Bricks in a Pricing Exercise

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Introduction

Markup, markdown, and margin appear as fundamental concepts in retail management. While the concepts seem easy to define and discuss, many students struggle to apply and interpret these concepts. Discussions with corporate trainers and middle managers for retailers suggest this lack of clarity extends beyond the classroom to the retail space.

A retail professional that serves in dual capacity as a store manager and corporate trainer provided the inspiration for this innovation. The retail professional suggested using blocks to represent revenue and cost instead of drawing revenue and cost squares on paper. In that moment, I envisioned a pedagogical approach that moved teaching markup, markdown and margin from two-dimensional space where the student passively received information, into a three-dimensional space where the student actively engaged with the material. Hence, the idea to use colored plastic bricks to teach these important concepts was created.

Description and Implementation of Innovation

Markup, markdown, and margin rely on two data points: revenue and cost. Multicolored plastic bricks were purchased for this exercise. Each color was assigned a figure and a value. The cost to implement this exercise depends on the number of bricks needed and the number of students in the class. However, once the bricks are purchased, the bricks can be used repeatedly.

The exercise described herein has been utilized in a retail management course. At the beginning of the unit, students prepared a study guide or “cheat sheet” for the textbook chapter on markup, markdown, and margin. Before taking a chapter quiz and without benefit of the study guide, students completed a brief four-question assessment that asked students to define the three concepts, and briefly (explain how markup and margin are related and/or distinct. After completing the brief assessment, students completed a chapter quiz that included the definitions of these three concepts.

At the next class meeting, the brick exercise was performed. The instructor begins the activity by distributing bricks to students. Next, the instructor provides a short lecture of the three concepts including definition and framing why these concepts are important. This importance extends beyond retail to include any student with aspirations to work as a freelancer, consultant, at an agency, etc.

Students are then asked to recall the definitional information, and to connect the concepts to previous material covered in the course. The instructor then restates and/or rephrases material when students do not demonstrate a firm understanding of the concepts. When the instructor feels comfortable that students hold a basic understanding of the ideas, the bricks can be utilized for the hands-on exercise.

After working through different problems with a range of difficulty involving markup and margin, the concept of markdown was introduced. The process involving markdown followed the same process with markup and margin. However, an additional complexity was added. Instead of stopping with finding the sales price and margin percent, students had to re-measure markup dollar, markup percent, sales price, margin dollar, and margin percent to reflect the lower sales price caused by the markdown. The students could visualize and measure the impact of a markdown.

Outcomes

In the first assessment, retail management students could not define markup, markdown, and margin, nor could they explain the relationship between markup and margin. At the end of the exercise, all students successfully defined the three concepts, and explained the relationship between markup and margin. In this sense, the students achieved the innovation’s minimum objective of students being able to define these three concepts and discussing markup and margin.

Special Session

A Crash Course on Short-Term Faculty-Led Education Abroad Trips

Karin Braunsberger, University of South Florida St. Petersburg, USA

John Branch, University of Michigan, Ann Arbor, USA

Brian Buckler, Avila University, USA

Mohammad Niamat Elahee, Quinnipiac University, USA

Richard Flamm, University of South Florida St. Petersburg, USA

Barbara Ross Wooldridge, The University of Texas at Tyler, USA

Melissa Markley Rountree, DePaul University, USA

The members of the panel are either involved in taking students abroad for educational purposes or are interested in doing so. The panel members who have traveled abroad with students talk about their experiences and present tips on how to get started, how to make sure that such a trip will go smoothly, and present trends in type of education abroad courses. The panel members who are interested in learning about these trips will be given the opportunity to ask questions to help them develop their own trips. Audience members are encouraged to share their experiences, tips, and ask questions.

Preparing for Education Abroad Trips

When contemplating teaching a study abroad course, there is often a great deal of work for the faculty member before the course ever appears in a college or university catalog. Our panel member from DePaul University will discuss how some universities encourage, or even mandate, that faculty members do all (or most) of the trip planning themselves, because this approach enhances faculty engagement in the topic of the program, the city, and the overall success of the trip. The faculty uses contacts and personal experience to find the right hotel in the best area, or develops a walking tour of the city. Although more logistical work for the faculty member, this typically results in a lower price point for students—a plus in this competitive economic environment. On the other end of the planning continuum is the full service vendor. Universities tend to like these vendors as they are pre-selected and approved travel companies who are held responsible for a programs' contracting issues such as insurance and safety documentation, and compliance issues. The companies can offer everything from travel logistics to business visits, but major restraints of this methodology are the lack of input and oversight as well as increased trip costs.

An important implicit or explicit learning objective of many international study tours is the development of cultural competence, sometimes called cultural intelligence. Relatively few international study tours focus solely on cultural competence, but students inevitably experience some level of culture shock, thereby providing them with opportunities to develop cultural competence. At the Ross School of Business, all students who participate in any type of programme which is offered through the Office of Global Initiatives are now required to complete a cultural competence assessment pre- and post-programme. Called Cultural Intelligence or CQ, the computer-administered assessment scores students on the four dimensions which research demonstrates are predictive of success in cross-cultural situations: drive, knowledge, strategy, and action. The Office for Global Initiatives augments these assessments with a pre-programme workshop which helps students exploit the activities of the programme to help develop their cultural competence. A post-programme workshop enables students to diagnose any barriers to cultural competence which arose during the programme, and provides them with a vehicle for planning future activities in service of their cultural competence development.

Trends in Education Abroad Trips

There are different types of short-term faculty-led education abroad trips. Traditionally, many of the trips offered by Colleges of Business involve faculty members traveling with students through one or more countries within a period of one to four weeks, visiting business facilities, such as BMW in Munich, Germany, or vineyards in France, while emerging students in the culture of the countries visited. Although those trips are still popular,

especially at the undergraduate level, trends to incorporate social entrepreneurship and service learning have emerged.

With a view to inculcate a global mindset and skills that a 21st century manager would need, a novel course was developed at Quinnipiac University. The course combines social entrepreneurship, study abroad, and service learning, and uses field-based microcredit financing and consulting projects to assist budding entrepreneurs in Leon, Nicaragua, while allowing students some hand-on experience. This experiential and innovative course allows students to encounter poverty first hand, to seek entrepreneurial solutions to reducing poverty in a 'business unfriendly environment,' and ultimately to empower the budding entrepreneurs toward financial freedom and independence. This part of the presentation discusses how global social entrepreneurship, micro-credit, field consulting, and service learning were combined into one single course and how it was delivered in a foreign county. This presentation also explains which concepts and skills from a developed country (USA in this case) can be transferred to a developing country (Nicaragua), how the students perceive this course as a life-transforming experience and what challenges the students encountered while dealing with the loan recipients including but not limited to financial constraints, lack of regular contact with loan recipients/clients, and logistical challenges in the field. This part of the special session concludes with a discussion on how this experiment can be replicated by others and scaled up.

A similar course was developed in the Kate Tiedemann College of Business. Here, MBA students travel to San Juan la Laguna de Atitlán, Guatemala, to work with and for coops of impoverished indigenous women to teach them business skills and help them develop business plans that fit their resource level. Each year, a different contingent of students travels to the same location, which allows for a systematic effort to develop the community and also for students to experience first-hand what impact the work done by prior student groups has had on individual lives and the community. Further, this part of the presentation will also shortly touch on a nonprofit organization, Para Adelante (paraadelante.org), which was founded by prior students and focuses on providing scholarship funds to women in the community who are interested in pursuing a college degree.

Problems to Anticipate

Disruptive students are often the result of either having too much free time without organized activities or not having enough activities that engage the students. Therefore it is incumbent upon the faculty member to develop a program with the "at risk" students in mind. The vast majority of students who take faculty-led study abroad courses are well behaved, responsible, and open to the new experiences that travel presents to them. However, there are occasionally students who are not focused on the learning component of the course and view the travel as their personal vacation. These students can negatively affect those who want to learn and create additional work for the faculty member(s) leading the group. This part of the special session will focus on workable solutions to anticipated problems and be moderated by our panel member from The University of Texas at Tyler.

Topics to Be Addressed During the Discussion

Questions that will be discussed by our panel member from Avila University target the following topic areas:

- 1) College requirements for education abroad trips
- 2) Course content and structure—decision makers and institutional support
- 3) Logistics and time commitments
- 4) Details about course development
- 5) Type of student targets
- 6) Location issues
 - a) Student interest
 - b) Time constraints
 - c) Locations to be avoided
- 7) Communication, especially promotion of courses
- 8) Pricing/financial aid
- 9) Faculty compensation AND out-of-pocket expenses
- 10) Legal issues, alcohol policies and curfews

Summary Brief

Word-of-Mouth and Persuasion Knowledge: Which is More Influential in a Sales Situation?

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James “Mick” Andzulis, Louisiana State University, USA
Juliana White, Louisiana State University, USA

While word-of-mouth (WOM) and persuasion knowledge have both separately been identified in marketing literature as having an influence on consumers’ opinions and purchase intentions, to date no study has utilized both constructs to determine which will have more impact in a sales situation. The intent of this research is to determine which has the ultimate influence on the attitude toward the salesperson, WOM or persuasion knowledge. Results from our study revealed both constructs do impact the attitude toward the salesperson, however when the sales experience contradicted the WOM about the salesperson, the persuasion knowledge was more influential than the WOM. In addition, a surprising discovery was made in relation to source credibility in WOM; a social media opinion post from a stranger was revealed to be just as impactful as a post from a close friend.

Presentation Summary

With the growing popularity of social networking sites on the Internet, the strength and influence of word-of-mouth (WOM) or electronic word-of-mouth (eWOM) has grown as well. Now people are able to influence not only their friends but complete strangers through posts they make on such networking sites as Facebook, Twitter, and LinkedIn. A person’s opinion or shared experience can be exposed to millions in just a matter of seconds. It is this power that the consumer holds that is of increasing interest to marketers worldwide. How to handle and manage such communication is a challenge being faced every day.

While WOM has been shown to exert great influence on consumers’ opinions, it is also relevant to consider other alternatives that may be just as influential, if not more so, such as persuasion knowledge. Persuasion knowledge is a consumer’s acquired knowledge from previous persuasion episodes (Friestad and Wright 1994). Within sales situations, consumers are able to utilize persuasion knowledge to form their opinions of the salesperson (Friestad and Wright 1994; Campbell and Kirmani 2000; DeCarlo 2005). It is of benefit then and the purpose of this study to determine which will have the greatest impact on the attitude toward a salesperson: WOM or persuasion knowledge obtained from the sales situation.

Conceptual Model

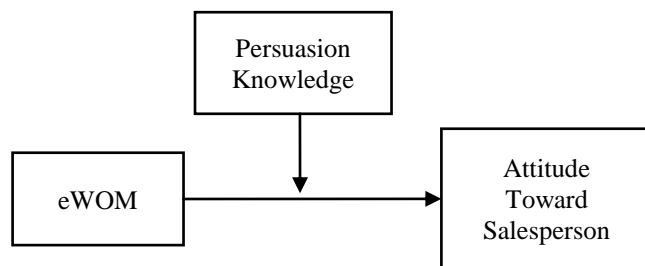


Figure 1: Conceptual Model

Figure 1 illustrates the conceptual model that was examined in our study. Of primary interest for this pretest was to determine the influence that WOM may have on the attitude toward the salesperson before and after the persuasion knowledge.

Methodology

A 4 (WOM scenarios: Facebook post good, Facebook post bad, Facebook post good with likes and comments,

Facebook post bad with likes and comments) x 3 (Relationship: Close friend, Acquaintance, Stranger) x 2 (Sales scenario: good, bad) between subjects design pretest lab study was performed at a major southern university to understand the impacts of WOM and persuasion knowledge on subjects' attitude toward the salesperson. Responses for this pretest were collected from 78 undergraduate students with an average age of 23 years old and 51 percent of the respondents being male.

Results

An analysis of variance (ANOVA) was conducted to determine if there was an effect between the WOM scenarios and the attitude toward the salesperson (measured prior to exposure to the sales scenario). The results indicate there was a significant impact ($F(3,54)=29.267$, $p<.01$, $\eta_p^2=.619$) on the WOM scenario and the attitude toward the salesperson. These results do not hold true, however, after the subjects are exposed to the sales scenario, as the ANOVA results then showed no significance ($F(3,54)=.383$, $p>.76$, $\eta_p^2=.021$) between WOM scenario and attitude toward the salesperson (measured after exposure to the sales scenario). There was however, a significant effect between the sales scenario and the attitude toward the salesperson ($F(1,54)=100.985$, $p<.01$, $\eta_p^2=.652$). A surprising discovery was the ANOVA results that showed no significance on attitude toward the salesperson based on the relationship between the subject and the person who made the Facebook post, either pre- or post-sales scenario (pre-sales scenario: $F(2,54)=1.35$, $p>.26$, $\eta_p^2=.048$; post-sales scenario: $F(2,54)=.560$, $p>.57$, $\eta_p^2=.020$). This means that WOM in the form of a Facebook post was just as impactful on the subjects' attitude toward the salesperson if it came from a stranger or a close friend.

Implications and Future Research

Since both WOM and persuasion knowledge have an influence on the perception of a salesperson, sales personnel and managers should actively monitor and manage sales experiences. This study demonstrates the true importance of the actual sales experience and how it can impact the attitude toward a salesperson, regardless of any positive WOM that may exist about the salesperson. It is important to show consistency in the sales experience and WOM. While positive WOM is shown to work in favor for the salesperson, negative WOM needs to be managed and minimized as much as possible so as to not impact consumers' opinions of the salesperson. To encourage positive WOM, sales personnel can encourage consumers to post positive comments about their sales encounters. To minimize negative WOM, sales personnel should work quickly to address the issues that may have caused the negative comment.

Future research will be performed to further understand the impact and influence of WOM and persuasion knowledge on purchase intention. The intent will be to delve further into the understanding of consumers' use of persuasion knowledge in determining potential suspicious motives of the salesperson. Additional scenarios will be examined in both the business-to-consumer context and business-to-business context to add to the generalizability of the findings. Finally, examination of potential real-world scenarios would be of interest to expand on the ecological validity of these findings. Understanding the full spectrum of WOM and persuasion knowledge influence on purchase intention will add depth to WOM, persuasion knowledge and sales literatures.

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Summary Brief

Gamification in Sales: Focus on Millennials

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Gamification involves the application of various gaming elements and mechanics to non-gaming applications, such as corporate training. It provides a reward-oriented, challenge-laden approach that is evolving as a viable means for companies to engage and develop their workforce. As millennials represent a growing proportion of sales teams today, they introduce greater generational diversity for firms to manage. Consequently, sales managers are challenged to find new approaches to effectively develop and retain them. A growing number of leading sales organizations are now embracing gamification to help address this challenge. Given the continued role of technology in transforming sales, the current paper explores the opportunities as well as challenges of gamification in the context of the millennial salesperson and proposes some considerations for both sales managers and academic researchers.

Paper Summary

Gamification is a learning design concept that extends video-game design mechanics to new learning contexts. It involves identifying specific video game concepts that impact our brain and utilizes those concepts to foster learning, motivation and other action-oriented activities (Perrotta et al. 2013; Pavia-Higel, 2014). Simply, gamification involves the application of gaming mechanics to non-gaming applications. It provides a reward-oriented, challenge-laden approach, which can be congruent with the training and development needs of the increasing millennial workforce in today's business environments (Sreedhar, 2014). As millennials comprise an increasing percentage of selling organizations and differ from previous generations regarding their traits and attitude towards work (Solnet and Hood, 2008), companies are turning to gamification as an evolving element of their new training toolbox.

In a selling context, Marsh (2013) suggests gamification of sales applications and processes is the key to both controlling and managing a challenging millennial sales organization. However, Gartner research (2011) shows that it is presently not working effectively for organizations given that 80% of current "gamified" applications fail to meet business objectives. Thus, the gap between the promise and reality of gamification highlights an imperative for today's organizations to revisit their current training and managerial approaches to better motivate today's millennials. Consequently, a prominent question with many contemporary sales managers today is "how" to most effectively leverage millennial traits and attitudes, both the positive and negative, to enhance selling performance. Given the continued role of technology in transforming sales, this paper explores the opportunities as well as challenges of gamification in the context of the millennial salesperson and proposes some considerations for both sales managers and academic researchers.

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Summary Brief

Leveraging Technology to Replace Person-to-Person Selling Activities: The Impact on Salesperson Performance and Cost to the Firm

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In the face of a modernized selling environment, not only are salespeople expected to manage an increasing number of customer relationships, they are also expected to leverage technology to accomplish this task more efficiently. This additional layer of technology, as many practitioners will point out, adds complexity to the sales role. Addressing this challenge, our study aims to investigate the effects of using technology to partially replace in-person selling activities in a business-to-business environment. The expectation is that, if implemented properly, the use of technology will not only increase sales but also reduce selling costs. Further, more frequent interactions with a customer, even when the interaction is virtual, are expected to increase the salesperson's presence in the mind of the customer. A key managerial implication of this study is to offer a view of how marketers can simultaneously improve salesperson performance, deliver more value to customers, and reduce selling costs.

Introduction

Sales force automation (SFA) is a rapidly growing research stream in the area of professional selling (Marshall et al. 2012). In the face of a modernized selling environment, not only are salespeople expected to manage an increasing number of customer relationships, they are also expected to leverage technology to accomplish this task in a more efficient manner. This additional layer of technology, as many sales practitioners will quickly point out, adds complexity to the sales role. Even still, prior research demonstrates this complexity offers great opportunity (see Eggert and Serdaroglu 2011). For example, many non-sales focused industries, such as medicine and manufacturing, have successfully integrated technology leading to significantly improved processes (Buntin et al. 2011; Davenport 2013).

Even though the value of SFA is becoming more apparent, many sales-centric organizations have only scratched the surface of the benefits offered by fully integrating technology in the sales force. In fact, much of the discussion around SFA in industry and among scholars has focused primarily on sales force adoption of new technology (Ranjan and Puri 2011; Robinson, Marshall, and Stamps 2005). Considering the established behavior patterns of seasoned salespeople, adoption has been a major hurdle to be sure. However, as opposed to *how*, and *to what benefit*, new technologies may be fully leveraged, researchers have instead geared studies around the challenges of simply getting salespeople to use the technology that is available (Buehrer, Senecal, and Pullins 2005).

Compounding matters further, the technology frequently discussed around SFA in the sales literature is in the context of CRM and database management systems. These are valuable systems but clearly there are other forms of technology available to salespeople that are more accessible, easier to adopt, scalable, and more profitable (e.g., email delivery of video sales pitches, online consultative selling with video conferencing). A review of the literature on SFA and the use of technology in a sales setting has led to the following research question: *To what extent may salespeople replace in-person selling activities, such as sales presentations and customer support, with automation using video and other online tools?*

Objectives

The intended objective of this study is to investigate the effects of using technology to partially replace in-person selling activities in the context of a business-to-business selling environment. The general expectation is that, if implemented properly, the use of video and other online tools will not only *increase sales* but also *reduce costs* associated with selling activities such as travel and entertainment. More specifically, using tools such as prerecorded video, live video conferencing, and email marketing, a salesperson will be able to deliver more sales presentations (often simultaneously to multiple customers spread across a large geographic region) while also reducing travel costs.

It is also expected that more frequent interactions with a customer, even when the interaction is virtual, will increase the salesperson's presence in the mind of the customer. Leveraging technology to be "everywhere at once"

will allow the salesperson to deliver more value to the customer in the form of competitive information and support for the customer's organization. Taken together, the salesperson's increased presence and the added value to the customer is expected to improve salesperson performance.

Methodology

This research will employ a case study methodology using existing secondary data complemented by primary data collected over a 12-month period. Analyzing data over this period will allow a wide enough time window to fully see the effects of implementing the prescribed technology. A global manufacturer and supplier of electrical equipment to the transportation industry supported this project by providing the necessary sales data and access to a specific sales territory covering six states in the Mid-Atlantic and Southeastern United States. Our corporate partner is an ideal match for this research as the company operates heavily in a business-to-business environment with a team of experienced sales professionals.

Relevance and Implications

A key managerial implication of this study is a more complete understanding of the effects on sales performance and firm costs when readily accessible technology is implemented in the selling process and mediates the customer-salesperson relationship. Given the economic pressures companies currently face, this research offers a view of how a company can simultaneously improve sales performance, deliver more value to the customer, and reduce selling costs to the company.

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Special Session

Adding Analytics to Your Undergraduate Program

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This special session focuses on a pedagogical approach of embedding analytics in a marketing course. This session will examine a Principles of Marketing course. The examples and approach can be applied to upper division courses such as Retail Management, and/or Promotions.

Introduction

Analytics has moved to the forefront as a skill demanded by employers. Marketing departments are attempting to meet this demand by either creating an analytics course or incorporating analytics into an existing course. Several hurdles exist in teaching this skill to students. One of the most important aspects is selecting analytics software title that serves multiple purposes.

One, the analytics package has to be simple enough that an undergraduate student could easily and quickly generate usable output. Two, the output needs to be presented in a fashion that an undergraduate can interpret it. Three, the package should be easily understood by the busy faculty member. Four, the software package should be comprehensive but flexible enough to meet almost any instructor's needs. Marketing Engineering, an analytics package from Decision Pro, can overcome this struggle. The software title operates as a plug-in with Excel, a program with which most undergraduate students should be comfortable. Furthermore, the output is presented in an easy-to-understand format. Finally, the package includes not only datasets, but also cases, in addition to allowing students or instructors to enter their own data.

This session will include an introduction to Marketing Engineering, discussing the applications strengths and weakness. The heart of the session will be a review of the application in undergraduate courses. At the end of the session, faculty will leave with sample syllabi, in-class and out-of-class exercises, multiple assignments, and grading rubrics. All of the samples are designed so that faculty can modify these syllabi, exercises, rubrics, etc. to fit the needs of their specific course requirements.

Implementation

For academic year 2010-11, an analytics component was added to the Principles of Marketing course. It served two purposes, including: (1) exposing business-degree seeking students to analytics, and (2) encouraging these students to seek careers in the emerging field of marketing analytics. The Marketing Engineering package was selected from several vendors because it would best assist with exposing and encouraging students. In four-week modules, students are exposed to cluster analysis, and, separately, multidimensional scaling. Other modules are possible. In-class time is devoted to explaining and demonstrating the software package and corresponding analytical tool as well as discussion. Out-of-class time is spent on students examining datasets and writing memos in response to cases.

Outcomes

Enrollment in the upper division Marketing Analytics course has been increasing. Better students from the Principles of Marketing course are electing to major in Marketing or to minor in Marketing Analytics. Broadly, the analytics package has provided a boost to the entire marketing program as students' respond to the faculty's excitement and energy for the topic. Employers are interested in hiring students from the marketing program. They are impressed with the exposure to analytics in the various marketing courses. Indeed the placement rate for students who have completed Marketing Analytics remains at 100% for the last three years.

Summary Brief

When Brands Love You Back: Reciprocation in the Customer-Company Dyad

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Victoria Bush, University of Mississippi, USA

Companies strive daily to obtain new customers as well as ensuring the long-term satisfaction of existing customers through relationship-building. Different tactics have been used over the years, with some producing more consistent results than others. Using theories from Brand Love, Social-Identity, Consumer-Company Identification, as well as psychological literature on interpersonal love, this study will examine how companies give love back to the customers as well as review the ways that customers show love towards brands. Studies will be conducted to determine the elements of Reciprocated Brand Love and the impact of each on the outputs from Brand Love.

Introduction

Hooper (2011) suggests that the desire of customers to have a relationship with a company that is less of a robotic entity, and more similar to human with feelings and mortality. Likewise, companies are looking for ways to have long-term customers. Creating this deep relationship between buyer and seller can generate a feeling that is referred to as Brand Love by recent authors. This is a somewhat recent topic that generally includes a feeling of closeness to a company that is expressed by a customer. Customers are now beginning to show more intimate feelings towards companies in a variety of ways including word-of-mouth, willingness to pay a premium, forgiveness of failures, and loyalty to brands (Batra, Ahuvia, and Bagozzi 2012). This study will look at the possible responses to Brand Love companies may face, and the impact that each response can have on the relationship with the customer. Literature on Brand Love will be explored, and a new concept of Reciprocated Brand Love (RBL) will be introduced. The authors seek to answer the following research questions:

- How do companies give love back to their customers?
- What are the elements of Reciprocated Brand Love?
- How does Reciprocating Brand Love impact the consumer-company relationship?

Literature Review

We know that people tend to see distinct groups and associate themselves with certain groups (Ashforth and Mael 1989). Some customers may not know exactly who they are, needing some help to find their identity. Companies can aid in this process by giving the customer something to identify with. Ahearne, Bhattacharya, and Gruen (2005) discuss the connection between social identity and consumer-company identification, and the desire for consumers to seek out a brand that they can relate to. The more a consumer identifies with a brand, the more loyal that person will be, and the more they will advocate the brand to others.

With consumers desiring a more human-like relationship from organizations, and the relationship between consumers and brands being equate to a marriage, we can begin to see the importance of companies becoming more relatable in the eyes of consumers (Dwyer, Schurr, and Oh 1987; Levitt 1983; Hooper 2011). Customers can show Brand Love in various ways including the consistent use of the particular brand, spreading a positive word-of-mouth for the desired brand, forgiveness of brand failures, and the willingness to pay a premium (Batra, Ahuvia, and Bagozzi 2012).

A recent study conducted by Blomquist and Giuliano (2012) examines the responses to the phrase I love you and how it may differ among gender. Although there were differences in the preferred responses for men and women, both agreed on the most hurtful response. Findings showed that for both men and women, ignoring of the I love you phrase was the most hurtful, and this is the main takeaway for the current study. This should stress the importance of some form of response by companies to the love shown by customers. Research shows that interpersonal relationships can be seen on a similar level as consumer-company relationships (Albert and Valette-

Florence 2009). Therefore, the possible repercussions that accompany the ignoring of the I love you phrase could have major implications for companies.

Hypotheses and Methodology

As stated by Batra, Ahuvia, and Bagozzi (2012), willingness to pay a premium, word-of-mouth, loyalty, and forgiveness of failures are all associated with feelings of Brand Love as shown by customers towards companies. This positive relationship shows that as brand love increases, these outputs will generally increase as well. The authors have operationalized Reciprocated Brand Love as a moderator of the relationship between Brand Love and its consequences. We argue that RBL will strengthen this relationship and the proposed hypotheses (and model: Figure 1) are as follows:

H1: The reciprocation of brand love moderates the relationship between brand love and the willingness to pay a premium, such that as RBL increases, the willingness to pay a premium increases.

H2: The reciprocation of brand love moderates the relationship between brand love and brand loyalty, such that as RBL increases, the brand loyalty increases.

H3: The reciprocation of brand love moderates the relationship between brand love and positive word-of-mouth, such that as RBL increases, positive word-of-mouth increases.

H4: The reciprocation of brand love moderates the relationship between brand love and the forgiveness of failures, such that as RBL increases, the forgiveness of failures increases.

There will be two studies performed. The first of which will be a qualitative study to properly establish the elements of RBL. The second study will test each element against the existing relationship between Brand Love and its consequences to assess its impact. The authors propose a strengthened relationship between Brand Love and its outputs when RBL is present. We argue that the relationship will be strengthened for each of the outputs, but possibly at different rates.

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Full paper

Brand Experience: Impact on Brand Trust and Brand Attachment

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Brand experience plays an important role in consumer behavior. A crucial precursor to developing better solutions is a deeper understanding of the consequences of brand experience. Brand experience dimensions and their impact on brand trust and brand attachment were investigated with 242 undergraduate students responding to an internet survey on different brands. We tested and validated the four dimensions of brand experience (sensorial, emotional, intellectual, behavioral), and proved that brand experience influences brand attachment and brand trust. We also demonstrate that the consumer who perceives strong experience intensity with a brand does not trust it.

Introduction

Companies give increasing priority to experiential marketing. This strategy consists in immersing the consumer in a fun and memorable experience. For instance, Starbucks does not only sell coffee but offers a great experience, including a pleasant service and an especially convivial environment. This strategy of experiential marketing represents a progression in the value added by business after the commodity, the good and the service (Pine and Gilmore 1999). Unlike past strategies used to improve the relationship with consumers, the experiential marketing strategy consists in offering a valuable experience combining all kinds of possible responses that a consumer may have (e.g. sensorial, emotional, behavioral, intellectual) in order to strength this relationship (Brakus, Schmitt and Zarantonello 2009).

In the same way, brand experience is important in marketing because, from a holistic perspective, consumers actually live the brand. Personal contact, environment, service, products and all elements that interplay with consumers are associated with the brand. This association allows consumers to think about brands and past experiences with brands at the same time. Theoretically, brand experience is conceptualized as consumer's internal, subjective (feelings, emotions and intellect) and behavioral responses evoked by stimuli associated with the brand as part of its design, identity, packaging, communication and environment (Brakus, Schmitt and Zarantonello 2009).

Research on brand experience has focused on the impact of this concept on consumer satisfaction and brand loyalty (Brakus, Schmitt and Zarantonello 2009; Sahin et al. 2011), affective commitment (Iglesias, Singh and Batista-Foguet 2011), and attitude and purchase intention (Oliveira and Ferreira 2013). Despite the studies on the impact of brand experience on the brand-consumer relationship, there is nothing about the influence on brand trust. One possible reason is that brand experience is associated with strong emotions and that it will be related to the affective aspect of consequent constructs. Unlike existent literature, we principally focus on the cognitive aspect of the consequences of brand experience, such as brand trust. We argue that studying this relationship will be important because emotions about a brand could influence the cognitive evaluation of brands. For this reason, we think that the relationship between brand experience and brand trust will be moderated by the experience intensity. If the consumer perceives a brand as very experientially intense, then he or she can think that this brand is not very trustworthy. People trigger both automatic and conscious processes that antagonize intense experiences. Opposing processes counteract specific affections (Solomon 1980; Solomon and Corbit 1974). In addition, we are also interested in brand attachment. Consumers who have had a positive brand experience will be more attached to that brand; this relationship is in accordance with past studies about the consequences of affective aspect on brand experience.

The principal aim of this research is to test and validate the effect of brand experience on brand trust and the moderator role of experience intensity. Our secondary objective is to test and validate the effect of brand experience on brand attachment. The research is based on key works on brand experience, brand trust and brand attachment (Brakus, Schmitt and Zarantonello 2009; Li et al. 2007; Thomson, MacInnis and Park 2005).

Theoretical Background

Brand Experience and Intensity

Experiencing brands is conceptualized as sensations, feelings, cognitions, and behavioral responses evoked by brand-related stimuli that are part of a brand's design and identity, packaging, communication and environment (Brakus, Schmitt and Zarantonello 2009). In other words, brand experience is a brand's action perceived by consumers. Every interaction between an individual and a tangible or intangible brand artifact can be seen as brand experience. Brand experience is all the interactions people have with a product, service or organization where the brand is present. Consumers can experience a brand positively or negatively. We are interested in positive brand experience. Brand experience is oriented toward the interaction between the consumer and brand stimulus and is different from the intensity of experience with brands.

Intensity of experience with brands is the extent to which a sensorial, affective, cognitive or behavioral experience occurs. In the same way that ordinary and extraordinary experiences (Bhattacharjee and Molignier 2014) are defined, we define two types of experience intensity: moderated experiences that are common, frequent, and within the realm of everyday life, and intense experiences that are unusual, infrequent, and go beyond the realm of everyday life. An intense experience is inherently superior to a moderated experience.

Brand Trust

Brand trust is defined as the feeling of security felt by the consumer when interacting with the brand and depends on whether a brand is perceived as reliable and responsible towards consumer interests and welfare (Delgado-Ballester and Munuera-Aleman 2001). Consumers believe that a brand associated with a firm has positive intentions toward their interests and well-being. For example, consumers evaluate past experiences with a bank and base their choice to remain with this bank on the trust developed in the relationship with the firm or brand. Brand trust is related to the cognitive aspects of a brand. The consequences of brand trust are enhancing customer relationships (Selnes 1998), building customer loyalty (Singh and Sirdeshmukh 2000), commitment (Morgan and Hunt 1994) and brand equity (Chaudhuri and Holbrook 2001). Nevertheless, very little attention has been paid to the antecedents of brand trust in marketing. The first study is Ha (2004)'s, which tested online environment. He showed that brand trust is affected by the web purchase-related factors: safety, privacy, good online experience, name of brand and quality of information. The last study is Sung and Kim (2010)'s, in which they demonstrated that brand trust is influenced by brand personality. Brands perceived as having sincere brand personality characteristics are more likely to influence the level of brand trust.

Intensity of Experiences and Trust

Studying the intensity of experiences as an antecedent of trust is to analyze the relationship between the affective and the cognitive (Dunn and Schweitzer 2005). A person's cognitive evaluation is influenced by affective evaluation. For example, knowing someone who makes jokes and stimulates enjoyment can lead to perceptions of untrustworthiness. People trigger both automatic and conscious processes that antagonize intense experiences. Opposing processes counteract specific affections (Solomon 1980; Solomon and Corbit 1974). For example, in learning that an author has won a literary prize, this author may experience intense physiological arousal, but cognitive processes may be triggered immediately, which calms the person down. This is called the antagonism principle (Wilson and Gilbert 2008). In addition, in philosophy Aristotle's happiness theory "eudemonia" considers that people perceive strong emotions as something not really positive because they see that true happiness entails identifying one's virtues, cultivating them, and living in accordance with them (Aristotle 2000, 384-322 BCE). Pleasure is good but not in excess.

Brand Attachment

Analyzing this concept is important because people can form emotional attachments to objects associated with brands (Schouten and Alexander 1995). Brand attachment reflects the bond between a consumer and a brand, and this bond involves feelings toward that brand. Brand attachment consists of three emotional components: affection, passion and connection (Thomson, MacInnis and Park 2005). When considering the brand-consumer relationship, the key idea here is that humans anthropomorphize inanimate objects; that is, they can think about brands as if they were humans (Fournier 1998) and consequently become attached to the brand. Brand attachment has an influence on attachment-based commitment, brand loyalty and brand equity (Park, MacInnis and Priester 2008).

To explain why people become attached to brands, a complexity of factors exists, such as emotional memory and socialization of individuals (Grissafe and Nguyen 2011), and resources, name and strategy of brands (Park, MacInnis and Priester 2008). Unlike existent literature, we are interested in the relationship between brand experience and brand attachment because when experiencing brands, consumers develop a direct relationship with them.

According to the relational approach (Brakus, Schmitt and Zarantonello 2009; Iglesias, Singh and Batista-Foguet 2011), when consumers are having a sensorial or emotional experience with a brand, they feel a higher loyalty toward the brand, as well as a higher positive attitude and purchase intention, in accordance with the transactional approach (Oliveira and Ferrera 2013). We are interested in the relational approach and, more specifically, in a concept that is closer to brand experience compared to brand loyalty. In this sense, brand attachment could be a possible effect of brand experience.

Hypotheses and Method

Hypotheses

Positive responses from brand-related stimuli can emphasize a positive reaction to consumption and have a direct or indirect impact on the cognitive aspect of brand-consumer relationship. This positive experience with a brand could boost a feeling of confidence towards the brand because experiencing the brand could create a perception of certitude, relief, and security (Ha 2004). Consequently, positive experiences with brands could influence the judgment of brands, making consumers understand that brands have reliable intentions.

H1: Positive brand experience has a positive effect on brand trust.

In the same way that ordinary experiences differ from extraordinary (Bhattacharjee and Moligner 2014), moderated and intense experiences are perceived differently by consumers. According to Solomon (1980), people can think that experiencing a brand positively (e.g. strong feelings and emotions) is good, but an experience very intense with a brand could activate an opposing process. With intense experiences, an opposite response in consumers can be unconsciously aroused in order to stop primary reactions or to give an alert. In this sense, if the experience with a brand is perceived as strong or intense, the consumer could deduct that brand may eventually be untrustworthy.

H2: Experience intensity negatively moderates the relationship between positive brand experience and brand trust.

Brands can play a powerful role when they can be consistently relied upon to provide gratification through experiential elements. Experiencing brands can provoke certain positive responses in consumers, such as contentment and satisfaction toward brands (Brakus, Schmitt and Zarantonello 2009). This degree of gratification in consumers can boost a self-connection with brands, and consequently, create a bond between the brand and the consumer.

H3: Positive brand experience has a positive effect on brand attachment.

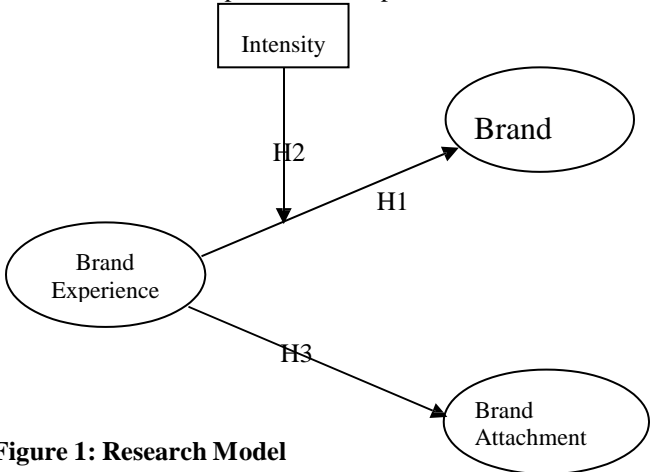


Figure 1: Research Model

Method

Research participants were mostly undergraduate students between 18 and 34 years old (90%) in Peru, who completed an online questionnaire. In total, 242 respondents (40% female, 60% male) filled in the survey. Brands were chosen from a pre-test, during which individuals named brands that offer a positive experience, for example, McDonalds and local brands in the leisure, hotel, restaurant and retailing industries.

We used the brand experience scale developed by Brakus, Schmitt and Zarantonello (2009) to illustrate the four dimensions (sensorial, emotional, intellectual, and behavioral). The questions were translated using the back translation procedure and we had two items per dimension in order to build a clear and easy survey. Sensorial: items 1-2 (“This brand makes a positive impression on my visual sense or other senses”, “I find this brand interesting in a sensory way”); Emotional: items 3-4 (“This brand induces agreeable feelings and sentiments”, “I have positive emotions for this brand”); Intellectual: items 5-6 (“I engage in thinking favorably when I encounter this brand”, “This brand assertively stimulates my curiosity and problem solving”); Behavioral: items 7-8 (“I engage in positive physical actions and behavior when I use this brand”, “This brand is action oriented”).

Respondents were asked to indicate the level of their agreement with statements about the positive brand experience. All items were measured using a 7-point likert scale of agreement from 1=’Strongly disagree’ to 7=’Strongly agree’. Then data was analyzed using confirmatory factor analyses (CFA) in order to test the measure of constructs, Structural Equation Modeling (SEM) to test the impact of brand experience on brand trust and brand attachment, and path analysis and multi-group analysis to test moderation of the experience intensity. We used the brand attachment scale developed by Thomson, MacInnis and Park (2005): items 11-20 (“affectionate”, “friendly”, “loved”, “peaceful”, “passionate”, “delighted”, “captivated”, “connected”, “bonded”, “attached”). After the back translation we eliminated the item 13=“loved”. Moreover, we used the brand trust scale developed by Li and al. (2007): items 21-29 (“This brand does a good job”, “I expect the brand to deliver on its promise”, “I am confident in the brand’s ability to perform well”, “The quality of this brand has been very consistent”, “The brand has good intentions towards its customers”, “It will respond constructively if I have any product-related problems”, “It would do its best to help me if I had a problem”, “It cares about my needs”, “This brand gives me a sense of security”). In the case of experience intensity, we asked the respondents: items 30 = “What is the intensity of the experience you had with this brand?”

Results

We validated the dimensionality of constructs. Standardized item loadings are: sensorial (item 1 = 0.93, item 2 = 0.85); emotional (item 3 = 0.84, item 4 = 0.94), intellectual (item 5 = 0.70, item 6 = 0.80); behavioral (item 7 = 0.75, item 8 = 0.66). In accordance with Fornell and Lacker (1981), construct reliability and average variance extracted (AVE) were evaluated respectively by examining each dimension: sensorial (cr = 0.88, ave = 0.79); emotional (cr = 0.87, ave = 0.78); intellectual (cr = 0.78, ave = 0.65); behavioral (cr = 0.66, ave = 0.50). The model fit of CFA four-dimension was evaluated by goodness-of-fit (chi-square, GFI and RMSEA), incremental (CFI) and parsimonious (AGFI). This model fits well to the data ($\chi^2(25) = 54.34$, $p < 0.05$; AGFI = 0.912; CFI = 0.980; RMSEA = 0.067). The four-factor solution presents a good fit and replicates the result of Brakus, Schmitt and Zarantonello (2009). With regard to the other constructs, we improved the psychometric properties of measures, adjusted the brand attachment and eliminated item 19. The standardized items’ loadings are: affection (item 11 = 0.84, item 12 = 0.85, item 14 = 0.76), passion (item 15 = 0.82, item 16 = 0.84, item 17 = 0.82), and connection (item 18 = 0.80, item 20 = 0.83). Construct reliability and AVE: affection (cr = 0.86, ave = 0.67), passion (cr = 0.87, ave = 0.68), connection (cr = 0.79, ave = 0.66). This brand attachment model fits to the data ($\chi^2(17) = 53.34$, $p < 0.05$; AGFI = 0.892; CFI = 0.973; RMSEA = 0.081). The three-factor solution presents an acceptable fit. In the same way as for brand attachment construct, we adjusted the brand trust construct in order to improve psychometric quality. We eliminated item 28. The standardized items’ loadings are: competence (item 21 = 0.89, item 22 = 0.86, item 23 = 0.88, item 24 = 0.84); benevolence (item 25 = 0.84, item 26 = 0.83, item 27 = 0.82, item 29 = 0.80). Construct reliability and AVE: competence (cr = 0.92, ave = 0.75); benevolence (cr = 0.89, ave = 0.67). This brand trust model fits well to the data ($\chi^2(19) = 54.4$, $p < 0.05$; AGFI = 0.904; CFI = 0.979; RMSEA = 0.085). The two-factor solution presents a good fit.

A structural model integrating the brand experience, trust and attachment was run with the data. This global model fits the data ($\chi^2(297) = 1023.1$, $p < 0.05$; AGFI = 0.720; CFI = 0.855; RMSEA = 0.087). The results show that brand experience has a direct influence on brand trust ($\lambda = .53$, $t = 7.533$, $p < 0.001$), and brand attachment ($\lambda = .78$, $t = 10.508$, $p < 0.001$). This confirms our affirmations and validates hypotheses 1 and 3.

In order to analyze moderation and to know which brand experience's dimensions really impact brand trust and brand attachment, we transformed latent variables to manifest variables. In this case, we used path analysis and multi-group analysis by AMOS. We have four independent variables: sensorial, emotional, intellectual, and behavioral variables and two dependent variables: brand attachment and brand trust. Moreover, we have a binary moderator variable: experience intensity (group 1: moderated experience = 149 respondents; group 2: intense experience = 93 respondents). The results of the relationships between all these variables are shown below (see Table 1).

In the case of brand attachment the two conditions of experience intensity have the same results: it means that when consumers have a moderated or strong experience intensity, brand experience's dimension has an impact on brand attachment. An exception is seen for the intellectual dimension: indeed people are not attached to a brand through an intellectual experience. It is normal to deduct that if people have a cognitive experience and are involved in a creative spirit, it will not produce brand attachment. In contrast, regarding brand trust, there is a moderated impact of experience intensity, the difference of the Chi-square is 17,308 (10), $p = 0.068 > 0.05$. It means that groups are different at model level. This tests the hypothesis 3, the stronger the experience intensity with the brand, the less the consumer will trust the brand. In addition, concerning the dimensions of brand experience, sensorial, emotional and behavioral dimensions are moderated by experience intensity, but in the case of the intellectual dimension, moderation does not exist.

Table 1: Impact of brand experience dimension on brand attachment and brand trust

Construct Dimension Intensity	Brand Attachment		Brand Trust	
	Moderated intensity	Strong intensity	Moderated intensity	Strong intensity
Sensorial	$t=2.52, p=.012<.05$	$t=2.13, p=.033<.05$	$t=2.19, p=.028<.05$	$t=-1.04, p=.299>.05$
Emotional	$t=4.19, p=.000<.05$	$t=4.06, p=.000<.05$	$t=2.03, p=.042<.05$	$t=1.44, p=.150>.05$
Behavioral	$t=2.21, p=.027<.05$	$t=3.23, p=.001<.05$	$t=2.55, p=.011<.05$	$t=1.94, p=.053>.05$
Intellectual	$t=-.087, p=.931>.05$	$t=-1.66, p=.096>.05$	$t=-2.47, p=.013<.05$	$t=-2.16, p=.03<.05$

Conclusion and Discussion

Brand experience plays a role in consumer behavior (Brakus, Schmitt and Zarantonello 2009). Recent research in experiential marketing aims to find ways to strengthen consumer experience with brands, in order to improve interdependence between consumers and brands. An important precursor to developing better solutions is a deeper understanding of brand experience dimensions as well as its consequences. Recent work in this topic has emphasized how brand experience impacts the construction of brand-consumer relationship (Brakus, Schmitt and Zarantonello 2009; Iglesias, Singh and Batista-Foguet 2011; Oliveira and Ferreira 2013; Sahin, Zehir and Kitapci 2011). Our work provides insights about brand experience dimensions and hence offers a contribution to the impact of brand experience on brand trust, which has not been researched previously. Most importantly, we demonstrate that with strong experience intensity, brand experience does not affect brand trust. We also show that brand experience impacts brand attachment. Our results show that brand experience has effectively positive consequences on brand trust and brand attachment (hypothesis 1 and 3), but when the consumer perceives the brand as something that provides strong experience intensity he or she does not trust the brand (hypothesis 2).

Even if our hypothesis on the effect of brand experience on brand attachment is in accordance with the studies on brand-consumer relationship, our result is inferable. For instance, if we know that brand experience has a positive effect on affective commitment (Iglesias, Singh and Batista-Foguet 2011), we can indeed deduce that brand experience will have a positive effect on brand attachment. However, the relationship between brand experience and brand trust is less explicit. Because the antecedents of brand trust have been explored less, our first two hypotheses are less predictable, especially the second one: the moderator effect of experience intensity on the relationship between brand experience and brand trust. This result is original and is in accordance with psychological theories such as the Opponent-Theory of Solomon (1980). Such theories have largely been used in behavioral research fields. Future studies should attempt to provide support to our results.

From a managerial perspective, the results of the current research provide evidence that a positive brand experience including sensorial, emotional, behavioral and cognitive dimensions, which marketers can create and deliver to consumers, can be used as a central driver in increasing brand trust and brand attachment, in order to improve the brand-consumer relationship. In addition, for the types of brands where trustworthiness is important to consumers (e.g. bank, airline, health insurance, drugstore), offering intense or extraordinary experiences to consumers could have a negative effect.

Finally, future research should also demonstrate in what others conditions the trust of consumers can be influenced by brand experience. For instance, individuals that are oriented towards pleasure (Peterson, Park and

Seligman 2005) could have a positive attitude towards intense experiences provided by brands, and consequently brand trust would not be affected. Individuals with health problems who are searching consolation and trustworthiness could evade brands that offer intense experience.

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Summary Brief

From Tree to Bar: Creating and Managing a Sustainable Business in Haiti

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A team of three friends wandered across the border into Haiti over 13 years ago. Since then lives have been changed forever. The Haitian farmers, their community, and even their economy are changing for the better because three people believed in the future of the country. The case is about how three friends started a chocolate company by building a sustainable social enterprise. Running a business in Haiti takes time and patience, but they are making a lifelong impact as they expand to add production and packaging capabilities in Haiti and expanding the ownership opportunities to the Haitian people.

Introduction

With a passion for the people of Haiti unveiled during an accidental crossing of the border while visiting the Dominican Republic, three friends decided to build a scalable and sustainable social business to help the local people. They developed a business model to help Haitians support themselves and their families in one of the poorest nations in the world. This approach aligns itself with the theory of social entrepreneurship as the theory claims that “intentions are developed first followed by a triggering event, which leads to the opportunity discovery” (El Ebrashi 2013).

The friends wanted to help the people of Haiti improve their standard of living and provide jobs for farmers and others. They made several friends while in Haiti. The idea was less about becoming social entrepreneurs and more about helping bring social justice to the people of a poor nation. With patience and perseverance they built a sustainable business model that would improve the lives of many farmers and other forms of labor by creating jobs and providing income for many.

The initial idea was to grow vanilla, but a vanilla vine needs a host tree, so the decision was made to grow cacao trees. In addition to growing cacao trees, locals would complete the entire production process from tree to chocolate bar in Haiti and learn how to package and export. In addition, when the vanilla was ready, the company would also export the vanilla as it is the second highest priced spice in the world. Focusing on the foundations of social entrepreneurship and what it represents for the company, the employees, and Haiti will help one understand the growing pains and obstacles of working in a less developed country.

Social Entrepreneurship and Sustainable Development

“Social entrepreneurship is primarily designed, besides corporate creation, to meet the social needs not yet achieved by the government and/or by the trade sector” (Thompson 2002; Alvord, Brown, and Letts 2004). Haiti’s people and economy have been struggling for years. The friends saw a situation where they could provide Haitians needed guidance and leadership in how to operate a business, from tree to bar, and create a sustainable income. Exporting the raw cacao beans was not a sustainable solution. Further processing and production would add more jobs and long-term value to the company.

Exploring the connections of global social entrepreneurship to sustainable development in one of the poorest nations in the world and one of the most difficult to do business in, allows for insight into the different aspects of working in another country, with their people and the local government. “Social entrepreneurship is more than meeting social needs it also has profound implications in the economic system: creating new industries, validating new business models, and re-directing resources to neglected societal problem” (Santos 2012).

“The ultimate result of social enterprise is to create sustainable change in the lives of people, and this change should be on a community level rather than on an individual level” (El Ebrashi 2013). The business has been slowly building now for over a decade with the initial years supporting research by a renowned agronomist to determine the best crop to grow. Today the company is working with the Haitian government to secure an industrial building to process the cacao beans to chocolate. Additionally, the company has won awards for their dedication to the Haitian people and their future. Although there are high poverty and unemployment levels in Haiti, as well as social injustice issues, the partners have been able to create a sustainable path for the Haitians by creating opportunities for ownership of an entire value chain.

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Summary Brief

A Man Is Known By the Company He Keeps: Spillover Effects of Corporate Social Responsibility among Brands

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Although research on branding and co-branding has a rich history, very little research addresses how brand concepts of one company are influenced by the corporate social responsibility (CSR) activities completed by partner brands. An experimental study reveals that CSR actions do have spillover effects onto partner brands, and this spillover is a function of brand familiarity. The spillover occurs between a supplier and retailer in both directions, depending upon brand familiarity, and ultimately affects consumers' brand evaluations and purchase intentions.

Introduction

An increasing interest in corporate social responsibility (CSR), and its environmental and social implications, related to relationships between firms and consumers has been well studied by various authors (Ganesan et al. 2009; Luo and Bhattacharya 2006). CSR's influence on consumers' perceptions toward a brand is well established. CSR has been studied from a consumer-centric view that emphasizes the relationship between CSR actions and consumer perceptions. With increased concerns regarding CSR activities and its relation to brand image, CSR actions also are being considered in retailer-supplier brand relationships. Today in this information age, companies are increasingly held responsible and accountable for the conditions under which their products are manufactured, and this scrutiny goes beyond boundaries of the individual retailer and includes industry suppliers (Roberts 2003). We are interested in examining how certain CSR initiatives taken by one particular retailer or supplier impacts consumers' perceptions of both the retailer and supplier brands.

Familiar brand memory structures and retrieval processes are the most important aspect of a memory network as it drives consumers' perceptions and brand evaluations. The strength of the associations is key to brand awareness and brand familiarity. According to associative network theory (Collins and Loftus 1975), memory is a network of interconnected or linked concepts. When a specific concept is activated by a stimulus, the activation is spread through the network of linked concepts (Collins and Loftus 1975). In this research, spillover effects refer to the inferences one makes about an object based on certain associations that object has with other objects. Thus, spillover effects can be seen as a function of an associative network. In a supplier-retailer relationship, it will be the brands with already established higher and stronger brand familiarity in our memory that will be able to influence the information flow. On the basis of this central node logic, we propose that brands having higher familiarity among consumers will be the central node in a network and will influence the spillover effect's direction. For example, the negative or positive effect of a CSR initiative spillover will be stronger if it's from a very well-known brand (e.g., Walmart) onto a lesser known brand; whereas there will be no spillover effect of CSR actions if it's from a lesser known brand onto a well-known brand.

We also propose that attitude toward the retailer brand and attitude toward the supplier brand should mediate the spillover effect of the CSR actions and brand familiarity on purchase intentions. Specifically, as attitude toward the retailer brand and attitude toward the supplier brand become more favorable, these attributions, in turn, should be more positively related to purchase intentions. We propose that the effect of brand familiarity, along with CSR actions, create a moderation effect. This moderation will indirectly affect a consumer's purchase intention through the proposed mediators attitudes toward retailer and supplier. Specifically, when a familiar brand takes a good CSR action it positively affects consumers' attitudes toward retailer as well as supplier brand, which then positively affects consumers' purchase intentions. In contrast, when an unfamiliar brand takes a CSR action it only affects consumers' attitudes toward that unfamiliar brand, which then affects consumers' purchase intentions.

Data Collection and Analysis

A pretest was conducted with the objective of selecting a suitable brand familiarity portfolio for hypothesis testing. The pretest was conducted with fifty-seven adult U.S. participants ($M_{age} = 32.2$) to assess consumer perceptions regarding brand familiarity of certain retailer and supplier brands. A repeated measures test revealed that Walmart ($M = 6.62$), Target ($M = 6.51$), and Tide ($M = 6.54$) were significantly more familiar than Roasted Legacy ($M = 1.36$), Bigmart ($M = 1.73$), and Hiland ($M = 2.01$; p 's $< .001$). Thus, Walmart and Tide were the familiar retailer and supplier brands, whereas Bigmart and Roasted Legacy were the unfamiliar retailer and supplier brands chosen for the main study. A 2 (Brand Familiarity: Familiar vs. Unfamiliar) \times 2 (CSR actions: Good vs. Bad) \times 2 (Company: Retailer vs. Supplier) between-subjects factorial design addressing the spillover effects of CSR actions was used. The good and bad CSR action information was embedded in a mock news article published by an external source. After reading the CSR news article, participants evaluated the brands. A sample of 160 adult U.S. participants was obtained using Amazon's mTurk.

Dependent measures included purchase intention and attitude toward the retailer and supplier brand. Consistent with previous literature (Sen and Bhattacharya 2001) there was a positive main effect of CSR on attitude toward retailer ($F(1, 152) = 31.2$; $p < .001$; partial eta squared (η_p^2) = .17) as well as attitude toward supplier ($F(1, 152) = 54.1$; $p < .001$; $\eta^2 = .26$). The results of modified Bonferroni contrasts indicated by the a priori predictions that when a familiar retailer brand takes good CSR actions, participants reported more favorable attitude toward supplier brand ($M = 5.6$) compared to bad CSR actions ($M = 4.4$; $F(1, 152) = 5.54$; $p = .02$; $\eta^2 = .05$). Planned contrast revealed that when a familiar supplier brand takes good CSR actions, participants reported more favorable attitude toward retailer brand ($M = 5.2$) compared to when taking bad CSR actions ($M = 3.8$; $F(1, 152) = 9.2$; $p < .001$). Conversely, there is no spillover effect for unfamiliar supplier brand ($p > .10$). When participants were presented with the familiar retailer brand condition, there is a positive indirect effect (IE) of CSR actions on PI for products through both the mediators ATRB (IE = .54; CI [.21, 1.08]) and ATSB (IE = .52; CI [.02, 1.19]). This indirect effect is the result of consumers drawing more positive attitudes toward both the retailer brand as well as the supplier brand for good CSR actions compared to bad CSR actions done by a familiar retailer brand, and this in turn, is positively related to purchase intentions.

Discussion

Our research contributes by highlighting that when CSR actions are taken, by either a retailer or supplier, it's the influence of either the retailer's or supplier's brand familiarity that eventually dictates consumers' perceptions toward both brands. The findings of our experiment show that CSR actions have a spillover effect on consumers' attitude toward brand, and this spillover effect is a function of brand familiarity. Consistent with spreading activation theory, the spillover effect is stronger for familiar brands, and impacts consumers' attitude toward both retailers and suppliers. The findings from the study clearly show that the more familiar brands in a retailer-supplier relationship need to initiate CSR actions and capitalize on them as it clearly impacts both the supplier and the retailer brand image. The findings suggest that if the supplier is well-known, such as familiar brands like Proctor & Gamble and Johnson & Johnson, consumers' react sharply to their CSR actions and it eventually impacts how they form their perceptions toward the both the supplier brand, as well as the retailer brand. Thus, familiar suppliers or retailers, and more specifically channel leaders, need to participate and promote CSR activities to enhance the brand image of the entire distribution channel.

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Summary Brief

Boundary Conditions for Unconscious Thought in Consumer Choice: When Is It Activated And When Is It Beneficial?

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We explore the boundary conditions of unconscious thought processing on consumer decision making. Based on unconscious thought theory (UTT), this study proposes that consumers are more likely to use unconscious thought processing when they have more expertise, when the decision goal is promotion-focused, and when the choice set is simple. It is also suggested that the use of unconscious thought processing results in the increase of consumer satisfaction when consumers have a lack of expertise, and when they are promotion-focused, and when choice set is complex.

Introduction

Prior research on consumer decision making dominantly relies on models that support cognitive and deliberative aspects; however, there are several studies suggest that consumers often choose products unconsciously (e.g. Dijksterhuis et al. 2004). Studies of Dijksterhuis and colleagues (e.g. Dijksterhuis et al. 2006; Dijksterhuis and Nordgren 2006), based on unconscious thought theory (UTT), propose a new approach but there is no consensus aspect regarding the effect of unconscious thinking on the judgment and decision making. Thus, we fill the gap by reconciling the contradictory perspectives. This study explores the boundary conditions of unconscious thought processing on consumer decision making. Based on UTT and its following empirical literature, this research investigates 1) conditions which allow unconscious processing to be beneficial for consumers (i.e. results in higher decision quality such as satisfaction) and 2) conditions which lead consumers to engage in unconscious processing more than conscious thought processing.

Theoretical Framework

According to UTT, conscious thought processing is more helpful for simple decisions whereas unconscious thought processing outperforms for complex and difficult decisions. UTT postulates that conscious thought processing is unsuitable to integrate large amounts of information whereas unconscious thought processing allows large amounts of information to be integrated into an evaluative judgment and employs more adequate mechanisms for processing information for decisions (e.g., Dijksterhuis et al. 2006, Nordgren et al. 2011). UTT has been applied to consumer choice making domain and supported that consumers report more satisfaction and have consistent preferences when they use unconscious thought processing compared to deliberative processing under complex decisions (e.g., Messner and Wanke 2011)

Conceptual Model and Proposition Development

To explore the boundary conditions of unconscious thought process-when it is activated and when it is beneficial for consumer choice making, this study derived six propositions based on three characteristics of consumer decision making: 1) decision makers (the level of expertise), 2) decisions context (complexity of choice set) and 3) decision task (decision goals).

Consumer Expertise (Preference Matchers vs. Preference Constructors)

Experts have more relevant and well-organized knowledge, so they have ability to use conscious search more efficiently (Mamede et al. 2010) while novices who have limited knowledge are not expected to get benefits from conscious searching. However, consumers are more likely to operate unconscious thought processing when they have little relevant expertise (Dijksterhuis and Nordgren 2006). Thus we propose that:

P1: Under complex choice sets, conscious thought will lead to more post-choice satisfaction for preference matchers and unconscious thought will lead to more post-choice satisfaction for preference constructors.

P2: Preference matchers will be more motivated to use unconscious thought compared to preference constructors.

Goal Orientation of Decision (Promotion-focused vs. Prevention-focused)

Previous studies revealed that the unconscious thought processing is more effective when a goal is specific (e.g. Strick et al. 2011). Zhu and Meyers-Levy (2007) suggest promotion-focused individuals are engaged predominately in a holistic and integrative elaboration whereas prevention-focused individuals are more engaged in item-specific elaboration. Thus, we propose that:

P3: Unconscious thought processing will lead to more post-choice satisfaction for those consumers who have promotion-focused goal orientation while conscious thought processing will lead to more post-choice satisfaction for consumers who have prevention-focused goal orientation.

P4: Consumers who have promotion-focused goal orientation will be more motivated to use unconscious thought processing compared to preference constructors.

Choice set (Complex vs. Simple Choice Set)

Deliberative thinking leads to inconsistent preference and less satisfaction when the choice set is complex (i.e. more attributes and alternatives) (Nordgren and Dijksterhuis 2009). However, consumers generally associate difficulty and complexity of choice with important decisions which require more cognitive effort (Sela and Berger 2012). Thus, it is predicted that consumers are primarily motivated to use conscious thought processing when they face complex choice set. Finally, we propose that:

P5: Unconscious thought will lead to more post-choice satisfaction when choice set is complex, and conscious thought will lead to more post-choice satisfaction when choice set is simple.

P6: Under complicated choice set, consumers will be less motivated to use unconscious thought process compared to under simple choice set.

Discussion

This research contributes to prior literature by not only identifying the boundary conditions for unconscious thought processing also suggesting an improved model for a consumer's post-choice satisfaction. For the future direction of this study, the proposed relationships should be empirically tested under consumer choice domains.

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Summary Brief

Implicit Theories and Their Effect on Goal Pursuit Strategies

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The authors explore the interplay between consumers' implicit conception about the nature of ability (implicit self-theories) and the number of available attainment means toward attaining a goal to determine the inclinations towards recommending the goal pursuit program to others. Through an experiment, the authors find that incremental (entity) theorists are more likely to recommend the single (multiple) mean strategy to others. The findings offer insights into goal pursuit, word of mouth, and consumers' health and fitness attainment.

Introduction

Prior research shows that self-regulation can be improved when goal strivers adopt strategies that are more appealing and motivating to them (e.g. Huang and Zhang 2013). In this research we focus on fitness goals and study the difference in appeal of strategies that use single (e.g. only running) versus multiple means (e.g. running, cycling, swimming, etc.). While one might expect goal motivation to increase where multiple means to reach a goal are available, research has shown that this is not always the case. Particularly, Huang and Zhang (2013) have found that while in the initial stages of goal pursuit, multiple means are more attractive, in the later stages, using a single mean becomes more appealing. In this research, we explore the impact of differences in individuals' implicit theories, on their strategic inclinations towards recommending single or multiple means to others.

Research in implicit self-theories shows that people have an inherent conception about the nature of ability (Dweck and Leggett 1988). People with incremental theory orientation believe that personal traits such as intelligence are malleable and increasable, whereas people with entity theory orientation believe that these traits are fixed and uncontrollable. We argue that incremental theorists show a higher inclination towards recommending the use of a single mean, while entity theorists are more inclined towards recommending multiple means. Our expectation is based on several findings from literature. First, prior research suggests that while entity theorists are focused on demonstrating higher ability and greater performance (Leondari and Gialamas 2002), incremental theorists are focused on learning and mastering a skill during their goal pursuits (Maurer, Mitchell, and Barbeite 2002). This leads to incremental theorists showing a higher preference for mastery-oriented strategies than entity theorists (Burnette et al. 2013). As using a single mean provides greater opportunity for mastery and learning, while using multiple means can be perceived to result in higher demonstration of ability and performance, we expect incremental theorists to prefer a single mean over multiple means. Second, Huang and Zhang (2013) have found that goal strivers prefer using multiple means during the initial stages of goal pursuit when they are concerned about whether they will be able to attain the goal. However, in the later stages of goal pursuit as confidence is established that one can attain the goal, focus shifts to the actual process of attaining the goal. In this stage, a single mean which makes implementation more straightforward is more appealing. Relatedly, past research suggests that entity theorists are more outcome-focused in their goal pursuit and have lower confidence while incremental theorists are more process-oriented in their goals and have higher confidence (Mathur, Jain, and Maheswaran 2012). These arguments support our predictions that incremental theorists will be more inclined towards a single mean while entity theorists will be more inclined towards multiple means. To summarize, we hypothesize that:

H1: Incremental (entity) theorists are more likely to recommend a single (multiple) mean to others in their self-regulation goal pursuit.

Experiment 1

Eighty undergraduate students from a large northeastern U.S university were a part of a 2 (implicit theories: entity vs. incremental theorists) X 2 (number of means: single vs. multiple) between subject design. Implicit theory was manipulated by first asking participants to read an excerpt from a fictitious speech from the American

Psychological Association's conference regarding the malleability or fixedness of people's personalities (Mathur, Jain, and Maheswaran 2012). They then answered questions about the speech, summarized it, and filled out the implicit theory measure of personality scale (Plaks et al. 2001). Participants then read a scenario where they were recommended to use either a single mean or multiple means to reach their fitness goal (Huang and Zhang 2013). We then measured word-of-mouth and collected measures of their level of excitement and mood to serve as control variables.

A 2 (implicit theories) X 2 (number of means) factorial analysis of variance with "word-of-mouth" as the dependent variable, and level of excitement and mood as control variables, resulted in a marginally significant interaction ($F(1, 76) = 3.36, p = .07$) and no main effects. Participants with entity theory orientation were more likely to spread positive word of mouth when they were recommended multiple rather than single exercises (means) to reach their fitness goal ($M_{\text{multiple}}=4.14$ vs. $M_{\text{single}}=3.45$). Conversely, participants with incremental theory orientation were more likely to spread positive word of mouth when they were recommended single rather than multiple exercises ($M_{\text{multiple}}=3.15$ vs. $M_{\text{single}}=3.73$). Therefore, our findings support our hypothesis.

Discussion

Our research extends prior work on strategic orientations by investigating the effect of implicit conceptions about the nature of ability on the likelihood to recommend different strategies to others. Our findings also contribute to research highlighting the psychosocial factors associated with a consumer's decision to engage in positive WOM about products (Cheema and Kaikati 2010). Based on our current discussion, incremental theorists (vs. entity theorists) promote certain exercise programs over others because they focus on different aspects of goal pursuit. Investigating the factors that help increase consumer fitness level is of great interest to marketers, policy makers, and consumers. Our research highlights the importance of means and consumers' implicit self-theories as a trigger to increase positive WOM of different fitness programs.

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Summary Brief

Antidepressant Consumption During Life Transitions: Motivations for Initiation, Continuation and Discontinued Use

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In this paper, we investigate the motivations underlying decisions to consume medical therapies in response to the emotional and physical consequences of life transitions and the ongoing effects of this consumption behavior on notions of self-worth and authenticity. We rely on a qualitative data set consisting of 12 in-depth interviews conducted with a sample of middle-aged women between the ages of 48 to 69. Based on our analysis, we find that the initial and continued consumption of antidepressants allows our informants to conform to the cultural imperatives of emotional stability and control. Aware of the cultural taboos placed on emotional uncontrollability, individuals seek out ways to comply with these imperatives, which medication can provide.

Introduction

The most recent estimates are that one out of every ten Americans are diagnosed with depression every year (more will take antidepressants) and the use of antidepressants has increased 400 percent in the U.S. over the last 10 years (Rabin 2013). Interestingly, it has been reported that only about 35-40% of individuals diagnosed with depression meet the diagnosis criteria; however, the majority of both those who do and who do not meet the criteria consume antidepressants (Mojtabai 2013). Many of those diagnosed with depression are in fact dealing with the aftermath of a recent emotional blow, like the end of a marriage or the loss of a job, for example. A consistent observation is the greater use of antidepressants among women compared to men in the United States; nearly one in every four women ages 50-64 are using antidepressants (Mayo Clinic 2013).

The goal of this research is to better understand motivations behind the consumption of prescription medications among women in response to emotional distress experienced during physical and personal life transitions. We focus specifically on the consumption of antidepressants. We examine themes related to the initiation, continued use, and abandonment of antidepressant treatment and the impacts of these behaviors on notions of self-worth, self-fulfillment, identity and authenticity.

Literature Review

To study this consumption behavior, it is important to consider how shifting cultural values have affected how individuals understand and deal with emotional experiences. Therapeutic (therapy) culture theory, developed by Rieff (1966) and expanded by Furedi (2004), argues that in modern American society, emotional well-being is perceived as the gateway to personal self-fulfillment. This shift reflects a preoccupation with emotions. Challenges or struggles that people are confronted with are perceived as direct threats to well-being for which they seek solutions. Emotional experiences that were traditionally recognized as part of the normal course of life's ups and downs are now seen as personal crises. This discourse of emotional trauma reinforces the idea that people are vulnerable and any significant emotional event is a problem that requires treatment.

Data Collection and Emergent Themes

This research is based on a set of in-depth face-to-face qualitative interviews conducted with twelve women ranging in age from 48 to 69. Informants were recruited using convenience and snowball sampling. Emergent themes related to the initiation, continued use and abandonment of antidepressant treatment were discovered through a process of constant comparative coding (Strauss and Corbin 1990).

Related to initiation of antidepressant consumption, informants expressed their tendency to use emotional well-being as a proxy for self-fulfillment, which can lead one to seek medical treatment for negative emotions. Some informants indicated that they felt guilty for experiencing negative emotions that they could not control. Other informants described how their emotions got in the way of their workplace performance or their roles as a good wife or mother.

Related to continued use of antidepressants, several of the informants expressed their perception of the medication as a “crutch” that helps to control their emotions. Interestingly, when describing their continued use of antidepressants, the language heard was similar to that of addicts describing their dependence on drugs and alcohol. Family members such as one’s spouse can also reinforce continued use.

Related to discontinuing treatment, some informants described how they struggle with the sense of having a medicalized identity and “dependence” but, at the same time, do not want to abandon treatment because of fear that the negative emotions will return. Perhaps ironically, some informants ultimately discontinued treatment out of a desire to experience what they felt were authentic emotions.

Discussion

Overall, we find that our informants transition between a vocabulary of emotional crisis and vulnerability to one of emotional deficit and authenticity. To negotiate the tension between feeling “better” when on the medication versus feeling “normal” when off the medication, a prescribed medicalized identity may be adopted and reinforced, which leads to perceptions of a “new” normal. These findings may be useful in understanding the factors that are contributing to the overconsumption of antidepressants.

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Summary Brief

Liminal Transition and Brand Engagement in Self-Concept: An Exploration of Brand Acquisition during Life's Most Malleable Moments

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The authors present a comprehensive theoretical model incorporating both liminal transition and brand-engagement in self-concept and introduce two new symbolic acquisition constructs.

Introduction

From adolescence through old age, life is marked by momentous changes that alter both preferences and needs. Often, consumers look to the marketplace to ease these transitions emotionally and physically. This study explores the relationship between brand engagement in self-concept during liminal states and focuses on how consumers use brands to facilitate movement from one life stage into the next.

Literature Review

Liminality

Based on research by Noble and Walker (1997), liminality has been defined as “the instability, ambiguity, and suspended identity that can occur in the transition from one significant role to another (in which) consumer’s consumption patterns may...change.” A liminal transition can also be defined as “a change in a significant life role marked by a transitional or liminal period during which (a) personal identities are suspended, producing significant psychological consequences, and (b) symbolic consumption may be used to facilitate the transition to the new role” (1997).

In his seminal work addressing transitional stages, van Gennep (1960), presented three phases individuals move through during the process: separation, liminality, and aggregation. First, an individual experiencing a transition must separate themselves from the preexisting social structure and their role within that structure. Second, in the liminal period individuals feel “betwixt and between” (Turner 1987). It is an ambiguous state where people feel separated from one society but not yet entirely accepted in the new society of which they are trying to become a part. The final stage involves incorporation into the new social group and is marked by the individual acquiring and accepting their new role within that group.

Brand Engagement in Self-Concept

The segment of literature most relevant to the present study is a concept identified by Sprott, Czellar, and Spangenberg (2009) as brand engagement in self-concept (BESC). They established that “brand engagement in self-concept is a generalized view of brands in relation to the self, with consumers varying in their tendency to include important brands as part of their self-concepts.” Combined with the framework presented by Noble and Walker for symbolic consumption during liminality, BESC provides the missing component of how one views themselves as they enter and pass through each of the three transition phases. While symbolic consumption by definition highlights the role that consumption plays in influencing others’ views of an individual (the extended self), BESC looks at how consumption influences one’s view of themselves (core self). A conceptual model that incorporates both the core and extended self allows for a more comprehensive analysis of the public and private influence that brands exert during consumer identity construction. The internal and external response to one’s identity is particularly integral during liminal periods when new roles are being forged. The proposed theoretical model presented in this paper serves to address both, simultaneously highlighting the impact of consumption on passage through the stages of separation, liminality, and aggregation.

Symbolic Acquisition

This study does not focus on what consumers bring with them into a liminal state, but rather what they acquire in anticipation of or while going through the transitional phases. As an extension to previous literature detailing symbolic consumption, we introduce the construct of symbolic acquisition and define it as goods or services that consumers acquire during a period of liminality through one of two ways: 1) the obtainment of products or services by individuals for their own personal use or 2) receipt of a gift, given specifically for that time in the recipient's life. In order to capture the distinct characteristics of each of the three phases, two types of symbolic acquisition are detailed. Unique Acquisitions are purchases or gifts that help individuals create perceived distance between the role they are leaving behind and the one they are entering. This allows consumers to advance the separation process emotionally and physically. These acquisitions may only be useful during the liminal period, or they may be used to help with aggregation as well. Unity Acquisitions are purchases or gifts that help individuals more closely align with the contextual setting of the role they are transitioning into. Unity acquisitions can also be used to bridge the former and future roles, or to incorporate one's historical identity with the new identity they are creating.

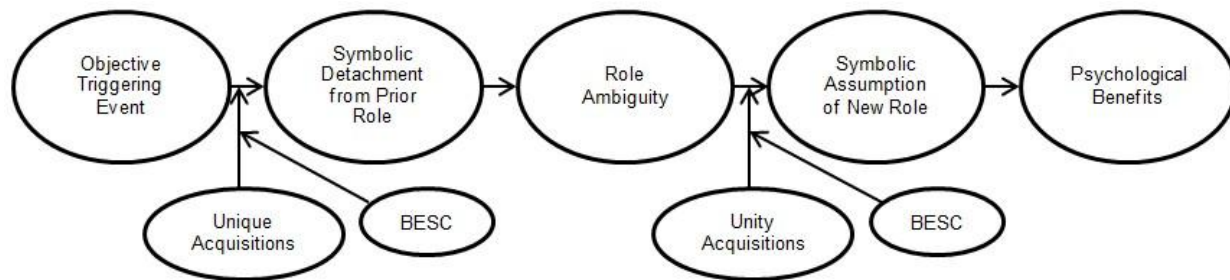


Figure 1: Proposed Liminal BESC Theoretical Model

Extending the current conceptualization of Noble & Walker's (1997) model of liminal transition to include the concept of brand engagement in self-concept and the two acquisition constructs allows for a more comprehensive examination of the relationship between consumers and consumption during their movement through the three phases.

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Innovations in Teaching Comment

Using a Consultant in International Market Research

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International Marketing plans are often a core feature of most international marketing classes. However, even for experienced professionals, it is not an easy task to choose a viable product to sell in another country or find a foreign market to sell your product and prepare a marketing plan accordingly. I noticed that students often make unfounded assumptions to justify their strategies because they do not have access to actual local market data. As a result, students tend to be vague and evasive when they write about this part of an international marketing plan.

The Innovation & How to Implement It

I wanted to close the gap between the classroom and the business world in order to make this project a more practical educational experience. I hired a “marketing consultant”—i.e., a marketing student in another country—located where the students were planning to enter. This consultant would help provide real market data, such as competing products, current brands, prices, and retail places. They could sample customers, conduct surveys and interviews, or arrange a focus group for market testing. During my sabbatical visit in Carnegie Mellon University in Qatar, I opted to hire a consultant (marketing students) in Canada, where I am familiar with the potential consultants and procedures. I emailed the students working on the project and informed them that they had the opportunity to switch their proposed country of entry to Canada and utilize a Canadian marketing consultant. Every team chose to pursue this option. I also gave them an opportunity to change their product choice to better suit the Canadian market and only two teams requested a product change.

Accordingly, I was able to hire a Canadian student who was in her senior year at a university in Ontario. The consultant agreed to work with four teams simultaneously and spend 20 hours with each group. I sent an email to clarify the job description of the consultant, what kinds of information could be requested, and the methods that she might use for communicating with teams (skype, email, phone, other social media, etc). I monitored the interactions between the students and the consultant closely since I had only allowed students to request from the consultant market data; students were restricted from asking any decisional questions to the consultant.

Results

Ultimately, the projects were comparatively more realistic than previous years’ reports. The choice of hiring a consultant gave my students access to a vibrant and competitive market. The consultant was able to interview and survey actual customers, and teams were apprised of competing products, their prices, retailers, and locations. Their decisions on how to introduce their products into their market, how to package it, the price they will set etc. were based on facts that they gathered through information received by the student consultant.

After submitting their projects, I requested that students complete a survey on their experience with the project and the consultant. The results of the survey demonstrated that the innovation to the assignment, adding a marketing consultant, helped them learn better. All participants indicated (40% strongly agree, 60% agree) that the consultant was instrumental to understand Canadian industries and markets, that the Canadian Marketing Consultant provided them with the information they requested (83% strongly agree, 17% agree), and that the assignment helped them to learn international marketing (50% strongly agree, 50% agree). Eighty-eight percent of respondents also stated that they feel confident to implement their knowledge of international marketing when working for a company (33% strongly agree, 50% agree).

Moreover, the student consultant, also majoring in marketing, indicated that she benefitted from the experience as well. “It played well on my own knowledge of the Canadian market, my marketing background and my research abilities. I learned about a few markets I didn’t really know all that much about and found it really interesting to think from the perspective of people who don’t know the environment here. Overall I enjoyed the experience and am glad to have had the opportunity to partake in it.”

Innovations in Teaching Comment

Leveraging Just-In-Time Teaching Capabilities: An Applied Learning Innovation

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Current Situation

Like many young faculty members, I believed that one of the keys to teaching excellence was quality lecturing. To foster this basic premise I built my oratory skills, delivering content in an ‘edutainment’ style where quality educational content was mixed with the right amount of multimedia and course-appropriate entertainment. By all measurements my teaching was successful. Students were engaged, earning good grades and successful post-graduation. My teaching evaluation scores and feedback were extremely positive and department evaluations of my teaching were at the highest levels. But my perception of teaching excellence changed as I realized students weren’t retaining and applying core concepts past the parameters of my course, or related exams in some instances. I had always been a good teacher, or at least I thought I was, but was there a better way? More importantly, could I do something more for my students?

An Innovative Solution

Merging the unique possibilities of digital learning with the proven capabilities of classroom learning has taken time, and significant testing. While initial forays into mixed-method teaching methodologies were met with varied results; it was an introduction to learner-centered education, the capabilities of Just-In-Time Teaching partnered with the growth in assessment across business school curricula, and the introduction to the Absorb-Do-Connect framework that helped envision and develop my innovative delivery methodology (Figure 1).

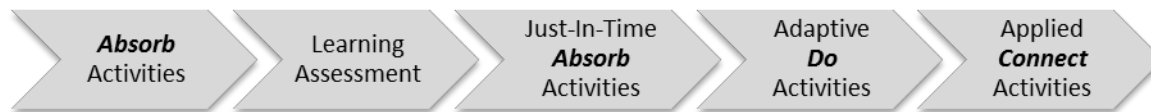


Figure 1: Teaching Innovation Framework

By combining these frameworks with the capabilities of digital technologies, this teaching innovation provides the means to merge web-based assignments and activities with an active learning classrooms where content is adjusted based upon the educational needs of the students through assessment outcomes. By having students complete a series of learning activities before class, appropriate learning resources and activities are introduced within the classroom environment to build knowledge in areas where assessments have indicated greater focus is needed.

To enact this idea, the Absorb-Do-Connect framework was used due to its straightforward presentation of pedagogical elements in a digitally enhanced environment. While initially envisioned for e-learning applications, it presents a structure for delivering on the potential of teaching methods that merge the capabilities of traditional and digital environments. This methodology includes absorb activities where information is conveyed, requiring learners to absorb knowledge by listening, reading and watching content. Do activities transform information into knowledge by requiring learners to discern, examine, condense, refine and elaborate on topics. Connect activities then create higher-level capabilities allowing learners to apply learning in business situations by relating previously learned skills and knowledge through situations or ill-structured real world problems.

While opportunities and numerous challenges exist in implementation, student response has been positive as they are fully engaged in content beyond the textbook, intellectually challenged, consistently ask next-level questions and retain deeper levels of information, longer.

Innovations in Teaching Comment

‘Selling’ a Sales Class to Students: The Use of In-Class Experiential Learning to Attract and Retain Students

Jane Ziegler Sojka, University of Cincinnati, USA

Although our marketing department boasts the largest major on campus, with over 1,100 students enrolled as marketing majors, there was always one course that students rarely elected to take: Professional Selling (MKTG 3000). College students are uninterested in sales because of negative stereotypes. Parents of college students seem to share those sentiments and often dissuade their children from pursuing sales as a career. And yet, with professional selling cited as the second hardest job to fill, students can benefit greatly from the career options and life skills learned in a professional selling course.

To address marketing students’ misperceptions of professional selling and to give them an advantage in the job market by mastering the art and science of personal selling, our Professional Selling marketing course (MKTG 3000) was revamped to promote student enrollment. In its new format, this marketing course was redesigned as an activity-based, experiential learning format to engage students and provide a vehicle to apply concepts learned in other marketing classes: thus grounding it within the marketing discipline. To build student confidence by practicing sales skills, assignments mimicking professional selling activities were performed in the safe confines of the classroom or campus.

For example, to help students learn the first stage of a sale call--build rapport and establish commonality-- an in-class experiential learning activity was developed. The class divides with half of the students on each side of the classroom. At the signal, students pair up with a student in the class they do not know. Their assignment is to meet, greet, and find something non-school related that they share. The hardest part of this assignment is breaking the students up after they’ve started talking. Upon conclusion of the activity, students report who they met and what they have in common. Students, who on the surface would share nothing in common due to gender, age, and ethnic differences, surprise themselves by finding common teams, music, or social activities that they share. We then discuss types of questions and probes that were used to successfully find commonality and build rapport with someone new. In addition to practicing critical questions, the students also meet a new friend which is an important step in improving student engagement: a challenge at a large, [43,000] commuting, metropolitan campus.

As another example, the campus career fair is utilized as a marketing laboratory where students practice the prospecting stage of the sales process in a less-threatening, “safe” environment. Marketing students enrolled in Professional Selling are required to attend the campus career fair to practice their networking skills and learn about career opportunities. Students must talk with at least three company recruiters and obtain their business card as evidence of task completion. The students then write a brief, one page reflection paper where they identify the company they where they would like to work and explain their rationale. Practicing prospecting at a career fair followed by reflection on the learning that occurred prompts in-class discussion of designing appropriate questions, prioritizing companies (like a salesperson would prioritize prospects), and identifying next steps in the interview (sales) process. Not only do students complete a graded assignment, learn how to prospect and network, but many land internships or job offers. Feedback on this assignment suggests that while students resist attending the career fair, in hindsight they report the experience as one of the most beneficial opportunities in their college career. Without this assignment, many students would not have attended.

As a result of re-designing the sales marketing course, student enrollment in this course has experienced a 400% growth in four years and the numbers of course sections offered has increased from two per semester to as many as six each semester. Better still, students (and parents!) are happy at our 90% sales student placement rate. By implementing innovative course changes, the once dreaded marketing elective, professional selling, has now become one of the most popular courses on campus.

Innovations in Teaching Comment

Wrap-Attack Pack: Product Packaging Exercise

Seung Hwan (Mark) Lee, Ryerson University, Canada

Packaging plays a key role in communicating product benefits to the customer (Rundh 2009). Product packaging can provide high hedonic value if it provides consumers with fantasy fulfillment, perceived freedom, heightened arousal, and enhancement of positive emotions. It can also provide high utilitarian value if it provides consumers with functional needs (e.g., protecting the focal product) (Dhar and Wertenbroch 2000). Hedonic features of product packaging are mainly concerned with the sensation derived from the experience of using the product, while utilitarian features are mainly concerned with the functional outcomes performed by the product. Here, I present an in-class product packaging exercise (Wrap-Attack Pack) that encourages groups of marketing students to creatively design a take-out box that maximizes the hedonic and utilitarian value of the box. I deploy active learning techniques to not only spur student creativity, but also encourage student interaction and team-based learning (Vander Schee 2011). The Wrap-Attack Pack is applicable to a variety of marketing courses that contain a learning objective relating to product design and packaging. The exercise takes approximately one hour to complete, and depending on the size of the class, the exercise can be completed individually or in small groups. The primary objective of the exercise is to spur innovation and creativity among students by asking them to come up with a package design that meets utilitarian and hedonic goals.

Within the allotted time (up to instructor's discretion), each team has two main tasks. The first task is to create a new design from a plain white box. Concurrently, students are expected to discuss the utilitarian and hedonic benefits of their new box. For instance, if a team decides to add dividers inside the box, the team is expected to discuss the utilitarian benefits of adding the dividers so that the wraps would not shift around. If a team decides to color their box green, the team is expected to discuss the hedonic benefits of using green as a signal for freshness. Finally, towards the end of the class, the instructor should hold a "Design Fair" which provides teams with an opportunity to showcase their new box design to their peers. In the final debrief, the instructor can discuss the challenges pertaining to product packaging.

There are many advantages associated with the Wrap-Attack Pack exercise. For instance, the exercise is quite customizable and flexible depending on instructor's preference. The exercise need not be about wrap boxes, but pizza boxes, Chinese take-out boxes, etc. Further, I gathered evidence of success directly from the students. Overall, students reported that the Wrap-Attack Pack exercise (vs. traditional testing methods) increased creativity, helped acquire marketing skills, enhanced one's learning experience, and ultimately contributed positively to one's satisfaction with the course.

With regards to learning objectives, the Wrap-Attack Pack exercise can be useful in teaching lessons relating to product packaging and utilitarian/hedonic values associated with packaging. Students are encouraged to consider both the graphical and structural components of the box and consider the extrinsic benefits to the core product offering. In addition, the exercise spurs creativity among students and incites students to think about different ways to improve the value of the product without changing the product itself. Moreover, many Product Innovation courses focus primarily on the core product, de-emphasizing the value-added potential of product packaging. Thus, this exercise is an effective method to teach students to embody the product aspects that they normally would not consider. Thus, by combining the benefits of creative and active learning, I believe that the Wrap-Attack Pack exercise is an effective tool for challenging students to innovate while concurrently applying theory from course content. The exercise provides students with a practical opportunity to apply what they have learned from their lectures.

Innovations in Teaching Comment

Demonstrating the Interplay between Quantitative and Qualitative Sides of Marketing with the Elasticity Concept

Igor Makienko, University of Nevada Reno, USA

Marketing is a mix of art and science. Psychology is a very important element in it. Consumers do not always behave rationally; hence, their reactions to marketing stimuli cannot be perfectly predicted. Despite the importance and inseparability of firms' marketing activities and consumers' perceptions of marketing offerings (the quantitative and qualitative sides of marketing), there is a lack of simple learning activities that cover this topic in marketing education literature. We have developed an engaging activity that enhances student understanding of the essence of marketing as a social discipline. Application of the elasticity concept across all four marketing mix elements turned out to be a good way to demonstrate the interplay between production perspective and consumer perspective in marketing.

Price Elasticity of Demand and its Application to Other Marketing Mix Elements

The learning activity begins by describing the law of demand, which discusses the intuitive inverse relationship between price and quantity. The instructor should emphasize that the greatest advantage of the elasticity measure is that it is a unit-free index and thus allows for assessing the strength (and the valence) of the relationship between factors measured in different units. As such, it may also be applicable to all other marketing mix elements. For example, advertising expenditures are expected to affect demand and different markets may be more or less sensitive to advertising pressure. Hence, students should agree that advertising elasticity of demand measure is a valid application of the elasticity concept.

The instructor should then move to the next marketing mix element—product. Students will also agree that changes in a product are likely to affect market demand, and they may decide that this effect illustrates a valid application of the concept. However, the problem with the product elasticity of demand measure is that some product changes may not be quantifiable. What does it mean to change a product by 1% if this change refers to style, shape or color? One possible way to apply the elasticity concept to a product domain is to relate expenditures on product research and development (R&D) to market demand. Marketers invest a great deal in R&D and expect higher sales due to such investments. However, many “great” products may fail miserably if consumers do not see value in the improvements. The high failure rate of new products is strong evidence of the interplay of quantitative and qualitative sides of marketing in practice. Students now should recognize that the assumption - every dollar spent on R&D increases sales at the same rate regardless of how the product was improved – does not reflect consumer psychological perception of a firm's offering. Consumer perceptions have a stronger power over market success for a product than objective and physically verifiable product attributes.

The instructor should then remind students that they may discuss all marketing mix elements from both production perspective and a consumer perspective. For example, the instructor could note that several minutes ago, everyone agreed the elasticity concept was applicable to advertising. However, advertising practice shows that different qualitative factors, such as execution style, appeal, media etc. may have a profound effect on advertising effectiveness even if advertising budgets are identical. Hence, marketers should consider the individual characteristics of consumers when allocating budgets. Even within the pricing context, identical prices or price changes will not affect all consumers equally. Similar discussion of the application of the elasticity concept in a distribution domain should complete the circle.

Summary Brief

Founder's Syndrome and SMEs: What Small Businesses Can Learn from their Nonprofit Counterparts

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While research on Founder's Syndrome has been addressed in nonprofit organizations, this empirical study aims to apply criteria attributed to Founder's Syndrome to for-profit organizations, focusing on the founder's aversion to risk, the need for power in all aspects of operations, and the entrepreneurial orientation of a founder. Organizations that suffer with Founder's Syndrome seem to be more likely to fail or suffer from stagnant growth due to the lack of influence that employees and managers have in assisting with the organizational direction or setting of agendas. Implications of Founder's Syndrome are drawn from the study's results.

Introduction

Founder's Syndrome can destroy a nonprofit organization. In short, the Syndrome refers to the stranglehold the organization's founder puts on everyday operations that can have devastating ramifications for the organization's effectiveness, often leading to its demise (Block 2003; McNamara 1998). One individual holds power and privileges that no one else in the organization has (Block and Rosenberg, 2002), and uses that position to influence decisions. But Founder's Syndrome is not limited to a founder. Any executive with similar characteristics can disrupt a firm by limiting effective operations through overbearing management (Golensky 2011).

Symptoms of Founder's Syndrome include the founder feeling overwhelmed and exhausted from making all the decisions for the business (Linsky 2006), the business is managed according to the founder's personality rather than customer-centric (McNamara 1998), employee morale is decreasing (Linsky 2006), the firm continually experiences the same problems (McNamara 1998), it struggles to sustain growth (Linsky 2006), decisions are often crisis-driven leading to "seat of the pants" management (McNamara 1998; Miller 1977), employees who disagree with the founder are marginalized and often the object of the founder's efforts to remove them from the firm (McNamara 1998), and the founder is increasingly anxious and defensive (McNamara 1998).

Despite what appear to be measurable characteristics, a paucity of studies exist that empirically examine Founder's Syndrome (Block and Rosenberg 2002; English and Peters 2011). Because founders are, by definition, entrepreneurs, it would seem logical to argue that symptoms of Founder's Syndrome could emerge in a for-profit organization with a founder still in place. However, to date, no research has been found that translates Founder's Syndrome into terms appropriate in for-profit organizations. The goal of this research, then, is to explore whether Founder's Syndrome exists in the for-profit sector, and specifically in small and medium enterprises (SMEs).

Hypotheses Development

Just as is true in NPOs, class structure often exists within SME governance. In SMEs, founders can also exert power because their employees hold them in high self-esteem, because of the credibility they bring to the company, and their standing in the community. Just as Block and Rosenberg (2002) found in NPOs, the founder of an SME may inherently hold privilege and power that only a few individuals will ever experience.

Founder's Syndrome has been addressed primarily in NPOs with a strong body of literature highlighting nonprofit governance (Bradshaw 2009), the effectiveness of local nonprofit organizations (Herman and Renz 2004; Herman and Renz 2008), and effective executive practices in nonprofits (Herman, Renz and Heimovics 1997). However, none apply their findings to SMEs and the effects their findings could have on the founder of a SME. Based on all the previous research in Founder's Syndrome, including management style and size, the characteristics of entrepreneurial orientation, individual need for power, and acceptance of risk, the following are proposed:

H1: SMEs with founders who are risk adverse have a positive relationship with high levels of Founder's Syndrome

H2: SMEs with founders who have a high need for personal power are positively related to high levels of Founder's Syndrome.

H3: SMEs with high levels of Founder's Syndrome have a negative relationship to meeting frequency.

H4: SMEs with high levels of Founder's Syndrome have a negative relationship with organization size.

H5: SMEs with a high propensity for Founder's Syndrome have a positive relationship with a propensity for founders to control agendas.

H6: SMEs with high levels of Founder's Syndrome have a positive relationship with micro-management from the founder.

H7: SMEs with high levels of Founder's Syndrome have a negative relationship with employee job satisfaction.

Methodology, Results and Implications

Since few empirical studies were found analyzing Founder's Syndrome, and none were discovered relating the Syndrome to SMEs, an exploratory study was developed that relied on existing scales and an online survey. Data collection was initiated through emails delivered twice each by a local chamber of commerce and a local chapter of the America Marketing Association (AMA). Content of the emails included a description of the research and a request to click on a provided link to take the survey.

Because no previous research had developed an instrument to obtain information regarding governance characteristics of SMEs led by founders versus SMEs led by non-founders, a 36-item questionnaire was created to measure the concepts of power and influence, EO measures, risk aversion, job satisfaction, meeting frequency, and price consciousness. Based on results, the following managerial implications are presented.

First, it is recommended that SMEs establish operations that are customer-centric. Second, SMEs should perform regular strategic planning sessions to develop long-term realistic and measurable goals to achieve, strategies to achieve them, tactics to implement the strategies, timelines to implement the plans, and metrics to measure and evaluate plan effectiveness. Third, leadership at SMEs must ensure that necessary resources are in place to meet all goals (McNamara 1998). Finally, failure to delegate is often a cause for a firm's downfall.

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Summary Brief

Lean In, Lean Out, or Both? Insights and Perspectives from Marketing Leaders

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This project offers insights on the role of gender on marketing strategy. Through a review of gender literature and interviews with 30 marketing leaders, it provides perspectives on the differences and similarities between characteristics of female and male marketing leaders and addresses how such characteristics shape marketing strategy. This project draws attention to the evolving marketing leader.

Introduction

Traditionally feminine characteristics and “soft skills” have been heralded in the press as fundamental drivers of good marketing (e.g., von Sadvoszky 2014) and decision making (Huston 2014). Industry pundits and public press outlets have suggested that “The Age of the Marketing Matriarchy” has commenced (von Sadvoszky 2014). Thus, the focus of this work is to (1) examine differences in characteristics ascribed to women and men in professional roles through a review of gender literature and (2) identify whether and how such qualities are reflected in marketing practice through interviews with female and male marketing leaders (i.e., individuals in roles where they have the ability to influence marketing strategy). It is possible that traditionally “female characteristics” have transcended gender boundaries and that such qualities are representative of good marketers, both female and male. It is also possible that female marketers have “leaned in” (Sandberg 2013) more and embraced qualities traditionally ascribed as “masculine characteristics.” This may have resulted in a more visible role for female marketers.

Literature Review

There is mixed evidence on the impact of gender on strategic decision making. However, Davis, Babakus, Englis, and Pett 2010 find that female led small and medium sized businesses have stronger market orientation, suggesting that gender may indirectly impact strategic decision making through a business leader’s market orientation. Market orientation is derived from responsiveness to others, propensity to share and gather information, and a focus on relationships (Kohli and Jaworski 1990). Thus, these three characteristics are explored further.

Miller and Ubeda (2012) find that women typically utilize different decision making principles, based on the decision context, in an effort to achieve fair outcomes while most men adopt one decision making principle across contexts. A series of experiments on decision making under stressful conditions (Tomova et al. 2014) find that women become more empathetic with the needs of others, under such conditions, while men exhibit more egocentric attitudes. Empathy can aid in understanding of client and customer needs; however, it can concurrently undermine the perceived authority necessary for individuals in leadership marketing roles. Empathetic behavior can cause female business leaders to be perceived as “too soft” by colleagues, clients, and subordinates (Catalyst 2007).

Prior work also indicates that women in managerial roles seek information from a greater number and variety of sources. Benko and Pelster (2013) find that women in business to business (B2B) buyer roles view meetings with client service providers as an opportunity to explore more options while male counterparts view such meetings as a phase of the final decision process. Gender diversity in a firm’s leadership also affects dissemination of information. Corporate boards with a greater proportion of female directors provide greater voluntary disclosures (Gul, Srinidhi, and Ng 2011). The collection and dissemination of information can be viewed positively from a customer service or client relationship perspective. However, the propensity to gather more information can also be viewed by colleagues as indecision and a tendency to do more work than necessary (Catalyst 2007).

Finally, women focus on building and nurturing relationships. Dawson (1992) finds that women in sales roles are more relationship focused compared to men. Research (Hotchkiss, Alston, and Edwards 2005) on website eye tracking finds that men’s eyes are drawn to the navigation bar when they open a website because their primary objective is what can be accomplished on the website. In contrast, women analyze the images on the site and information about people related to the site. The researchers hypothesize that women want to understand the content of the site and the motivations of the individuals involved with the site. Again, the same concerns of being over nurturing (Catalyst 2007) can detract from a female leader’s perceived effectiveness.

Proposed Methodology

To date, three female marketers in leadership positions in a technology firm, a marketing agency, and a national grocery chain have been interviewed. These interviews were largely unstructured to gain initial insights and to test and modify interview questions. Preliminary analysis of the interviews support findings in the literature that women tend to be relationship focused and engage in information gathering and sharing. In addition, these interviews suggest that female marketing leaders have experienced benefits of “leaning in” (Sandberg 2013) to more assertive behaviors, traditionally attributed to men. However, the interviewees also found advantages in “leaning out” or demonstrating more traditionally female behaviors. 30 more interviews have been scheduled, 15 with female marketers and 15 with male marketers. Transcripts of these interviews will be thematically analyzed to draw stronger conclusions and contextualize these findings. The 30 impending interviews will be conducted with a semi- structured interview guide to enhance comparability across responses and improve analysis capability.

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Summary Brief

Better Price at the Other Website? Internet and Prevalence of Relative Thinking

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Previous experimental evidence suggests relative thinking - that individuals value an 'x' amount of saving more on a low vs. high priced items. However, this paper establishes that the Internet results in a breakdown of relative thinking. Results demonstrate higher perceived time search costs in store vs. online purchases.

Introduction

References to consumers willing to trade time to save money on items are pervasive in marketing and pricing research. Consider for example the following scenarios: Situation 1: a consumer who is planning the purchase of a 55 inches LED TV priced at \$2000 in a store meets a friend in the store who tells her that the same TV is available for a \$50 discount at another store located 20 minutes away; Situation 2: a consumer who is planning to purchase a 19" LED TV for \$150 in a store is informed by a friend that the same TV is available for a discounted price of \$100 at another located 20 minutes away.

Is the consumer in Situation 1 as likely to travel to the other store 20 minutes away as the consumer in Situation 2? Consumers often face decisions around buying an item at a particular price or expending additional effort to buy it at a lower price. In the above scenario, most consumers are likely to take the additional 20-minute travel effort to save \$50 only on the TV priced at \$150. However, the model of rational choice in traditional economic theory advocates that the price difference which guides the extra travel and effort should be the same regardless of the original price of the good because the additional cost of incurring an extra 20 minute travel should be the same regardless of the good's price (Azar 2007). This is called relative thinking. This paper takes this concept in the context of the Internet and examines: do individuals perceive the attractiveness of saving an 'x' amount on a low vs. high priced item similarly across the Internet and brick and mortar stores? Specifically, does the relative thinking phenomenon hold in the context of Internet based search for lower prices?

This paper highlights boundary conditions and hypothesizes and investigates the relative thinking phenomenon in the context of Internet. Results show that the Internet sets boundary conditions for the relative thinking phenomenon.

Perceived Search Costs on the Internet

The following behavioral reasons are likely to enhance search activity on the Internet. Because of higher price dispersion on the Internet across product categories (Brynjolfsson and Smith 2000) and greater product information, individuals are likely to search more to guard their money sensitivity. While people display more insensitivity to search costs of time (Okada 2005), we suggest that they are not completely insensitive to spending time in order to achieve a superior search payoff that results in finding a lower price. Traveling to another retail store to avail a price bargain might actually be perceived to be more costly compared to availing a similar bargain during online shopping, as the consumer needs to physically travel to another store and spend time looking for the product in particular part of the store. Consequently, it is proposed that consumers will react more strongly to the higher (vs. lower) search costs of time to travel to another store (vs. website). Since Internet shopping significantly lowers the time cost of acquiring price information (Lynch and Ariely 2000), compared to such shopping across stores, it should increase price sensitivity similarly for lower and higher priced items. Accordingly, consumers are less likely to perceive disproportionately greater search costs for more expensive items when they search on the Internet. In particular, consumers are more likely to visit other websites to seek a lower price regardless of the original price of a good – even when the relative savings on a purchase may not be as high. Therefore, it is proposed that:

H1: Individuals are more likely to search and visit another website compared to a retail store to pursue a saving: the Internet increases the overall tendency to search for a lower price.

H2: Relative thinking will be attenuated over the Internet compared to traditional store format – Internet shopping increases price sensitivity for both low and high relative savings compared to shopping across traditional retail stores.

H3: Individuals are less likely to travel to another store but more likely to visit another website for a similar price saving because of a greater a priori expectation of time spent in pursuing a price saving across stores compared to shopping across another website.

Empirical Analysis

The two primary studies are adaptations of the classic jacket-and-calculator scenario study (Tversky & Kahneman 1981). The first study examines the prevalence of relative thinking in the store vs. the Internet contexts. The second study examines the role of perceived search costs in online vs. store shopping contexts and the consequent existence of relative thinking.

Study

Procedure, Participants, & Stimuli

Participants were 254 business undergraduate students at a west coast university. The experiment was a 2 (shopping format – store vs. Internet) × 2 (relative savings – high vs. low) design. Participants were randomly assigned into one of these four conditions of a between subjects design. This study is an adaptation of the classic jacket-and-calculator scenario study (Tversky & Kahneman 1981).

Results

The results were along predicted lines. There was a significant main effect of Internet on search. In general, overall intention to browse another website was higher than visiting another store not only when savings were low (compare 2.845 vs. 5.889 $t = 11.49$, $p < .001$) but also when savings were high (compare 3.904 vs. 6.269, $t = 7.23$, $p < .001$). This results supports H1 and confirms our key theorizing that that the Internet increases search.

The above results also show that consumers are as likely to go to other web sites when relative savings is low. Specifically, while consumers are a lot more willing to travel to another store for a high relative saving than for a low relative saving ($M_{low} = 2.845$, $M_{high} = 3.904$, $t = 3.73$, $p < 0.001$), they are not more likely to visit another web site for a higher relative saving than for a low relative saving ($M_{low} = 5.889$, $M_{high} = 6.269$, $t = 1.79$, $p > .05$). These results support H2.

Discussion and Conclusion

Results show that consumers do not display relative thinking when shopping online. In contrast to shopping across stores where consumers travel to other stores for better prices only when relative savings is high, consumers shopping online are not only visit other websites when relative savings is high but also when relative savings is low. Perceivably, the costs associated with looking at other websites for an 'x' amount of saving are lower than what would be if consumers had to travel to another store to avail the same discount. In conclusion, the results of the study point to no significant difference between subjects' decision to visit another online store in the two relative savings condition when subjects shop on the Internet. This attenuation of relative thinking is attributed to lower perceived search costs when searching for better prices online compared to shopping across traditional retail stores. We conclude that this rationale leads to a breakdown of the relative thinking phenomenon in the context of Internet shopping. The attenuation of relative thinking over the Internet marks a new boundary condition in the marketing literature since prior studies have emphasized relative savings as a primary motivator for relative thinking in consumers.

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Summary Brief

Price Expectations and Information Fluency

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In this research, we investigate how price information fluency, or the metacognitive ease of processing price information, can influence the degree to which consumers assimilate observed price information. Specifically, we demonstrate that marketers can adjust price information fluency to influence the degree to which consumers assimilate observed price information into memory, affecting their future price expectations.

Introduction

Marketers often adjust their pricing strategies to respond to various environmental or competitive forces. However, little knowledge exists regarding how marketers may decrease the probability that consumers will assimilate promotional prices into their internal reference price (IRP), to influence their future price expectations. For example, research has identified the role of price history (Wedell, Parducci, and Lane 1990), consumer processing goals (Cunha and Shulman 2011) and product involvement (Chandrashekar and Grewal 2003) as factors that influence the probability of price assimilation. However, such factors are often difficult to control. As such, marketers have relatively few tools to influence when consumers incorporate observed promotional prices into their IRPs. In this paper, we provide evidence that the assimilation of price promotions can be influenced by the manner in which price information is visually displayed. Specifically, price information fluency.

Information Fluency, Memory, and IRP

Fluency describes a sense of ease in information processing, characterized by speed and accuracy (Reber, Wurtz, and Zimmermann 2004). Conversely, disfluent stimuli are metacognitively difficult to process. As such, disfluent stimuli are often processed more deeply, as consumers employ greater non-conscious effort to overcome perceptual processing difficulties or integrate unfamiliar information into their established knowledge (Hernandez and Preston 2012). For example, disfluent fonts appear to increase respondents' non-conscious information processing depth, enhancing student test performance (Diemand-Yauman, Oppenheimer, and Vaughan 2011).

Price information, presented in a disfluent manner is expected to result in consumers devoting increased non-conscious processing resources to a given price observation. When consumers attempt to recall observed price histories to evaluate an observed price, disfluent price information may be easier to recall than fluent price information. Relative ease in memory recall may cause consumers to weight the disfluent price information more heavily during IRP formation, as suggested by the availability heuristic, or the tendency for consumers to estimate the frequency of an event based on how easily it comes to mind (Tversky and Kahneman 1973).

Study 1

The primary objective of this study is to provide an initial demonstration of the effect of price information disfluency on consumer IRP change. Specifically, we expect that the use of disfluent fonts to display price information will cause consumers to update their IRPs in the direction of the displayed price to a greater degree than when price information is presented in fluent fonts.

Method

One hundred eight respondents were randomly assigned to one of two conditions (font characteristics; fluent or disfluent) in a between subjects design. Times New Roman was used as the fluent font. Curlz MT served as the disfluent font. To establish an initial reference price to serve as a point of comparison, all respondents evaluated a graphical ad featuring a Samsung 55" HDTV, with a price of \$1599 presented in Times New Roman. After a filler task, respondents were exposed to the price fluency manipulation ad for their assigned condition.

Results

Analysis revealed a significant main effect of font fluency on the least (Mfluent = \$1090, SD = \$319; Mdisfluent = \$947, SD = \$263; $t(106) = 2.57, p < .05$) and average (Mfluent = \$1464, SD = \$400; Mdisfluent = \$1316, SD = \$361; $t(106) = 2.02, p < .05$) future price expectations of respondents.

Study 2

The primary objective of this experiment is to explore respondent price memory accuracy as the mediating psychological mechanism responsible for the price information disfluency effect demonstrated in study 1, while replicating the effects with a different focal product. Additionally, in study 2, respondents are provided with a single exposure of price information, an MSRP and sales price, to simulate a typical in-store shopping experience.

Method

Ninety respondents were randomly assigned to one of two conditions (MSRP fluent and sales price disfluent, MSRP disfluent and sales price fluent) in a between subjects design. Times New Roman was used as the fluent font. Curlz MT served as the disfluent font. Respondents evaluated an ad featuring a Canon all-in-one printer ad, consisting of a graphical representation, a summary of product features, and an MSRP (\$199) and sales price (\$149). The MSRP and sales price were presented in either a fluent or disfluent font, depending on the respondents' condition.

Results

Study 2 replicated the results of study 1, and demonstrated that sale price memory accuracy partially mediated the relationship between the experimental condition and respondents' expectations of the price floor, indirect effect (.28 to 8.19) and direct effect (-46.83 to -1.31) and average, indirect effect (.38 to 17.96) and direct effect (-80.82 to -9.67) expected future price of the all-in-one printer, as the 95% confidence intervals excluded zero.

Discussion

These studies provide evidence that price information presented in a disfluent font is more likely to affect the formation of IRPs than price information presented in a fluent font. Further, support for sales price memory accuracy is demonstrated as the psychological mechanism responsible for the font price fluency effect in the form of competitive mediation. As such, the results suggest that disfluent price information increases price memory accuracy, which in turn increases the likelihood of disfluent price information to influence consumers' future IRPs.

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Full Paper

The Master Settlement Agreement (MSA) and Cigarette Advertising in America: History, Implications, and Outlook

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In this paper we explore the history of the cigarette industry in America and the concurrent evolution of the industry's consumer-targeted advertising and promotion efforts. We document cigarettes' proliferation in American society from the late 1800s to today, and discuss the various legal developments that eventually led to the Master Settlement Agreement. Finally, we explore post-Master Settlement Agreement developments in consumer promotions and public perceptions of the tobacco industry. It is our hope that this synthesis of wide-spanning historical documents and academic research will aid advertising and marketing scholars as the important work of continuing exploration and explication of the past 100-plus years of cigarette industry promotions, as well as aiding researchers analyzing current practices or future outlook of tobacco promotion efforts.

Introduction

With the 1998 Master Settlement Agreement, Brown and Williamson Tobacco Corporation, Lorillard Tobacco Company, Philip Morris Incorporated, and R.J. Reynolds Tobacco Company agreed to pay forty six participating states two hundred and six billion dollars over a span of twenty five years (R.J. Reynolds Master Settlement Agreement 1998). Florida, Mississippi, Minnesota, and Texas had all previously settled their lawsuits with these companies (Givel and Glantz 2004). Washington Attorney General Christine Gregoire hailed the Master Settlement Agreement as the “largest financial recovery in the history of the world” (Gregoire 1998). The road to this financial recovery, however, had been a tough one. Public relations and communications firm Burston-Marsteller, wrote that from 1954 to 1988, “over 300 product liability suits ha[d] been filed against tobacco companies” (History 1998). The first of these suits was filed by Ira C. Lowe, an employee at a St. Louis factory who claimed that cigarettes caused his lung cancer (History 1998). Only five percent of these suits ever made it to trial and not a single one of the fifteen trials cost the tobacco industry a cent (History 1998). As the lawsuits stalled, the tobacco industry achieved massive growth fueled by iconic advertising and public relations, and, some might argue, focused disinformation campaigns. In this article we explore the history of the cigarette industry and these efforts, in order to provide a concise but adequately detailed history of this ongoing controversial product category, paying special attention to the Master Settlement Agreement (MSA).

Cigarettes and Consumer Promotions: A Historical Review

In 1881, James Albert Bonsack acquired a patent for his cigarette rolling machine, which could create 120,000 cigarettes per day (Whelan 1984). Three years later, James Buchanan Duke purchased two machines which Bonsack and Duke's mechanic perfected for Duke's Durham, N.C. tobacco plantation. Duke soon rented more machines for a favorable price, as his mechanic had helped fix the original jamming problem in the machine. During this time, other forms of tobacco were more popular, but Duke saw the potential profit in mass producing cigarettes, which had previously been hand rolled. With his new access to supply, he needed customers. Duke hired Edward Featherston Small to market his product around the country. Small started intensive and expensive marketing techniques, using celebrities like French actress Madam Rhea, photographed with his cigarettes to form posters for display in the Atlanta market (Murrell 2006). Once Duke established a factory in NYC, he also gained direct access to a greater number of customers.

Duke understood the power of consumer promotions in driving growth in this burgeoning category. He started using collector cards in his boxes of cigarettes that simultaneously protected his cigarettes from destruction and served as the foundations for diverse advertising campaigns. Several different collections of these cards existed: “US Governors and Coat of Arms,” “Famous Actors/Actresses,” “Perilous Occupations,” “Musical Instruments,” “Puzzles,” “The Terrors of America and Their Doings,” “Jokes,” “Shadows,” “Great Americans,” “Floral Beauties,”

“Postage Stamps,” “50 Vehicles of the World,” “Fish and Fishermen,” “Rulers, Flags, Coats of Arms,” “Coins of All Nations,” “Actors and Actresses in the Costume of All Nations,” and “Heroes of the Civil War” (Emergence n.d.). They often featured a picture or photograph on one side and either a description of the card or a list of all cards available in the series on the other; one theme, “History of Poor Boys” actually included, in addition to the trading card, a tiny booklet with a concise life story of famous individuals like Cornelius Vanderbilt who grew up poor but became very rich. Cigarette advertisements were interesting and inspiring, appealing to consumers with these inspirational, attractive lifestyles. Several of the advertising campaigns aligned Duke Cigarettes with various images of individuals who were successful, rich, famous, elegant, sophisticated, good-looking, and intelligent along with possessing other admirable qualities (Murrell 2006). Additionally, as indicated within the collection of campaigns mentioned, patriotism was another important advertising strategy, which continued to be one of the largest advertising themes the tobacco industry focused on from its inceptions through both World Wars.

Dr. Elizabeth Whelan, the Executive Director of the American Council on Science and Health, indicates that in 1880, manufacturers in the United States, with a population of roughly 20 million citizens, sold 1.3 billion cigarettes, only 500 million of which were made within the U.S.A. (Whelan 1984). This low domestic production of cigarettes was soon a nonissue with the adoption of the Bonsack machine. By 1900, the number of cigarettes sold within the U.S. had almost doubled to 2.5 billion, assisted by the advent of a safe, portable match (Whelan 1984). Burns (1983) writes that during the period from 1902-1910, after several tobacco company acquisitions, on average, Duke’s American Tobacco Company produced 71% of the world’s smoking tobacco and 93.3% of snuff, an even more impressive number considering that by 1910, the number of cigarettes sold in the United States had reached 8.6 billion (Burns 1983; Whelan 1984). This industry monopolization did not go unnoticed, and soon the State of North Carolina had filed an antitrust suit against the company; by 1911, the Supreme Court had broken up Duke’s company into the American Tobacco Company, Liggett and Myers, R.J. Reynolds, British American Tobacco, Lorillard and some other smaller companies (Whelan 1984). Many of these companies had been successful tobacco manufacturers before consolidating with Duke’s company.

By 1920, the cigarettes sold jumped up to 44.6 billion (Whelan 1984). This marked increase in the number of cigarettes purchased tied into the fact that cigarettes had become part of soldiers’ rations for WWI. Cigarettes were easier to consume and were more portable than the other forms of tobacco, so they were very popular with soldiers. Further, as no one quite understood how nicotine affected the body at the time, the addictive nature of cigarettes combined with the lifestyle marketing made them very appealing for soldiers.

Soon, the tobacco industry expanded in a different way. Edward Bernays was recruited by American Tobacco Company’s president George Washington Hill to expand their Lucky Strike brand to a key missing consumer audience: females (Amos and Haglund 2000). Previously, there had been an intense social stigma associated with female smoking; in fact, a woman’s “morality and image” were said to be “at stake” when it came to her smoking in public (Whelan 1984, p. 41). Some females did, however, begin smoking at this time in private. Bernays decided to redefine the female smoker as the empowered female by hiring female models to walk in the 1929 NYC Easter Parade while smoking Lucky cigarettes, his newly branded “torches of [female] freedom” (Amos and Haglund 2000, p.4). Major newspapers took note and spread the news, and the campaign was a smashing success.

In 1930, the number of cigarettes sold in the U.S. skyrocketed to 119.9 billion (Whelan 1984). Lucky Strikes were socially acceptable for both genders to smoke. Following this, actors and actresses like Clark Gable, Carole Lombard, Gary Cooper, Joan Crawford, and Spencer Tracy were each paid what would today equal \$146,000 by American Tobacco from 1937-1938 to promote the Lucky Strike brand both on and off screen (Lum et al. 2008). Research indicated that hundreds of the top actors/actresses of the late 1930s and 1940s had contracts with tobacco companies (Lum et al. 2008). Smoking was highly visible and glamorized in the movies, and cigarettes became a crucial acting prop for many of the stars at that time.

With the advent of WWII in 1939, cigarette sales were on the rise yet again. By 1940, 181.9 billion cigarettes were sold within the U.S. and to U.S. soldiers abroad, and by 1950, that number had increased to 369.8 billion cigarettes (Whelan 1984). Whelan (1984) reported that General Douglas MacArthur remarked at the conclusion of a fundraising event for the war efforts, “The entire amount [raised] should be used to buy American cigarettes which of all personal comforts, are the most difficult to obtain here” (p. 72). Concurrently, tobacco companies understandably leveraged patriotism in their advertisements. It was estimated that in 1944, servicemen were receiving 75% of the 300 billion cigarettes being produced in the U.S.A. Therefore, Liggett and Myers argued that the American public should “Keep ‘em Smoking: Our Men Rate the Best!” while R.J. Reynolds argued that all forms of American military favored their Camel brand (Whelan 1984, p. 73). American Tobacco Company’s Lucky Strike advertisements utilized Morse code. Lucky Strike additionally even changed brand colors from green to white, advertising that their green box color had gone off to help the war efforts; silly as that claim might seem, Lucky Strike sales directly increased after the declaration was made (Whelan 1984).

As soldiers returned from WWII, the number of individuals being seen with lung cancer increased (Whelan 1984) and doctors began to wonder if there was a possible connection between the increase in smoking and the increase in lung cancer. The tobacco companies responded accordingly. Nurses and doctors were featured on cigarette advertisements across brands to help contradict the “smoking is hazardous to your health” rumors that had started; for example, starting in 1946, R.J. Reynolds ran a six year campaign formed around the slogan, “More doctors smoke Camels than any other cigarette” (Gardner and Brandt 2006, p. 222). Doctors had, in fact, been used for many years in cigarette advertisements, but more to promote brand loyalty rather than to keep people unafraid of smoking. For instance, on a 1937 Saturday Evening Post advertisement, Philip Morris used one of their main spokespersons—bellhop Johnny Roventini—to declare that doctors recommend that smokers with throat irritation switch to Philip Morris (Gardner and Brandt 2006). Soon, however, the industry would be forced to rethink using advertisements with medical personnel.

Health Concerns and the Tobacco Industry’s Response

In 1952, Reader’s Digest printed “Cancer by the Carton,” which directly linked cigarettes and cancer; and cigarette sales slowed (Brownell and Warner 2009). The tobacco industry took note. In 1954, the industry responded with a “Frank Statement to Cigarette Smokers” in 448 U.S. papers (Brownell and Warner 2009). This statement placated the public’s concerns about tobacco products by casting substantial doubt on research linking cancer to smoking; additionally, the statement announced the formation the Tobacco Industry Research Committee, and reminded the public that the tobacco industry had public health as their primary concern and that they had and always would assist those who “safeguard the public’s health” (Brownell and Warner 2009, p.260). The tobacco industry followed this report up with a lowering of tar and nicotine and with the addition of “safer” filters, which counterintuitively led to smokers breathing the toxins deeper into their bodies, resulting in adenocarcinoma instead of squamous cell carcinoma (Harris 2011). Thus, when it looked like medical research might dissuade customers, the tobacco companies fought back with misinformation and widespread advertising.

Moving ahead with a new advertising strategy, “safer” filters included, Philip Morris created the Marlboro Man campaign, which by 1962 featured real cowboys hired to smoke Marlboro cigarettes as Philip Morris’ spokespersons (White, Oliffe and Bottorff 2012). White, Oliffe and Bottorff (2012) described that the Marlboro Man campaign championed concepts of, “individualism, autonomy, and self-sufficiency,” which assisted smokers to mentally separate themselves from those medical officials that would take away their freedom to smoke and live on the edge (p. 228).

Meanwhile, President John F. Kennedy sought to combat the doubts the tobacco industry had spread about the harmfulness of smoking; he assigned a committee of scientists in 1962 to investigate the effects of smoking, and by 1964, Dr. Luther Terry, the Surgeon General, announced the committee’s opinion that smoking was indeed hazardous to one’s health (Schroeder and Koh 2014). Shortly following this determination, U.S. Congress adopted the Federal Cigarette Labeling and Advertising Act of 1965, which required a label on the product itself that said “Caution: Cigarette smoking may be hazardous to your health” (Legislation 2012). One unintended consequence was that it safeguarded the tobacco industry against the product liability suits previously discussed. Now, people were told that smoking may be bad for them, and if they did not quit or chose to start anyway, the blame could be attributed to his or her making the choice to smoke despite these labels.

With the growing popularity of the television industry in the 1950s, cigarette ads proliferated, featuring what Whelan (1984) described as “beautiful girls, young virile men, athletes, and pilots” (p. 91). The cigarette industry was relying on equating cigarettes with good people, great taste and fun times. The cigarette ads were so effective that anti-smoking advocates began to take notice, and cigarette advertising in electronic media became an intense point of debate. John F. Banzhaf, a Manhattan attorney, contacted WCBS-TV NY twice during the December of 1966 demanding that the station provide equal airtime for anti-smoking promoters. When the station ignored his request, he filed a Fairness Doctrine complaint with the Federal Communications Commission (Federal Communications Commission and Cigarettes 1974). In the spring of 1967, Warren Magnuson, Senate Commerce Committee Chairman, suggested that perhaps the FCC could use their Fairness Doctrine to make sure that time was set aside for stations to broadcast both smoking and health education programming. Following this request, Magnuson and Sen. Robert F Kennedy cosponsored a bill that would force cigarette distributors to advertise on their packaging that cigarettes include tar and nicotine (Federal 1974). Kennedy also claimed that due to the FCC’s power to revoke licenses of stations that did not serve the public, the FCC also had the right to block or decrease the amount of advertisements for commodities that are hazardous to public health (Federal 1974). In June of 1967, the FCC formally required that WCBS-TV provided time to anti-smoking advocates, though informally accepting the ratio of one anti-smoking advertisement to three smoking commercials (Federal 1974). The Tobacco Institute, unhappy with this decision, requested reconsideration by the FCC and wrote all broadcasters requesting a “significant amount of free time” to be able to counter the anti-smoking advocate’s message; furthermore, demands

were made for a record of the time anti-smoking sponsors spent on the air (Federal 1974). Banzhaf still desired equal time for anti-smoking advocates, so he was still appealing the decision that gave the anti-smoking advocates only “significant time” (Federal 1974).

Once the National Association of Broadcasters petitioned for review in the Fourth Circuit Court of Appeals, the FCC further clarified that if tobacco advertisements were already being run, then the stations did not have to present the tobacco industry with further time to contradict the anti-smoking announcements (Federal 1974). If, however, stations did not run smoking ads but ran anti-smoking ads, the FCC determined that the stations were required to provide significant time to pro-smoking agencies (Federal 1974). In early 1968, Banzhaf formed the organization Action on Smoking and Health to safeguard the allotted station time for anti-smoking agencies to counter pro-smoking messages; Action on Smoking and Health ended up filing numerous complaints with the FCC about stations not meeting anti-smoking air time requirements (Federal 1974). In November of 1968, the D.C. Circuit Court of Appeals maintained the Fairness Doctrine application due to there having been “inadequate warning of the extent and danger of smoking” (Federal 1974).

Likely persuaded by the complications their decisions caused for broadcasters in television and radio alike, the FCC proposed a rule in 1969 to ban broadcast cigarette advertising altogether (Federal 1974). Before the law passed Congress, however, the FCC allowed a ratio of one anti-smoking spot to five cigarette commercials to eliminate the Action on Smoking and Health group’s demands that the FCC deny licenses to stations with inadequate representation of the anti-smoking campaign’s viewpoint (Federal 1974).

At the Congressional hearings about potentially banning tobacco ads from television and radio, attorney Michael Pertschuk showed a 20 minute compilation of cigarette ads back to back on behalf of the Senate Commerce Committee (Whelan 1984). The artistry and allure of the advertisements was here used against the industry. Tobacco Institute Committee Chairman Joseph F. Cullman III said that the cigarette manufacturers would discontinue their TV and radio ads by the end of the 1970 in exchange for the tobacco industry receiving an antitrust exemption, which was granted. Thus, the Federal Public Health Cigarette Smoking Act passed the House and Congress (Federal 1974). The Public Health Cigarette Smoking Act of 1969 also required tobacco companies to include the following on their packaging in plain sight, “Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health” (Legislation 2012).

According to Pierce and Gilpin (2004), however, when tobacco companies were banned from advertising on television and the radio, the amount spent on print media and outdoor advertising increased substantially. For example, R.J. Reynolds in the 1970s created an adventure-seeking, rugged hero, played by former model David Goerlitz to market their Winston cigarettes to younger boys (Herbert 1993).

In the 1980s, since the negative effects of smoking were common knowledge, tobacco companies decreased the amount of text in their advertisements and really relied on strong visual messages to sell their product. They were no longer allowed to make health claims on their products (Sung and Hennink-Kaminski 2008), but still had other executional elements available. R.J Reynolds created “Joe Camel,” an iconic cartoon camel. After “Joe Camel” was released in the late 80s, the percentage of American children smoking Camel cigarettes jumped from 0.5% to 8% (Kaufman et al. 2004).

The industry had also been disrupting and sometimes destroying scientific studies that produced potentially industry-negative findings. For instance, in 1970, R.J. Reynolds fired all scientists that had been studying and observing an apparent link between smoking and emphysema in mice; these scientists were forced to hand in all notebooks, and their test subjects were eliminated before their findings could be used against the tobacco industry (Levin and Weinstein 1996). Furthermore, in the early 1970s, The Center for Tobacco Research, which had been developed from the Tobacco Industry Research Committee in 1958, threatened one of their own research scientists, Dr. Freddy Homburger, requesting that he remove the word “cancer” from the results he was going to publish (Homburger n.d.). Homburger had noticed how half of the “smoking” hamsters he had been studying for a year’s time had carcinoma of the larynx. Another scientist, Dr. Victor DeNoble, in his attempt to find a safe alternative to nicotine for Philip Morris, ended up finding damning evidence connecting nicotine to addiction in his rat test subjects (DeNoble n.d). Again, the scientist was forced to hand over his work and kill all of his animal test subjects. He followed all orders, except for keeping a few key notes, which he published much later. Further, Liggett and Myers scientists had discovered that the metal palladium, when added to cigarettes smoked by mice, appeared to decrease the mice’s instances of cancer; the project was abandoned because the sale of a safer cigarette was as good as admitting that regular cigarettes were harmful (“Palladium” 1972).

Eventually, however, the tides started to turn against the tobacco industry. In the early 90s, over a four year period, an accountant who worked for the law firm representing Brown and Williamson snuck out a large number of confidential tobacco industry reports and documents (Bergman and Docherty 1998). He then gained legal representatives who under the codename “Mr. Butts” sent the documents to Professor Stan Glantz, a vehement opponent of the tobacco industry, who then took the files to the secure archive at University of California San

Francisco where he worked (Maurice 2000). Brown and Williamson heard that the files were there and demanded that they be returned, and they even went to court to attempt to secure them, but the university was ultimately able to publish the documents into the public domain allowing their use in anti-tobacco legal proceedings (Bergman and Docherty 1998). Several of the Big Tobacco chairmen had just sworn before Congress that they did not think that nicotine was an addictive substance, but these leaked reports directly referenced nicotine as an “addictive drug” (Maurice 2000).

Perhaps the tipping point of the anti-tobacco efforts came when Jeffrey Wigand, Vice President of Research for Brown and Williamson, defected and gave further evidence against the tobacco industry. He reported that Brown and Williamson had used “document management,” altering or dismissing scientific studies and had illegally shipped genetically altered, high-nicotine tobacco seeds out of the country to Brazil (Bergman and Docherty 1998). Finally, Bennett Lebow, leader of Liggett Group decided to settle the states’ suit against his company out of court and cooperate with the Attorneys General (Bergman and Docherty 1998). He admitted that nicotine is addictive and explained that his company did not have the financial means to stay in court forever over the charges the states were filing against the major tobacco companies (Bergman and Docherty 1998).

The Master Settlement Agreement

Individual states now pursued financial regress against Big Tobacco. In Florida and Texas, the tobacco industry was charged with racketeering as lawyer Robert Blakely compared them to the Mafia with their Committee General Counsel “colluding in a scheme to defraud the public,” their Counsel for Tobacco Research acting as their “bogus research group,” and the Tobacco Institute as their “PR group” (Bergman and Docherty 1998). Eventually, Florida ended up settling for 11.3 billion and Texas settled for 14.5 billion (Bergman and Docherty 1998).

Jeffrey Bible, the CEO of Philip Morris and Steven Goldstone, the CEO of R. J. Reynolds met with Attorneys General Ron Motley and Michael Moore to discuss their class action lawsuits. The tobacco companies offered to accept severe restrictions on advertising, and the Attorneys General requested 368 billion dollars; the tobacco companies, however, wanted complete protection from all future lawsuits, which was rejected (Bergman and Docherty 1998). Eventually, President Clinton decided that he wanted Congress to negotiate a settlement and incorporate new legislation for the tobacco industry (Bergman and Docherty 1998).

The Attorneys General of the 46 states, the District of Columbia and five US territories finally settled with US cigarette manufacturers, Philip Morris, R.J. Reynolds, Brown and Williamson and Lorillard-plus the tobacco industry's trade associations (RJ Reynolds 1998). The \$206 billion settlement, which was to be paid over the next 25 years, reimbursed the states the tax money spent on treating tobacco-related diseases, such as through Medicare and Medicaid costs while at the same time guaranteeing tobacco manufacturers that no further class action lawsuits would be brought against them by the states over the misdeeds covered in the settlement-- mainly that they had been knowingly selling an addictive product that when used correctly, increased the chance for major illness, disease, and mortality and that they had been running intensive advertising campaigns and distorting research to both cover up the harmfulness of their product and to market their product to the population of the United States, including children (RJ Reynolds 1998). Individual plaintiffs were also still welcome to sue the tobacco industry for their past actions (RJ Reynolds 1998).

Also, as per the arrangement of the Master Settlement Agreement, \$50 million dollars was given to the Attorneys General to finance the enforcement of settlement rules and regulations, and one billion dollars was paid by the participating manufacturers to create and fund an anti-smoking organization called the American Legacy Foundation (RJ Reynolds 1998).

Moreover, the Master Settlement Agreement placed severe restrictions on the participating manufacturer’s marketing techniques. It prohibited the use of cartoons in tobacco advertising, packaging, and promotions (RJ Reynolds 1998). It required the participating manufacturers to stop targeting youth in the advertising, marketing, and promotion of their tobacco products and forbade actions aimed at instigating, maintaining, or increasing youth smoking (RJ Reynolds 1998). Also, the companies were required to accept preventing youth smoking as a core principle of their organization. Furthermore, an executive manager was supposed to be assigned to lead a program to discourage youth smoking (RJ Reynolds 1998).

Participating manufacturers were prohibited from distributing branded merchandise to the public and prohibited from using outdoor advertising; this second component was accomplished by eliminating tobacco’s ability to advertise within the U.S.A. on billboards, stadium signs, arenas, mall signs, transit signs, within arcades (RJ Reynolds 1998). It also prevented tobacco companies from placing exterior signs larger than 14 square feet on or in the window of stores where cigarettes or smokeless tobacco were sold (RJ Reynolds 1998). Additionally, the Master Settlement Agreement banned product placement in movies, TV, and video games unless the media was not to be publicly viewed or viewed only at adult-only locations (RJ Reynolds 1998). Only one brand name sponsorship per year was allotted per participating manufacturer, and these sponsored events were not allowed to be concerts or

certain types of athletic events: football, basketball, soccer, hockey or baseball games (RJ Reynolds 1998). Moreover, the sponsorships could not be events with youth as paid contestants or participants (RJ Reynolds 1998). The participating manufacturers were also no longer allowed to utilize free samples, unless they were offered in adults-only locations; in addition, proof of age was required to receive non-branded promotional items that came with the purchase of cigarettes (RJ Reynolds 1998).

In order to protect the interests of the participating manufacturers, non-participating tobacco manufacturers had to pay the states a per pack deposit into an escrow account which the states could then use to settle further debts caused by tobacco (RJ Reynolds 1998).

Analyzing the Master Settlement Agreement's Efficacy

Did all of these new rules for, and regulations on, the tobacco industry have an impact? Extensive research has been conducted to monitor the effectiveness of the Master Settlement Agreement. For example, according to Pierce and Gilpin (2004), the major tobacco companies spent \$4.7 billion on promotions before the Master Settlement Agreement in 1995 and \$10.7b after it in 2001. Likewise, in 1995, the tobacco industry spent roughly \$1.6 billion dollars on "retail value added promotions" with an increase to \$5.4 million in 2001. Pierce and Gilpin (2004) pointed out that special item promotions did decrease from 9.1% of the tobacco industry's advertising budget in 1997 to 3.0% in 2001. Similarly, outdoor/transit advertising dropped to less than 0.1% in 2001 from 5.7% in 1997, also in accordance with the guidelines of the Master Settlement Agreement.

Despite the Master Settlement Agreement, the tobacco industry increased their consumer-targeted expenditures, as the industry redistributed and increased its spending in different areas. Researchers observed an increase in point of purchase advertising for tobacco in retail outlets after the Master Settlement Agreement was reached (Pierce and Gilpin 2004). This fact is a major concern since the Point of Purchase Advertising Institute asserted that "about 75% of adolescents shop at convenience stores at least one a week" and that "they are more likely to be influenced by convenience store promotions" for cigarettes (Slater, Chaloupka, and Wakefield 2001). Further, Cruz (2004) described how 90 % of stores have some sort of interior tobacco advertising, and "one third of stores have ads placed at a low height easily visible to children" (p. 64).

Cigarette sales in the United States have, however, declined. Loomis et al. (2006) showcased that between 1996 and 2002, though advertising expenses rose by 144%, cigarette sales fell by 22%. Still, they argued that point of purchase marketing for popular youth brands: Marlboro, Camel, and Newport, are more commonly seen in stores visited by adolescents. Sung and Hennink-Kaminski (2008) cite over 80% of U.S. teenagers encountering cigarette advertising "an average of seventeen times in 2000" (p.333). Additionally, they argued that tobacco ads showcase smokers as "glamorous... attractive, successful, and influential" (p. 334). Sung and Hennink-Kaminski (2008), in their study of cigarette ads from Rolling Stones and Sports Illustrated from January 1994 to December 2003, determine that there was also a shift of advertising themes used to sell cigarettes; the theme of "erotic/romance" went from being in 13.4 % of ads to being in 23.7% of them after the Master Settlement Agreement, while the theme of individualism, which used to be represented in 21.5% of ads dropped to 17.7 %. They reported that, for example, the use of humor post Master Settlement Agreement also dropped. So while certain executional elements had changed, cigarette advertising appeared to simply embrace other effective means (e.g., trading Joe Camel for sexy portrayals).

After the Master Settlement Act, the Family Smoking Prevention and Tobacco Control Act of 2009 was passed; unfortunately, many of the provisions of the law are in the courts (Legislation 2012). Tobacco products were, however, brought under the the Food and Drug Administration so that they may be regulated as such. Thus, the results of the Master Settlement Agreement's efficacy are somewhat mixed. For instance, the American Legacy Foundation declared that today, research indicates that only 9% of teens smoke (Truth n.d.), but that about 480,000 people die each year in the United States from tobacco-related illnesses (Quick Facts 2013).

Future Outlook and Continuing Anti-Tobacco Efforts

In the 2012 report on "Preventing Tobacco Use Among Youth and Young Adults," United States Health and Human Services Secretary Kathleen Sebelius opines that "we have come a long way since the days of smoking on airplanes and in college classrooms, but we have a long way to go." Three of the major conclusions of that report, to paraphrase, were that (1) prevention efforts need to continue to be focused on adolescents and young adults, as 88% of first-use of cigarettes occurs by age 18, and 99% by age 26, (2) advertising and promotion efforts cause smoking onset and continuation among these groups, and (3) declines in use of tobacco by youth and young adults have slowed (for cigarettes) or even stalled (for smokeless tobacco).

In total, despite the Master Settlement Agreement, cigarette promotion continues and has, counterintuitively, increased; cigarette industry marketing expenditures were actually 48% higher in 2008 than in 1998 (U.S. Department of Health and Human Services 2012). While the vast majority of these expenditures are

targeted at price reductions, concern over the use of (and perhaps a return to) traditional advertising vehicles remains. For instance, Advertising Age recently reported that R.J. Reynolds has begun advertising Camel cigarettes in magazines after a five-year hiatus, some of which include high youth readership levels, drawing the concern of leading health organizations (Sebastian 2013). Together with the rise of other forms of nicotine delivery systems (smokeless tobacco, e-cigarettes) it is clear that even with the Master Settlement Agreement over a decade in the rear-view mirror, public policymakers and health advocates' work in this product space will continue on for the foreseeable future.

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Summary Brief

The Moderating Effect of Appearance Self-Esteem on Females' Identification of and Reaction to Sexually-Themed Advertising

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The authors of this research examine whether the impact of thematic fit of product positioning with sexual themes on female consumer responses varies as a function of appearance self-esteem (ASE). Study 1 demonstrates that perceived identification with sexual themes leads to more negative attitudes toward advertising and brand. Study 2 shows that higher ASE participants have more negative ad attitudes when exposed to the sexual themes paired with utilitarian product positioning (low fit) than with hedonic product positioning (high fit). Furthermore, the findings of this research reveal that the feeling of disgust partially mediates the relationship between ASE and ad attitudes. Theoretical and practical implications for marketers are discussed.

Introduction

The use of sexual themes in advertising has grown more popular. For example, in one retrospective study, 15% of 1983 print advertisements found in *Cosmopolitan*, *Redbook*, *Esquire*, *Playboy*, *Newsweek*, and *Time* in 1983 featured sexual themes whereas in 2003 that figure increased to 27% (Reichert, Childers, and Reid 2012). However, research has generally found sex in advertising to be much more effective for a male consumer audience than a female one (LaTour and Henthorne 1993). Why is this the case? Perhaps the most obvious answer is that women by and large have negative attitudes toward gratuitous sexual images in advertising (Sengupta and Dahl 2008). Indeed, early research established clear gender differences in the effectiveness of sexual advertising (LaTour and Henthorne 1993)—effective for males, much less so for females.

However, emergent findings have called this basic assumption into question. For instance, Putrevu (2008) finds that women do not have a general unfavorable reaction as long as the fit between the sexual theme and the product is strong and Dahl, Sengupta, and Vohs (2009) demonstrate that if certain female-favorable imagery is used, women have a positive reaction to sexual advertising. Importantly, another stream of research has examined how individual personality and self-concept differences affect women's perceptions of sexual advertising. For instance, a sexual self-schema (SSS) scale developed by Anderson and Cyranowski (1994) measuring females' cognitive self-appraisals of their sexuality has been found to dramatically impact their tolerance toward and appreciation of sexually suggestive advertising with women scoring higher on the SSS scale having more positive evaluations of it (Reichert and Fosu 2006). In this paper, we explore the relationship of another potentially impactful aspect of self-concept with the efficacy of sexual advertising—that of appearance self-esteem (ASE).

Overall (or “global”) self-esteem has been defined as the self-appraisal of one's significance, worth, competence, and success, as compared to others (Coopersmith 1968). ASE is a subdomain of self-esteem, which considers esteem related to physical appearance and can be defined as the self-worth a person derives from his or her body image and weight (Argo and White 2012). ASE has been found to be an important driver of many self-concept related outcomes (e.g. Ip and Jarry 2008).

Summary of Findings and Implications

The overarching objective of this research was to examine whether the impact of thematic fit of product positioning with sexual content varies as a function of the ASE personality trait among female consumers, which we explored in two experiments (please contact the authors for further details). We provided support for our proposition that ASE moderates the effects of product category-sex fit on female consumer responses to sexual advertising. Specifically, in study 1, we empirically demonstrated that perceived identification with sexual themes results in more negative attitudes toward advertising and brand. These negative effects of thematic fit with sexual content are increased for lower ASE participants, but eliminated for higher ASE participants. In study 2, our results showed that higher ASE participants have more negative ad attitudes when exposed to the sexual theme paired with utilitarian

product positioning for Listerine (i.e., low fit condition) than with hedonic product positioning for Close-up (i.e., high fit). Furthermore, we conclude that the feeling of disgust offers a key explanation as to why and how ASE personality trait alters perceptions of positioning fit within the realm of sexual advertising.

Practical implications of our findings are clear. Marketers often use sex appeals in advertising to promote their positioning strategies that stress hedonic or functional benefits (e.g., the Axe brand campaigns that turn up the promise of sex appeal). The drawback of this approach is that female might form negative attitudes toward sexual explicitness in advertising (Sengupta and Dahl 2008). The current research provides strategic ways for marketers to mitigate the negative effects of perceived fit with sexual themes among female target audiences. We found that women's reactions to sexual themes that fits with the advertised product could be influenced by their ASE personality trait. Thus, marketers could take into account the degree of ASE in their female segments when using sexual information in developing hedonic or functional positioning strategies. In fact, it is unlikely that sexual ad campaigns can be targeted to female audiences based on the extent to which they feel good or bad about their physical appearance. However, such sexual ad strategies for product positioning could possibly be targeted to specific female segments based on nutrition and weight status because the ASE construct has been shown to correlate with certain socio-demographic variables (e.g., obesity rate and weight status) (McClure et al. 2010).

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Summary Brief

Do People Respond Differently to Donation Ads When Disaster Location and Message Type are Different?: An Experimental Research From American and Japanese Perspectives

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The study is to examine American and Japanese donors' perspective towards disaster advertising. Attitude towards helping others and donation motivation were used to examine donors' ethnic identity on donation behavior. Further, the relationship between the ethnic identity and cognitive evaluations and affective evaluations was used to determine the effectiveness of donation messages. Disaster location and message type were used as experimental variables to test its moderating effectiveness. The findings explain that the constructs are positively related to each other but the two experimental variables did not unanimously significantly influence donors' (Americans and Japanese) attitude toward ads and advertising effectiveness. As managerial implications, when charities are fundraising for domestic disasters, an emphasis on in-group and outgroup perspectives and the types of donation messages can affect cognitive and affective evaluation and the evaluation influences advertising effectiveness.

Introduction and Literature Review

In the recent past years, natural disasters have struck in several countries. However, donors distinguish themselves into in-group and out-group donors (Cuddy, Rock, and Norton, 2007; Kogut and Ritov, 2007) and they have a different perception of the level of "need" to donate to the respective groups of victims (domestic vs. international). Past research has yet to clarify differentiates for individual's donation behavior. By utilizing Theory of Planned Behavior (Ajzen, 1991) and Elaboration Likelihood Model (Petty and Cacioppo, 1986), this study looks at how ethnic identity on donation behavior can influence donor's affective and cognitive evaluations towards advertising effectiveness, and how message types and disaster location serve as effective moderators for this relationship between evaluation and advertising effectiveness. Six variables were measured to test the hypotheses.

H1: Attitude towards helping others and Donation Motivation are related to ethnic identity on donation behavior

H2: Ethnic identity on donation behavior influences cognitive evaluations and affective evaluations toward ads.

H3: Cognitive evaluation and affective evaluation are related to the ad effectiveness.

H4: Disaster location and message types moderate the relationship between donation behavior on ethnic identity and affective evaluation and cognitive evaluation toward ads.

H5: Disaster location and message types moderate the relationship between cognitive evaluation and affective evaluation toward ads and ad effectiveness.

Research Methodology

Data were collected from 442 respondents: 230 responses from the US, and 212 responses from Japan. Respondents were between the 30-40 age group. The reason for the choice of this age group is the sample group often has high discretionary income, high morals and respect towards others. Each subject randomly received one of four versions (America disaster screens with factual message, America disaster screens with emotional message, Japan disaster screens with factual message, Japan disaster screens with emotional message). For manipulations check, two sets of items (country and message types) were used to verify the manipulations of the advertising messages. The results indicate a success of the intended manipulation.

A Confirmatory Factor Analysis (CFA) was conducted to test the overall validity of the measurement model. The CFA results show a good model fit for a 23-items model, with $\chi^2 = 390.87$, $df = 215$, $p < .00$; Comparative Fit Index (CFI) = .98; Root Mean Square Error of Approximation (RMSEA) = .04; Normed Fit Index (NFI) = .96; the Tucker-Lewis Index (TLI) = .98. Also, the results supported the construct validity of the measurement model. Metric invariance between US disaster and Japan disaster data was examined. First, the two groups were fitted separately with no equality constraints imposed. Overall, the unconstrained or "totally free" (TF) model fit reasonably well, with $\chi^2 = 693.28$, $df = 430$, $p = .000$; CFI = .97; RMSEA = .04; PNFI=0.79. Next, constraining the measurement weights to be equal between groups, the model fit with $\chi^2 = 710.56$, $df = 447$, CFI = .97; RMSEA = .04; PNFI=0.82. The chi-square difference test results ($\Delta \chi^2 = 17.28$, $df = 17$, $p = .44$) indicates that full metric invariance could be established and allows valid comparisons of relationships between the effectiveness of US disaster ads and Japan disaster ads. First, an overall structural model fit for the two groups was estimated without any constraints imposed. The one group model provides a satisfactory fit of data with $\chi^2 = 597.41$, $df = 223$ $p = .000$; CFI = .96; RMSEA = .06; TLI = .96. Next, the procedures turned to a test of moderation using the country variable. Overall fit measures of the "totally free" model indicated that the model was consistent with the data ($\chi^2 = 888.77$, $df = 446$, $p = .000$; CFI = .95; RMSEA = .05; TLI = .91). By constraining all structural coefficients to be equal in both groups, the model fit with $\chi^2 = 905.23$, $df = 463$, $p = .000$; CFI = .95; RMSEA = .05; TLI = .95. Structural weights indicate $\chi^2 = 950.08$, $df = 469$, $p = .000$; CFI = .95; RMSEA = .05; TLI = .94.

A multivariate analysis was examined to check the moderating effects of disaster location and message types. For Americans, location moderates significantly [$F(1, 225) = 35.81$, $p = .000$] on the relationship between donation behavior and affective evaluation toward ad. Message moderates significantly [$F(1, 225) = 5.55$, $p = .019$] on the relationship between donation behavior and cognitive evaluation toward ad. For Japanese, location moderates significantly on the relationship between donation behavior and affective evaluation toward ad [$F(1, 207) = 6.51$, $p = .011$] and between donation behavior and affective evaluation toward ad [$F(1, 207) = 12.28$, $p = .001$]. Message moderates significantly [$F(1, 207) = 9.98$, $p = .002$] on the relationship between donation behavior and affective evaluation toward ad. In the relationship between cognitive evaluation /affective evaluation toward ad and advertising effectiveness, there are no significant moderating effects on the relationship.

Discussion and Conclusion

The study findings show that people's attitude towards helping others and donation motivation affects their ethnic identity on donation behavior. Also, the ethnic identity influences cognitive and affective evaluation towards ad. The evaluation is directly related to ad effectiveness. Also, disaster location and message types moderate the relationships. Further, between emotional and factual messages, emotional messages were considered more persuasive to American respondents in regards to natural disaster ads. Cognitively driven ads are more persuasive for Japanese respondents. This study has a number of important practical implications that are of relevance to all levels in society: donors, marketers, charity organizations, and advertising agencies. Knowing the antecedents of effectiveness enables advertisers and marketers to develop strategies to increase charity donation effectiveness. Charity organizations might consider emphasizing donors' motives (helping others) with affectively or cognitively driven donation messages depending on the demographics of the targeted donors and the origin of the disaster (i.e. location).

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Note: The authors contributed equally to the paper.

Summary Brief

Antecedents and Consequences of Extrinsic Superstitious Beliefs: A Cross-Cultural Investigation

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Leaning on experiential consumption theory and the 'magical thinking' literature, survey-based studies of select antecedents and consequences of consumers' extrinsic superstitious beliefs were developed and path models based on South Korean and U.S. data were evaluated. Results support the subjective happiness through self-esteem path and the anthropomorphism path; from these beliefs, both models support the horoscope importance path and the behavioral superstitious beliefs path. Only the U.S. model supports the self-esteem to extrinsic superstitious beliefs path; only the South Korean model supports the intrinsic religiosity to extrinsic superstitious beliefs path.

Introduction

To augment the experience and excitement concomitant with daily living, consumers espouse superstitions like supernatural explanations and lucky charms (e.g., Simmons and Schindler 2003). Despite the relational, social, and fiscal importance of personal superstitions, methodological inquiry examining the effect of superstitious beliefs on consumers' behavior remains incomplete. To enhance this understanding, experiential consumption theory and magical thinking were applied to develop an explanatory model of superstition belief determinants and consequences—with anthropomorphism (ANTHRO), self-esteem (ESTEEM), and intrinsic religiosity (RELIG) as precursors, and horoscope importance (HORO) and behavioral superstitious beliefs (BehSUPER) as consequences of extrinsic superstitious beliefs (ExtSUPER). Also, subjective happiness (HAPPY) is modeled as a determinant of ESTEEM.

Although prior study of superstitious beliefs offers rich insights, research on their determinants and outcomes is unfinished. In particular, antecedents of extrinsic superstitious beliefs—defined as luck believed inherent to objects (e.g., a lucky coin) rather than luck attributed to outcome-remote behaviors (i.e. behavioral superstitious beliefs; e.g., knocking on wood)—have received little attention (e.g., Damisch, Stoberock, and Mussweiler 2010). By examining the proposed model cross-culturally, path analysis results will aid marketers' strategic efforts to understand, reach, and attract Eastern and Western consumers.

Study 1: Korean Respondents

The questionnaire included items for 7-point Likert scales adapted from published research; developed in English, it was translated into Korean. Respondents were college students enrolled at a mid-sized university in South Korea. The mean age of respondents (N=206) is 23.26 (SD=2.26), with males (60%) outnumbering females.

A measurement model was estimated with LISREL 8.72. Aside from BehSUPER (0.360), the average variance extracted (AVE) for each scale exceeds 0.50, providing evidence for convergent validity. Other than ExtSUPER–BehSUPER (Phi²=0.577) and ESTEEM–HAPPY (Phi²=0.640), AVE for each scale exceeds the squared correlations between each scale and the other scales, offering evidence for discriminant validity. The measurement model yielded these GOF statistics: $\chi^2(329df)=798.21$ (P=0.00), (CFI)=0.92, (GFI)=0.78, and (SRMR)=0.065.

Relationships were tested using a structural equation model. A COV matrix and MLE were used to estimate model parameters. Missing data were handled via pairwise deletion. Model estimation yielded these GOF statistics: $\chi^2(341df)=814.91$ (P=0.00), (CFI)=0.92, (GFI)=0.78, and (SRMR)=0.072. The t-statistic associated with five of six path coefficients is significant at the P<0.05 level or better. Specifically, ANTHRO relates positively to ExtSUPER (H1; t=7.52), HAPPY relates positively to ESTEEM (H2; t=10.51), and RELIG relates inversely to ExtSUPER (H4; t=-2.14). Also, (1) ExtSUPER relates positively to both HORO (H5; t=6.57) and BehSUPER (H6; t=6.19), and (2) ESTEEM and ExtSUPER (H3; t=0.75) are unrelated.

Study 2: U.S. Respondents

The same hypotheses and 24 items evaluated in Study #1 were retested with U.S. respondents. Students enrolled in several marketing courses at a southwestern U.S. university completed the questionnaire. The mean age of respondents (N=218) is 22.32 (SD=2.53), with gender split evenly. Regarding ethnicity, Whites (71%), Hispanics (18%), and Blacks (8%) are most represented.

A measurement model was estimated with LISREL 8.72. Aside from BehSUPER (0.434), the AVE for each scale exceeds 0.50. Other than ExtSUPER–BehSUPER ($\Phi^2=0.756$), AVE for each scale is greater than the squared correlations between each scale and the other scales. Measurement model estimation produced the following GOF statistics: $\chi^2(329df)=690.12$ (P=0.00), (CFI)=0.95, (GFI)=0.81, and (SRMR)=0.061.

Relationships were tested with a structural equation model. A COV matrix and MLE were used to estimate model parameters. Missing data were handled via pairwise deletion. Model estimation yielded these GOF statistics: $\chi^2(341df)=737.65$ (P=0.00), (CFI)=0.95, (GFI)=0.80, and (SRMR)=0.081. The t-statistic associated with five of six path coefficients is significant at the P<0.05 level or better. Specifically, ANTHRO relates positively to ExtSUPER (H1; t=8.41) and HAPPY relates positively on ESTEEM (H2; t=7.08), which in turn relates positively to ExtSUPER (H3; t=2.05). Also, (1) ExtSUPER relates positively to both HORO (H5; t=6.91) and BehSUPER (H6; t=10.13), and RELIG and ExtSUPER (H4; t=-0.38) are unrelated.

Discussion

For both Korean and U.S. respondents, anthropomorphism positively influences extrinsic superstitious beliefs, subjective happiness relates positively to self-esteem, and extrinsic superstitious beliefs relate positively to both horoscope importance and behavioral superstitious beliefs. Differential effects exist for self-esteem and intrinsic religiosity on extrinsic superstitious beliefs; only for U.S. respondents did ESTEEM affect ExtSUPER, and only for Korean respondents did RELIG affect ExtSUPER.

Anthropomorphic beliefs enhance consumers' everyday fun by making their life more amusing and enjoyable. The same may be said of superstitious beliefs, which can heighten people's elation, involvement, and social connectedness; hence, the value of applying experiential consumption's theoretical tenets to the superstition context. The results from this cross-cultural investigation serve as benchmarks for understanding the antecedents and consequences of extrinsic superstitious beliefs. The data provide effect size acuity, which should help researchers assess superstition-grounded models for marketing strategy.

Managerial Implications

Across both samples, anthropomorphism and horoscope importance correlate positively with extrinsic superstitious beliefs. Thus, marketers could enhance favorable brand attitudes by encouraging consumers (1) to treat commercial entities and brands as animate, playful, of value, and capable of affecting outcomes, which has been seen in promotional campaigns for decades (e.g., Michelin Man, university mascots, Father Time, and motion pictures like Toy Story, to name a few), and (2) depicting horoscope followers favorably (e.g., interesting, intelligent, and possessing supernatural powers) in promotional efforts, which may entail humorous appeals.

The U.S. data (Study #2) suggest marketers nurture a favorable self-image among superstitious consumers. Per Anheuser-Busch InBev's Bud Light ad campaign (i.e. It's Only Weird If It Doesn't Work), depicting fans' superstition rituals fondly can raise self-esteem by reinforcing beliefs such as rituals 'cause' adored teams and players to excel. Mimicking this promotional blueprint within and outside the sports marketing milieu may help marketers spawn harmless superstitions that boost product/brand-related attitudes and behaviors.

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Summary Brief

VINACETS: A Consumer Ethnocentrism Scale in Vietnam

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The primary objective of this study is to develop a consumer ethnocentrism scale in Vietnam (VINACETS) on the basis of the existing scale, CETSCALE, proposed by Shimp and Sharma (1987). This new scale is validated through a rigorous method including convergent validity, discriminant validity, and nomological validity. The paper starts with literature review of consumer ethnocentrism, methodology, discussions and concludes with theoretical and managerial implications.

Introduction

In an international market, as developing countries have been increasingly important, the need to collect reliable and accurate information about these markets is also rising (Pentz et al, 2013). As a market of nearly 90 millions of people, Vietnam can be considered as a potential international market to any multinational companies who want to expand their business oversea. Although a new market promises opportunities, it brings along with challenges due to a new culture and its norms and values. Understanding customer behavior in a new market plays a role in success in marketing strategy of international marketers because this knowledge helps them not only provide suitable products and service meeting customers' needs, but also avoid potential confusion derived from cultural gaps. The primary objective of this study is to develop a consumer ethnocentrism scale in Vietnam (VINACETS) on the basis of the existing scale, CETSCALE, proposed by Shimp and Sharma (1987). This new scale is validated through a rigorous method including convergent validity, discriminant validity, and nomological validity.

Measuring Consumer Ethnocentrism

Development of consumer ethnocentrism traces back to early days when Adorno et al. (1950) attempts to measure ethnocentrism using the Authoritarian Personality. The scale consists of four fundamental dimensions that are designed to quantify the level of ethnocentrism of two groups: ethnocentric and non-ethnocentric group. Two of those dimensions are employed to build a new scale called The E-Scale that is geared toward minority groups. The new scale is a measure reflective of the preferences of in-groups who exert influence on other people and out-groups who are disparaged by other members.

More recently, Shimp and Sharm (1987) have come up with a new scale, CETSCALE, that captures the tendency of consumer ethnocentrism that customers have toward a purchase of foreign products versus American products. CETSCALE is referred to as a tendency rather than an attitude because the former is more likely to illustrate more general notion of disposition to consistently act when purchasing foreign products. CETSCALE has been validated in a few developing countries such as India, Indonesia, and Malaysia.

Methodology

College students from a university in Vietnam were chosen for our study. Hue city where is a market of enormous imported products and where many foreigners come for travel and business. 150 responses were completed with a response rate of 96.7%. All of the responses were suitable for use in the further steps as missing data did not exceed 5%.

Exploratory Factor Analysis

The suitability for factor analysis of this sample was examined first employing two criteria Kaiser-Meyer-Olkin (KMO) and Bartlett's Test of Sphericity tests. Since the Kaiser-Meyer-Olkin measure of sampling adequacy

value was .93, and Bartlett's Test of Sphericity was significant ($p < .001$), that allowed factor analysis to proceed. The findings supported the 2 factor solution, and therefore this solution was selected for further analysis. Out of 17 items from the original scale, 6 items were removed due to low loading and cross loading, leaving 11 items. 7 items loaded in the 1st factor (Behavioral) and 4 items the 2nd factor (Affective).

Confirmatory Factor Analysis

Confirmatory factor analysis with maximum likelihood estimation procedure was employed to assess measurement model. This was conducted on a measurement model of the CE-11 scale, as confirmed by the prior step, with two factors being free correlated. In this model, all factor loadings were statistically significant. Although the χ^2 test was significant ($\chi^2(43) = 72.08$, $p = 0.004$), other fit indices produced good fit (GFI=0.919, CIF = 0.96, and RMSEA = 0.067). It was of importance to examine the factorial structure of CE (Model 3) within each sub-dimension. In general, most of the fit statistics for two factors were good (for Behavioral, $\chi^2(14) = 24.431$, GFI=0.953, CFI = 0.978, RMSEA = 0.071; for Affective, $\chi^2(2) = 4.493$, GFI=0.985, CFI = 0.987, RMSEA = 0.091).

Convergent and Discriminant Validity

Cronbach's α for Behavioral and Affective was 0.89 and 0.80, respectively. Construct reliability of Behavioral and Affective was 0.89 and 0.81. AVE for Behavioral and Affective were 0.538 and 0.518, respectively. Discriminant validity is obtained by comparing between the square root of the AVE and correlation coefficients between that construct with others. If the square root of the AVE is greater than the Pearson's correlation coefficients, the evidence of discriminant validity of a construct is confirmed (Fornell & Larcker, 1981). Results illustrated that all constructs had acceptable levels of discriminant validity.

Nomological Validity

As anticipated, both Behavioral and Affective are negatively correlated to Willingness to Buy (Behavioral: $r = -0.483$, $p < 0.001$ and Affective: $r = -0.268$, $p < 0.05$) and Product Judgment (Behavioral: $r = -0.189$, $p < 0.05$ and Affective: $r = -0.162$, $p = 0.099$). All those correlations are significant at $p < 0.05$ except one between Affective and Product Judgment that is marginally significant ($p < 0.1$). Both Behavioral and Affective are positively correlated with General Ethnocentrism (Behavioral: $r = 0.293$, $p < 0.05$ and Affective: $r = 0.17$, $p = 0.095$).

Discussion

The volume of foreign direct investment flowing into Vietnam has been increasing. According to U.S. Department of State, Vietnam has attracted \$10 to \$11 billion of FDI per year over the last five years. This shows that Vietnam has become an important destination for foreign investment, therefore the need for reliable international marketing information has become more obvious. The main objectives of this research are to validate and refine the existing consumer ethnocentrism scale (CETSCALE) and apply it in the context of an emerging market, Vietnam. The results of this study suggest that the new scale consists of two sub-dimensions (Behavioral, and Affective). Based on the original scale of consumer ethnocentrism proposed by Shimp and Sharma (1987), this study has tested its validity and reliability of the construct in Vietnam, and the results show that unlike the results from related existing literature, this study has proposed a new consumer ethnocentrism scale applied uniquely to the Vietnam market. The validity of the new construct has been established through a step-by-step approach, starting with convergent, discriminant, and nomological validity. These two dimensions are related to other constructs: general consumer ethnocentrism, willingness to buy and product judgment as supported by other related literature. The refinement of this scale in the context of an emerging economy such as Vietnam is crucial for marketing scholars who wish to adopt this refined scale for their research in Vietnam or other emerging markets.

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Summary Brief

What Drives Pro-Environmental Purchasing Behavior of Consumers? Extending the Theory of Planned Behavior with Personal Norms

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This study aims to examine the value of personal norms in addition to the theory of planned behavior variables (i.e., attitude towards behavior, subjective norm, perceived behavioral control, and behavioral intention) in explaining consumers' pro-environmental purchasing behavior. The hypotheses and model were formulated and tested with Structural Equation Modeling (SEM) using the data from 281 individuals. Model fit statistics indicate a good fit of empirical data and model structure for pro-environmental purchasing behavior. The findings suggest that while personal and subjective norms, attitudes towards behavior, and intention explain consumers' pro-environmental purchasing behavior, perceived behavioral control does not have any power in explaining behavior related intention. Implications for marketing managers have been discussed.

Introduction

Recently, the growing number of buyers with an inclination towards purchasing goods and services that are environmentally friendly has become increasingly significant in the market place. Although this inclination may seem promising, it often does not translate into actual sustainable consumer behavior (WBCSD 2008). Consumers who make no behavioral changes to prevent further exasperation of environmental problems still exist. On the other hand, increasing green consumption habits can help overcome environmental deterioration to some extent; thus, understanding these actions becomes important for managers and marketing professionals. Although a growing number of studies on green purchase behavior of consumers have emerged in recent years (e.g., Hahnel, Gözl, and Spada 2014; Leary et al. 2014), the underlying causes of these types of behaviors have not been understood exactly.

The ultimate goal of this study is to further understand the factors that influence consumers' pro-environmental purchasing behaviors and provide managerial implications and relevant suggestions for marketing strategies. More particularly, this study aims to examine the value of personal norms in addition to the theory of planned behavior variables in explaining consumers' pro-environmental purchasing behaviors. For this purpose, a model was constructed and the relationships of individuals' behavioral attitudes, subjective norms, perceived behavioral control (PBC), personal norms, and intention with pro-environmental purchasing behaviors were examined. The study was based on a primary data obtained from individuals who participate in the U.S.-based TerraCycle recycling company's special recycling programs. The study develops and tests hypotheses by running causal models linking predictor variables to pro-environmental purchasing behavior outcomes.

Extending the Theory of Planned Behavior with Personal Norms

Many studies on consumer purchase behavior of environmentally sensitive goods and services adopt aspects of the theory of planned behavior (TPB) (Ajzen 1991). Three factors determine behavioral intentions in TPB: (1) attitudes toward the behavior, (2) subjective norms, and (3) PBC. Additionally, some other studies in the environmental behavior literature contend that personal norms are also successful in predicting various factors of different environmental behaviors (Thøgersen 2002). Personal norms make the individuals feel a moral obligation to behave in a certain eco-friendly way and help them develop a willingness to act accordingly (Jansson, Marell, and Nordlund 2010). The personal norms construct is defined as individuals' internal expectations of how they should act based on their inner values. These types of norms can influence actual behavior when they are activated (see Schwartz 1977, for a more extensive explanation of the norm-activation theory). In this study, each one of the aforementioned constructs was defined in detail with supporting literature and measured with more than three items.

Research Method

A survey was used to collect data and verify the research framework guiding the hypotheses. The participants were recruited from the active members of the TerraCycle recycling company account database. A link to the survey was placed in the company’s newsletter for two months. Members could participate anonymously in the study by following the link. Out of 296 responses, the questionnaires from 15 respondents were not used because of missing values or incomplete data, thus leaving a total of 281 completed responses used for the study. Structured Equation Modeling (SEM) was used on the collected data to test the model and formulated hypotheses.

Results

Based on confirmatory factor analysis, SEM was conducted to determine the fit between the theoretical structure and the data. The structural model achieved a good level of fit: $\chi^2 = 223.51$; $p = .00$; $df = 140$; $\chi^2 / df = 1.60$; $GFI = .92$; $TLI = .98$, $CFI = .98$; $RMSEA = .046$. All relationships proposed by the model were significant except for the path from PBC to intention to purchase green products (Figure 1). The squared multiple correlations for the structural equations were 0.79 and 0.77 for behavioral intention and pro-environmental purchasing behavior, respectively. Thus, a substantial proportion of the variance in each of these constructs is explained.

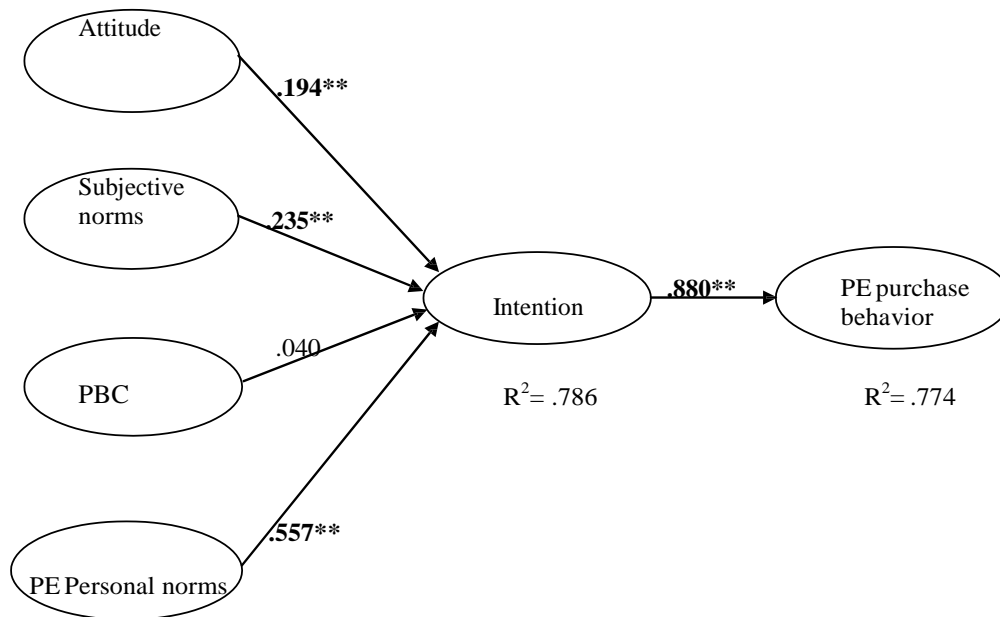


Figure 1: The Structural Equation Model with Standardized Beta Values

Notes: ** denotes paths significant at $p < 0.01$; PE: Pro-environmental.

Discussion and Implications

The findings suggest that personal and subjective norms, attitudes towards behavior, and behavioral intention can explain consumers’ pro-environmental purchasing behavior well. Comparing all the predicting variables, personal norms seemed to be the most influential factor in explaining behavioral intention. While the literature suggests a strong positive relationship between consumer PBC and behavioral intention, this study’s results did not show a significant relationship between these two variables. One explanation of this could be that in today’s market conditions, accessing these types of eco-friendly products by consumers is not as difficult due to the increased availability of those products and a growing green market (Dagher and Itani 2012). Thus, the accessibility of an eco-sensitive product may not influence purchasing behavior as much as in the past.

Based on the study results, it is clear that pro-environmental purchasing behavior change could be possible with various social and sustainability marketing strategies that focus on communicating different aspects of purchasing decisions. According to the results, practitioners can focus on promoting consumers’ intentions to purchase eco-friendly options by activating their personal and subjective norms, as well as strengthening their attitudes regarding the pro-environmental purchasing behavior. The results imply that especially activating personal norms to act eco-friendly can be more crucial in promoting these types of behaviors than influencing PBC.

In order to activate individuals' personal norms, marketing professionals can focus on communicating detrimental consequences of certain purchasing behaviors. This way, consumers would be aware of the direct consequences of their actions, which would help them make decisions based on their increased perception of self-responsibility and activated personal norms (moral obligations to act pro-environmentally).

Although using a group of pro-environmentally predisposed individuals as study participants may help satisfy Schwartz's (1977) suggested precondition of activated personal norms - so that these norms can guide the behavior in question - it is also essential to recognize the potential issues and concerns related to the generalizability of the results. Thus, future studies could use a more representative sample of the general population, which could provide more insights on the functioning of examined variables in the eco-sensitive behavior domain.

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Summary Brief

Implicit Theories and Their Effect on Goal Pursuit Strategies

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The authors explore the interplay between consumers' implicit conception about the nature of ability (implicit self-theories) and the number of available attainment means toward attaining a goal to determine the inclinations towards recommending the goal pursuit program to others. Through an experiment, the authors find that incremental (entity) theorists are more likely to recommend the single (multiple) mean strategy to others. The findings offer insights into goal pursuit, word of mouth, and consumers' health and fitness attainment.

Introduction

Prior research shows that self-regulation can be improved when goal strivers adopt strategies that are more appealing and motivating to them (e.g. Huang and Zhang 2013). In this research we focus on fitness goals and study the difference in appeal of strategies that use single (e.g. only running) versus multiple means (e.g. running, cycling, swimming, etc.). While one might expect goal motivation to increase where multiple means to reach a goal are available, research has shown that this is not always the case. Particularly, Huang and Zhang (2013) have found that while in the initial stages of goal pursuit, multiple means are more attractive, in the later stages, using a single mean becomes more appealing. In this research, we explore the impact of differences in individuals' implicit theories, on their strategic inclinations towards recommending single or multiple means to others.

Research in implicit self-theories shows that people have an inherent conception about the nature of ability (Dweck and Leggett 1988). People with incremental theory orientation believe that personal traits such as intelligence are malleable and increasable, whereas people with entity theory orientation believe that these traits are fixed and uncontrollable. We argue that incremental theorists show a higher inclination towards recommending the use of a single mean, while entity theorists are more inclined towards recommending multiple means. Our expectation is based on several findings from literature. First, prior research suggests that while entity theorists are focused on demonstrating higher ability and greater performance (Leondari and Gialamas 2002), incremental theorists are focused on learning and mastering a skill during their goal pursuits (Maurer, Mitchell, and Barbeite 2002). This leads to incremental theorists showing a higher preference for mastery-oriented strategies than entity theorists (Burnette et al. 2013). As using a single mean provides greater opportunity for mastery and learning, while using multiple means can be perceived to result in higher demonstration of ability and performance, we expect incremental theorists to prefer a single mean over multiple means. Second, Huang and Zhang (2013) have found that goal strivers prefer using multiple means during the initial stages of goal pursuit when they are concerned about whether they will be able to attain the goal. However, in the later stages of goal pursuit as confidence is established that one can attain the goal, focus shifts to the actual process of attaining the goal. In this stage, a single mean which makes implementation more straightforward is more appealing. Relatedly, past research suggests that entity theorists are more outcome-focused in their goal pursuit and have lower confidence while incremental theorists are more process-oriented in their goals and have higher confidence (Mathur, Jain, and Maheswaran 2012). These arguments support our predictions that incremental theorists will be more inclined towards a single mean while entity theorists will be more inclined towards multiple means. To summarize, we hypothesize that:

H1: Incremental (entity) theorists are more likely to recommend a single (multiple) mean to others in their self-regulation goal pursuit.

Experiment 1

Eighty undergraduate students from a large northeastern U.S university were a part of a 2 (implicit theories: entity vs. incremental theorists) X 2 (number of means: single vs. multiple) between subject design. Implicit theory was manipulated by first asking participants to read an excerpt from a fictitious speech from the American Psychological Association's conference regarding the malleability or fixedness of people's personalities (Mathur, Jain, and Maheswaran 2012). They then answered questions about the speech, summarized it, and filled out the implicit theory

measure of personality scale (Plaks et al. 2001). Participants then read a scenario where they were recommended to use either a single mean or multiple means to reach their fitness goal (Huang and Zhang 2013). We then measured word-of-mouth and collected measures of their level of excitement and mood to serve as control variables.

A 2 (implicit theories) X 2 (number of means) factorial analysis of variance with “word-of-mouth” as the dependent variable, and level of excitement and mood as control variables, resulted in a marginally significant interaction ($F(1, 76) = 3.36, p = .07$) and no main effects. Participants with entity theory orientation were more likely to spread positive word of mouth when they were recommended multiple rather than single exercises (means) to reach their fitness goal ($M_{multiple}=4.14$ vs. $M_{single}=3.45$). Conversely, participants with incremental theory orientation were more likely to spread positive word of mouth when they were recommended single rather than multiple exercises ($M_{multiple}=3.15$ vs. $M_{single}=3.73$). Therefore, our findings support our hypothesis.

Discussion

Our research extends prior work on strategic orientations by investigating the effect of implicit conceptions about the nature of ability on the likelihood to recommend different strategies to others. Our findings also contribute to research highlighting the psychosocial factors associated with a consumer’s decision to engage in positive WOM about products (Cheema and Kaikati 2010). Based on our current discussion, incremental theorists (vs. entity theorists) promote certain exercise programs over others because they focus on different aspects of goal pursuit.

Investigating the factors that help increase consumer fitness level is of great interest to marketers, policy makers, and consumers. Our research highlights the importance of means and consumers’ implicit self-theories as a trigger to increase positive WOM of different fitness programs.

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Summary Brief

The Relationship Between Nostalgia and Ethnocentrism: A Case In China Among Post-Eighties Consumers

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The use of nostalgia in marketing in modern times is apparent in many product categories such as remade movies, retro toys, nostalgia themed clothing and restaurants just to name a few. Interestingly, much consumer research surrounding nostalgia has been done from a western perspective. Summarily, this paper intends to examine nostalgia's effect on Chinese consumers born in China between 1980 to 1989. Further, this paper intends to investigate the relationship among nostalgia, nationalism and ethnocentrism as these emotional factors may serve as useful segmentation bases for selecting target markets and formulating effective marketing strategies.

Introduction

China has a culture steeped in tradition. However in recent times, on the surface, it appears that the country and its residents have begun abandoning its own culture in favor of all that is western. While younger Chinese people continue to embrace newer traditions, older Chinese people could be nostalgic, longing for more traditional times, products and brands. Much consumer research surrounding nostalgia has been done from a western perspective in terms of examining its impact on consumer preference. Therefore this paper intends to examine the extent to which Chinese consumers born between 1980 to 1989 are affected by nostalgia. Further, this paper intends to investigate the relationship among nostalgia, nationalism and ethnocentrism as these emotional factors may serve as useful segmentation bases for selecting target markets and formulating effective marketing strategies in regards to consumers' response to both foreign and domestic products.

Concept of Nostalgia

The word nostalgia is derived from the Greek: nostos (to return home) and algia (a painful condition) and the concept of nostalgia was conceived by Hofer (1688/1934) to describe the extreme emotional condition experienced by members of the Swiss military who were sent far away from home. In modern times, nostalgia was conceived as a yearning for the past (Davis 1979) who argued that nostalgia is an effective resource for dealing with 'discontinuity' (a disruption from normality). He found that nostalgia can also be induced by collective discontinuity (e.g. war, civil unrest, natural disasters) which is experienced by groups such as societies and/or cultures.

The Post-80s-Generation

The "post-80s-generation" is those born and raised in the 1980s. As the nation's first generation of law-enforced only children, the post-eighties are predisposed to loneliness and pressure. This generation has grown up along with China's dramatic transition from a planned economy to a market-based economy. In their 30s, the post-eighties are facing economic and social pressures while they are striving to build their careers and families. The power of nostalgic emotion is found to be surprisingly strong among this group (Chen 2011).

Consumer Nostalgia

Holbrook and Schindler (2003) define nostalgia as a preference towards objects that were more common in their earlier days. In recent years, collective discontinuity, in the form of financial crisis, disasters (e.g., earthquakes and aviation accidents) has raised Chinese consumers' sense of insecurity. Moreover, insecurity arising from increased living pressures and alienating interpersonal relationships has become important reasons for the generation of Chinese post-eighties to yearn for the past. By seeking comfort through former familiar products, the nostalgic consumers will find a way to enhance security and a sense of order (Rindfleisch, Burroughs, and Wong 2009).

Consumer Ethnocentrism

Consumer ethnocentrism is termed to represent the beliefs held by consumers about the appropriateness and morality of buying foreign products (Shimp and Sharma 1987). The more ethnocentric the consumer is, the more likely he/she will evaluate foreign products negatively and domestic products positively (Netemeyer, Durvasula and Lichtenstein 1991). Researchers call for more empirical work to be carried out to uncover the determinants and moderators of ethnocentrism in different contexts and countries (e.g., Balabanis et al. 2001).

Nationalism

Nationalism encompasses beliefs in one's own country is superiority and dominance and it is usually associated with a biased deprecation of other nations (Balabanis et al. 2001). A nationalistic consumer holds a strong identification and attachment with his country and is proud of his country's histories and heritage. Also, previous literature refers to consumer nationalism as "consumers' intense, emotion-laden, generalized preference for domestic products and prejudice against foreign products" (Javalgi et al. 2013, p.205)

Hypotheses

Drawn from previous literature the following hypotheses were developed:

H1: Consumer Nationalism and Consumer Ethnocentrism is positively related. As the level of consumer nationalism increases so does consumer ethnocentrism.

H2: Consumer Nostalgia and Consumer Ethnocentrism is positively related. As the level of consumer nostalgia increases so does consumer ethnocentrism.

H3: Nationalism moderates the relationship between consumer nostalgia and consumer ethnocentrism.

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Summary Brief

Brand Authenticity and Breaking Negative News Online: An Examination of Pensacon’s “Bad Day”

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When a company announces bad news via social media, consumer responses can run the gamut from anger to disappointment to supportive understanding. In this paper, we examine a negative Facebook announcement from Pensacon – a conference for fans of science fiction and similar genres – to which the consumer responses were remarkably positive. The hypothesis developed here, in this early-stage research, is that perceived authenticity of the Pensacon brand reduced the negative impact of the announcement.

Introduction

The concept of authenticity shows up in many academic disciplines. For example, the political philosopher Berman (1970) stressed a “persistent and intense concern with being oneself.” This can apply to politicians as well as managers of commercial brands where the perception of being oneself is important. In general brand strategy, specific brand traits are used or developed to support authenticity (van Gelder 2004). A related brand concept is reputation (van Gelder 2004). However, Bruhn et al. (2012) point out that while scholars have made numerous associations between authenticity and other concepts, such as reputation, there is no consensus on a precise relationship.

Attempts to establish brand authenticity depend on product attributes that consumers consider real and not overly-commercialized (Beverland 2005). Beverland emphasizes the importance of two-way interaction between customers and brands– such as the need for brands to outwardly conform to the norms of subcultures – while researching consumer responses to marketing messages. This applies to social media as the platforms provide an appropriate and convenient way to conduct this research.

More recently, Bruhn et al (2012) have modeled brand authenticity as having four drivers: continuity, originality, reliability and naturalness. Richardson (2010) notes, “follow a politician on Twitter and you’ll get a boring litany of carefully prepared statements and bland talking points” – the opposite of authenticity. The “carefully-crafted” approach will likely be perceived as trying too hard and thus, easily violates originality and naturalness. One can argue the same would be true for a commercial brand; brand messages perceived as overly crafted should generally fail to convey authenticity.

Social Media Responses to Pensacon’s “Bad Day” Announcement

Pensacon is an annual fan convention (or “con”) held in Pensacola, Florida. Events of this type are organized as conventions for fans of comics, film and television for genres that include Sci-fi, Fantasy, Horror, Anime, etc. Pensacon was created in 2014 and the two annual events held so far (2014 and 2015) have been viewed as very successful.

On January 15 of 2015, however, just 45 days before opening day of Pensacon, organizers made a significant announcement on Facebook regarding the upcoming event: the top three celebrity guests for the event were backing out. The organizers wrote:

“You ever have a bad day? We’re having one of those. Bad day.

We received word, all in the same day, that three of our guests have all accepted new job offers, which makes us very happy for them, but also brings bad news for us.

“Peter Davison, Marina Sirtis and Natalia Tena are going to be unable to attend this year.

Yes, we are as bummed as you are, but unfortunately, this is what can happen when you are dealing with actor’s schedules, which we have no control over. We are definitely going to have them back when their schedules allow.

But you know us and we know you – we're not going to let this stop Pensacon. We're already looking for other awesome guests we can bring in for this year.

In fact, we aren't so much losing a Doctor, as we are gaining a regeneration. That guest announcement is coming soon! Stay tuned!

So, yes, it's been a bad day and we're very sorry, but let's look forward to better tomorrow."

One way to interpret this announcement is as a shock to product quality – very negative news. Mr. Davison (Doctor Who), Ms. Sirtis (a main character in Star Trek: Next Generation) and Ms. Tena (character in the Harry Potter movie series) were all prominently featured in Pensacon 2015 advertisements. Their absence would mean a diminished offering – and perhaps a lower quality experience for a number of ticket holders.

The generally positive nature of the posted reactions for this announcement led to the development of the working hypothesis that customers will view negative product-quality announcements differently if they view the brand (and the announcement itself) as authentic. We believe the post conveyed authenticity and the portion that claimed “We’re already looking for other awesome guests...” was significant in this regard. In fact, within a short time, Pensacon announced the booking of Colin Baker (who followed Peter Davison in the Doctor Who series) later on the afternoon of January 15 and, ultimately, they rebooked Marina Sirtis for the event.

Several iterations of sorting and analyses of the responses by four coders revealed the following eight types: Suggestion, Refund, Exclamation, Angry, Disappointed, Share with a Friend, Understanding/Support and Humorous. Each response received eight scores (values for “suggestion” through “humorous”) which could range from 0 to 4.

Suggestions were the strongest response, followed by disappointment and understanding. Only two responses were deemed angry. In total, it can be argued these responses were highly supportive for a business that just announced a significant decline in (or shock to) product quality – very negative news.

Other interesting findings emerged. For example, for the three responses that were viewed as humorous, there was also some measure of disappointment. For example, one response read, “I was planning on giving 20 years of unsent love letters to Marina Sirtis. OH WELL. Maybe next time.” This user also attached two emojis to express sadness and happiness.

Next Steps

To continue with this research, we plan to develop a multi-dimensional survey of authenticity for brand Pensacon. We are also in the process of developing and testing further hypotheses that follow from the results of the small study described herein and the planned survey.

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Summary Brief

Diagnostic Information and Consumer Confidence in Multi-item Sales Promotions

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Consumer choice confidence plays a key role in consumer response to purchase opportunities. This research augments ongoing efforts to better understand how marketplace factors affect choice confidence by examining the interplay of two contextual factors on this important psychological state. Two studies reveal that the influence of diagnostic product information on choice confidence is moderated by an element of sales promotion format, namely the extent to which the consumer is free to select the products to be included in the sales promotion.

Introduction

A growing body of research focuses on determining the drivers of consumer choice confidence, or the extent to which a consumer perceives his or her choice decision to be correct (Heitmann, Lehmann, and Herrmann 2007). This is not surprising, given that choice confidence exerts a strong and persistent influence on consumer response to purchase situations. See Greenleaf and Lehmann (1995), Heitmann, Lehmann, and Herrmann (2007), Laroche, Kim, and Zhou (1996) and Thomas and Menon (2007) for examples.

Literature states that diagnostic information helps consumers to distinguish between choice alternatives and (Griffin and Tversky 1992) and arrive at a more confident choice decision (Andrews 2013). However, characteristics of the choice context itself can alter the influence of information on confidence by changing the way consumers perceive the choice task (Tsai and McGill 2011). Sales promotions can alter consumer perceptions of a choice task by changing consumer beliefs, feelings, and evaluations associated with a purchase opportunity (Raghubir, Inman, and Grande 2004). This suggests that sales promotions may moderate the influence of diagnostic information on choice confidence. The purpose of this research is to evaluate the influence of diagnostic product information on choice confidence in the presence of different forms of sales promotions.

This research makes a theoretical contribution by helping to refine understanding of the drivers of consumer choice confidence. Potential mediators of the information diagnosticity effect are evaluated. Additionally, a practical contribution is made in that the influence of a key driver of consumer choice confidence (i.e., diagnostic product information) is examined under market conditions that are often encountered by a consumer, i.e., different forms of sales promotion.

Experimental Investigations

The present research opens this inquiry by examining the influence of information diagnosticity as a function of different forms of a buy-one-get-one-50% off (BOGO50) multi-item sales promotion (MIP). A multi-item sales promotion is a promotional activity in which more than one product is advanced with the goal of stimulating consumer purchasing behavior (Foubert and Gijbrecchts 2010). Because BOGO sales promotions can feature immediate benefit (buy-one-get-one on this shopping trip) or delayed benefit (buy-one-get-one on your next shopping trip), Experiment 2 also considered the influence of incentive timing.

Design

Two experiments were conducted to evaluate the hypotheses. In Experiment 1, one hundred ten undergraduate business students in the U.S. participated in an online study. Experiment 1 employed a 2 (Information Diagnosticity: high vs. low) X 2 (MIP format: free-selection vs. fixed-selection), 4-cell, between-subjects design. In Experiment 2, two hundred ninety-seven adults living in the United States were recruited via the Mechanical Turk system to participate in an online study. Experiment 2 employed a 2 (Information Diagnosticity: high vs. low) X 2 (MIP format: free-selection vs. fixed-selection) x 2 (incentive timing: immediate vs. delayed), 8-cell, between-subjects design. The mediating potential of information perceptions and affective response was evaluated.

Summary of Key Findings

Findings from the two experimental studies demonstrate that the influence of diagnostic information on consumer choice confidence is weaker when consumers are allowed to decide which products to include in the sales promotion than when the promoted products are fixed by the marketer. These findings are consistent with the proposition that restrictions promote systematic information processing (Bahn and Boyd 2014). When consumer selection is restricted (as opposed to unrestricted), the need to justify the decision to partake in the promotion may increase the value of diagnostic product information that highlights the “best” choice alternative. These findings stand to inform sales promotion strategy for product categories in which a single, superior brand or product alternative is present versus absent. Additionally, the influence of diagnostic product information was shown to be partially mediated by perception of the adequacy of the product information for the choice task. This further serves to augment research on the process by which consumers become confident in their choice decisions.

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Summary Brief

Product Shadows in Ad-Imagery and Brand Perceptions

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Advertising research has looked at the effects of imagery on attitudes, affect, emotional appeal, purchase intentions and choice behaviors. However, the downstream effects of a product's shadow in the visual ad-frame on brand perceptions have yet to be explored. This research attempts to systematically test the impact of the presence or absence of a product's shadow in an ad-frame, on its brand evaluation as well as its consumer perceived brand image. It employs an Implicit Association Test (IAT), and two experimentally designed studies to present evidence for the proposed relationships. The findings suggest contexts under which marketers can capitalize on visual elements such as product shadows to foster a consistent brand image in the minds of consumers.

Introduction

Consistent with Apple's design-centric brand strategy, its adverts present the products with their cast shadows in the ad-frame. On the other hand, Android, Apple's competitor in many product categories, generally presents its products without any shadows in the ad-frames. Brand image or the consumer perceptions about a brand as communicated by the firm chosen brand concept (functional, symbolic or experiential), can be fostered through visual imagery in advertising (Keller, Apéria, and Georgson 2008). Where a functional brand is designed to solve consumer problems, an experiential brand is intended to stimulate sensory pleasure (Park, Jaworski and MacInnis 1986). Given the importance of this superordinate brand concept from a strategic perspective, this research proposes that the presence of a product's cast shadow in ad-imagery would facilitate an experiential brand concept-image relationship through the consistency of gestalts and ease of visual processing. In contrast, it would hurt a functional brand by acting as optical noise in the ad-frame thereby, reducing the processing ease for such a brand concept.

Hypotheses

Psychophysics literature suggests that cast shadows evoke the coarse, global features of the observed gestalt (Mamassian, Knill, and Kersten 1998; Mamassian 2004). According to the Construal Level Theory (CLT), an abstract gestalt relates to holistic, higher-level and desirable aspects of a visual, and a concrete gestalt considers the detailed, lower-level and feasible features (Liberman and Trope 1998). Therefore, a cast shadow's presence maps to a higher order representation or an abstract gestalt as per CLT. Vision research also documents that shadows diminish the vividness of the object in the same gestalt by acting as optical noise. Rensink and Cavanagh (2004) show that shadows create visual slowdown, and impede the lower level feature search and recognition. In other words, presence of shadows may hurt a more detailed-oriented, concrete gestalt. Hence, it is proposed that product visuals with cast shadows are associated with an abstract construal, while product images without them are associated with a concrete construal. However, the information provided by cast shadows is perceptually weak and prone to intuitive discounting (Mamassian 2004). Therefore, it is quite possible that the associated construal invoking occurs without the observer's explicit awareness. In order to evaluate such implicit associations, the first hypothesis is proposed using an Implicit Association Task (IAT), designed to test the strength of automatic associations between product shadows and the corresponding construals (Greenwald, Nosek and Banaji 2003).

H1: The mean differential effect size based on the difference between the response latencies of correctly classifying product and gestalt images towards incompatible target-attribute pairs (concrete- shadow/abstract-no shadow) and compatible target-attribute pairs (concrete-no shadow/abstract-shadow) will be positive.

An experiential brand that seeks sensory gratification based on a product's desirable aspects such as looks and aesthetics should be evaluated more positively in an abstract processing mode. Moreover, processing fluency model suggests that advertising exposures that enhance perceptual fluency lead to more favorable brand attitudes (Lee and Labroo 2004). Therefore, presence of shadow in an experiential brand's ad-frame could not only help focus on the desirable, abstract product aspects; but also elevate the processing fluency, in turn leading to higher evaluation, and image perceptions. In contrast, a functional brand that intends to draw focus to such feasible details,

should be evaluated better in a concrete construal. Since shadows hurt such construals, a functional brand's image and evaluations are proposed to decline in the presence of product shadows. These effects could in turn depend on an individual's Style of Processing (SOP) i.e. whether the individual is primarily a visualizer or a verbalizer (Childers, Houston and Heckler 1985).

H2: Brand evaluation and image perceptions for an experiential brand will be higher in the presence (absence) of the product's cast shadow in the ad-frame, and lower for the same product advertised using a functional brand concept.

H3: The effect of product shadow on brand evaluations and image perceptions will be mediated by the construals evoked by shadow's presence (absence), and the processing fluency between the shadow's presence (absence) and the respective brand concept (higher for an experiential brand in the shadow's presence, and vice versa for a functional brand).

H4: The proposed effects will be higher for visualizers than for the verbalizers, given the visual context.

Method and Findings

In study 1, a 2 (initial target concept presentation order: concrete on left and abstract on right, abstract on left and concrete on right) x 2 (pairing order: incompatible before compatible, compatible before incompatible) between subjects design was used to control for any order based learning effects (N = 144). Participants responded to the standard IAT protocol performing a quick target (abstract/concrete)-concept (shadow/no-shadow) categorization of gestalt and product images by following the standard IAT protocol (Greenwald, Nosek and Banaji 2003). Study 2 employed a 2 (shadow/no-shadow) x 2 (experiential/functional brand) between-subject design with the individual SOP measured, and a mini stapler as the product stimuli (N = 268). An internal timer captured the time spent evaluating the ad, followed by measures on brand evaluation, image perceptions, processing fluency and SOP. Study 3 was a single factor (shadow/no-shadow) between-subject design using a portable music speaker as the stimuli, measured SOP and the same response measures as study 2 (N = 133). It was conducted as a follow-up due to stimuli limitations of study 2 (stapler being possibly inherently functional as a product category). All the studies were executed by employing respondents from a large U.S based online recruiting platform.

As predicted, the mean effect size in study 1 was positive ($D = 0.13$), corresponding to a small effect size ($d = 0.1$ to 0.2) under Cohen's criteria (Cohen 1992). Hence, hypothesis 1 was supported. Analysis from study 2 revealed significant interaction between shadow's presence (absence) and the individual SOP for brand evaluations and image perceptions ($p < 0.05$). Post hoc analysis showed that for the functional brand, claims were easier to process in the no-shadow compared to the shadow condition ($M_{diff} = 0.44$, $p = 0.04$). Specifically, in the no-shadow condition, a unit increase in the visualizer style of processing elevated the brand evaluation by 1.24 ($\beta = 1.24$, $p = 0.04$), and the brand image by 0.97 ($\beta = 0.97$, $p = 0.01$). Additionally, participants in the 'no-shadow/functional condition' spent significantly lower time viewing the ad (evidencing quicker processing), than those in the 'shadow/functional' condition ($M_{diff} = -14.23$, $p = 0.03$). There were significant indirect effects of the product shadow on brand evaluation and image perceptions through the ease of processing of the brand claims for brand evaluation (95% CI, [-0.423, -0.037]) and brand image (95% CI, [-0.209, -0.016]). However, the proposed effects under experiential brand could not be supported. Therefore hypotheses 2, 3 and 4 were partially supported based on findings from study 2.

In study 3, analysis on ease of processing brand claims revealed greater ease in the shadow condition than the no-shadow condition ($M_{diff} = 0.52$, $p = 0.03$). In addition, participants in the shadow condition spent lower time viewing the ad than those in the no-shadow condition ($M_{diff} = -6.76$, $p = 0.07$). Mediation testing showed a significant indirect effect through the ease of processing on brand image perceptions (95% CI, [0.002, 0.170]). More importantly, the effects in this case were positive as opposed to the effects under the functional brand. Hence, hypotheses 2 and 3 gained further support using findings from study 3.

Discussion

This research combined implicit and explicit methods to demonstrate evidence for the proposed relationships. Presence of shadows in ad-frames seems congruent with abstract construals, and their absence with concrete construals. The researcher finds evidence for enhanced processing fluency, evaluation and image appeal for an experiential brand presented with product shadow, and vice versa for a functional brand. The effects seem to be pronounced for visualizers especially under a functional brand concept. Findings from the current studies can help marketers decide a strategic addition or omission of product shadows from the ad-images, to maintain communication consistencies of their brand concepts.

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Summary Brief

How Does Online Observational Learning Influence Consumers' Purchase Decisions?

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As various types of online information become easily available, it is common that those different types of information are inconsistent. Even though inconsistency in information obtained online is commonly encountered by consumers when making purchase decisions, little research has been done to examine the effects of different online information and, especially, the interaction effect of this information on consumers' decision-making process. Our research examined two main types of information: online WOM and online observational learning, and their interactive effect on consumers' decision-making process. The results show that perceived product quality is directly influenced by online WOM (i.e. consumers' reviews) (H1), but not directly influenced by OL (i.e. cumulative purchase by previous customers) (H2). However, even though OL does not have a direct impact on consumers' evaluations of product quality, it can influence consumers' final purchase intention (H3) by affecting their confidence in their decision-making (H4).

Introduction

Customers are now more knowledgeable than ever when they make purchase decisions because information from multiple online resources is easy to obtain. For example, Walmart.com provides several types of information when people browse products, including both customers' reviews (online word of mouth, WOM) and the percentage of customers who choose a product after browsing the webpage (online observational learning, OL). As various types of online information become easily available, those different types of information are commonly inconsistent. Even though such inconsistent online information is commonly encountered by consumers when making purchase decisions, little research has been done to examine the effects of different online information and especially the interaction effect of this information on consumers' decision-making process.

Without considering the interaction effects of information obtained from different sources, previous research has reached conflicting conclusions concerning the effect of online information. For example, even within the same product category the findings are mixed. Liu (2006) found that WOM information offered significant explanatory power for both aggregate and weekly box office revenue, while Duan, Gu, and Whinston (2008) argued that the ratings of online user reviews has no significant impact on box office revenues.

One possible explanation for these conflicting research findings is ignorance of the interaction effect from another source of online information. Therefore, to increase our understanding of consumers' decision-making processes with information from multiple online resources, this study examines how different types of online information (WOM and OL) interact with each other and how they can influence consumers' decision-making.

Literature Review and Hypotheses

WOM is a well-established construct in the marketing literature, and refers to the dissemination of information (e.g. opinions and recommendations) via communication among individuals. WOM valence has an impact on product sales by changing consumer evaluations of the products. Thus, based on previous research, we propose the following:

H1: WOM is positively associated with perceived product quality.

Observational learning is a concept that comes from social learning studies in psychology. The percentage of cumulative purchase is one type of observational learning online (Chen, Wang, and Xie 2011). It is usually presented as "the percentage of customers who chose this model after browsing the webpage" on most online retailers' websites. Because the percentage of cumulative purchase does not reveal the reasons behind previous customers' actions, consumers cannot directly use it to evaluate quality. Therefore, we propose the following:

H2: Online observational learning is not directly associated with product perceived quality.

However, Bikhchandani, Hirshleifer, and Welch (1998) suggested that people like to follow their predecessors' actions and engage in a type of "herd behavior." In other words, following the actions of the majority can increase consumers' confidence in their own decisions. Thus, we propose the following:

H3: Online observational learning is positively associated with consumers' purchase intentions.

H4: The effect of online observational learning on consumers' purchase intentions is mediated by consumers' confidence in their purchase decisions.

Study 1

Sample. Study 1 used a 2 (positive WOM vs. negative WOM) x 2 (positive OL vs. negative OL) between-subjects design. A total of 121 participants, who were enrolled on Amazon Mturk (52% female; Mage=30.53), were randomly assigned to one of four experimental conditions. Each respondent was shown a webpage that depicted a digital camera with an online review rating (WOM) and the percentage of cumulative purchase among the choices made by all previous informed consumers (OL).

Stimuli. In our experiment, four and a half stars out of five were used to represent positive WOM and two stars out of five to represent negative WOM. For OL, we used 75 percent (10 percent) of cumulative purchase by previous customers to present positive (negative) observational learning information.

Measures. To understand the process of consumers' decision-making, the perception of product quality, purchase intentions, and consumers' confidence in their decision-making were collected.

Results

One-way ANOVA results revealed a significant main effect of WOM on perceived product quality ($F_{1,115} = 33.75, p < .001$), which means that H1 is supported. As expected, respondents in the condition of both positive WOM and positive OL (MQuality=6.49) rated the product quality highest among the four conditions, while respondents in the conditions of both negative WOM and negative OL (MQuality=4.62) rated the product quality lowest. This finding suggests that the valences of WOM and OL were manipulated successfully in our study. In addition, the main effect of OL on perceived product quality is not significant ($F_{1,115} = .816, p > .10$). Therefore, H2 is also supported. The results also show that both WOM ($F_{1,115} = 26.09, p < .001$) and OL ($F_{1,115} = 4.31, p < .05$) can significantly influence consumers' purchase intentions (H3 is supported).

We used Hayes' (2013) PROCESS Model 4 with 1,000 bootstrap samples and a 95% bias-corrected confidence interval (CI) to examine the significance of the indirect effect of OL on consumers' purchase intentions through consumers' confidence in their decision-making. The results revealed that the CI surrounding the positive IE did not contain zero (CI [.0383, .7006], $p < 0.05$), which suggests that consumers' confidence indeed served as a mediator (Hayes 2013) and offers full support for H4.

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Summary Brief

Effect of Consumer Product Involvement on Store Choice

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This study investigates how consumer product involvement can explain consumer store format choice. Results show that several antecedents of product involvement have significant impacts on store quality image, which in turn can predict a consumer's preference for a particular channel format (online vs offline). This study also showed that perceived symbolic value of a product is positively related to service quality image, and perceived hedonic value of the product is positively related to product quality image of a store. Further, results show that service quality is positively related to consumer's choice of offline store over online store.

Introduction

With \$5.1 trillion sales in 2013 and employing 15.2 million employee (Plunkett Research, 2014), US retail industry is one of the largest contributors to US economy. Although online store and offline (physical) store sell similar products, there are still many questions unanswered regarding what factors drive a customer's store choice. With the quest for understanding store format choice, we wanted to examine whether a consumer's involvement with a product plays a significant role in influencing how a consumer value a store's quality image and ultimately choose a store (online vs offline) for buying a product. Although consumer involvement has been one of significant determinants of consumer decision-making, extant literature on store choice has not investigated the impacts of consumer product involvement on retail format choice. Thus, we posit that a consumer's involvement perspective can significantly contribute to understanding the factors affecting store image and ultimately store choice.

Background Literature

Although knowing the image of the store and the necessary attributes forming the image is of immense importance to managers (Bearden 1977), researchers have long delved into intriguing and unsettled issues such as what types of psychological factors drive store choice (Dash, Schiffman, and Berenson 1976) and what kind of personal values are associated with store preference? (Erdem, Oumlil, and Tuncalp 1999). In order to address store choice from a different perspective, we investigated whether product involvement of a consumer can explain store format choice via store image.

Level of involvement of a consumer can provide insights into understanding the consumer decision-making process (Laurent and Kapferer 1985). Involvement can be defined as "an internal state variable that indicates the amount of arousal, interest, or drive evoked by a particular stimulus or situation" Mitchell (1979). From a broader perspective, involvement can be classified into enduring involvement and situational involvement (Richins and Bloch 1986). So, it appears that product involvement can lead to purchase involvement, which in turn has impact on consumer decision-making. For example, a consumer with high involvement may employ more time in choosing between stores (Lockshin, Spawton, and Macintosh 1997). On the other hand, a consumer with low involvement may search for few alternatives (Clarke and Belk, 1979). However, it is uncertain how consumer involvement impacts consumers store choice. Therefore, we conceptualize that consumer product involvement would impact store quality image, which in turn has impact on store format choice.

In order to see the mechanism of involvement in consumer decision-making, we have selected the five antecedents of involvement drawn from Laurent and Kapferer (1985). This study expands the extant literature on retailing because there has been no study – to the best of the author's knowledge – that tried to see how a consumer's product involvement can explain why people select one store format over the other (Online vs Offline).

Method and Results

The data were collected from student respondents from a university located in southwest part of United States as well as from Amazon Mechanical Turk (Mturk). We received a total of 779 (student = 521, Mturk=258) completed and usable responses from both of the sampling frame. A comparison of mean of responses for both of the sample frames did not vary, so we pooled the data set for final analysis. Both exploratory factor analysis (EFA) and

confirmatory factor analysis (CFA) were conducted to develop the measurement model. We found acceptable fit with the data as indicated by the global fit indices – chi-square/df=3.247, RMSEA=0.054, NFI=0.935, CFI=0.954, RMR(SRMR)=0.159(.0964), GFI=0.88. Path analysis shows that perceived interest and symbolic value have positive impact on product involvement. Moreover, impact of symbolic value on product involvement is partially supported. Contrary to our expectation, risk importance and risk probability do not have any influence on product involvement. As expected, product involvement has positive impact on both product quality and service quality image. Using binary Logit model(-2LL=834.95; Nagelkerke R-Square=.049, Chi-square=2.35 with Sig=.968), we tested the product quality and service quality, which are two indicators of store image, as the predictor variables and store format choice (online vs offline) as response (binary) variable. The Logit model provided 76.6% classification accuracy. As expected, service quality has a positive impact on the store choice. However, product quality is not a significant predictor of store choice. A split sample analysis – 66.66% analysis sample and 33.33 holdout sample – of the Logit model provided similar results, thus further validating the results of the choice model.

Implications

This study suggests that retailers selling products that its target market considers to be high involvement would be better off providing better service quality. Because service quality image is found to predict that people would choose offline store, online store should be more concerned about addressing the service quality concerns. Moreover, the study suggests that seller's marketing activities that enhance the interest and pleasure value of a product would likely induce product involvement, which could drive choice.

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Summary Brief

Effects of Product Return Policy on Store Image and Store Patronage Behavior: A Qualitative Study

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The researcher investigates the impact of product return policy on consumer store patronage behavior. Drawing from extant literature suggesting that return policy has the potential to change a consumer's pre-purchase and post-purchase behavior, the author shows the interacting effects among return policy related factors, consumer perceptions, store image, and store patronage.

Introduction

For years retailers are perplexed with a dilemma – what should be the optimal product return policy that would not only ensure customer service but also reduce the rate of return from consumers who resort to opportunistic behavior. However, since the magnitude of product return is directly related to a consumer's decision process and choice, understanding the issue from a consumer's perspective is expected to shed more light on effective and efficient return management strategies. Despite such an importance of consumer side research, product return behavior has been a relatively uncharted territory by researchers (Peterson and Kumar 2009; Wood 2001). This paper posits that this area still needs further qualitative investigation to get an in-depth understanding (eg. Belk 1989) about the relation between a consumer's perceptions about return policy and their impact on store image and store patronage.

Theoretical Framework

Having a return policy is very important for a seller because the opportunity to return product gives a consumer the signal that the seller is ready to back its promise in case the product fails to perform. Similarly, by return policy a seller gives a customer the option to try the product, and if the customer does not like the product, he/she can return the product at a varying level of flexibility. Thus, return policy acts as tool for reducing purchase risk of a consumer. Extant literature suggests that costs associated with product return can inhibit low quality sellers from offering generous return policy, and thus many of them may not be able to send fake signals about quality (Wood 2001). Therefore, such quality signals can reduce the perceived risk associated with a purchase (Davis, Gerstner, and Hagerty 1995). Similarly, Bonifield, Cole, and Schultz (2010) posits that a high quality firm would offer lenient return policy because they can recover the cost of return by increased revenue whereas a low quality firm will be reluctant to use lenient return policy for fear that it would not be able to recoup the cost like its high quality counterparts.

Method

In-depth interview was used as a data collection method to get information from the key informants. The interviews were audio recorded and then transcribed using professional human transcribers. The data analysis employed an iterative process to have a sound interpretation of the interview text. In order to avoid any possible bias in interpretation, the researcher conducted a member check by providing a copy of the interview transcript to the informants and by identifying discrepancies between the interpretation of the researcher and the intention of the informants. Moreover, the themes and the interpretations were audited by experienced researchers to check the validity and reliability of the results (Hirschman 1986).

Results and Discussion

This study reveals several major themes pertaining to the interactions of return policy with different perceptions, store image, and patronage behavior of a consumer. Some of them are discussed below. Price has been found as a very significant factor that interacts with the return policy. Depending upon whether or not the purchase is a significant one, the propensity of a consumer to be cautious about the return policy also varies.

"When I know I'm going in to make a big purchase, I'll check their return policy. Every time. Most of the time when I'm going in there and I'm like a videogame, a phone accessory, a movie, a CD, something like that; I'm not going to question the return policy because it's such a small amount. But if I'm going in there for a computer, a TV, something that's a high dollar value, I'll definitely check the policy just to make sure that I have a safety net."(Anna)

The results show that consumers believe that online return policies are heterogeneous and thus returning a product can be of great hassle.

"If I am going to purchase online, yes I generally try to check out what the return policy is because I felt like that is a little bit more hassle when returning something online. Generally, in experiences I have with online purchases, you may get free shipping when you purchase the product but when you are returning the product, a lot of the time you pay for the return shipping. That kind of steers me away from online purchases."(Cathey)

Return policy, along with other factors such as price of the product, location of the store, service quality of the store, can have a joint effects on consumers' store image and store patronage.

"I know that they have a good amount of selection as far as cell phones go. And you know, kind of top priority is getting one for a good price obviously and then also I'm just having choices. You know they have a lot of different options and so it allowed to play around with different features. And see different cellphones and still feel like I'm making a good decision." (Rebecca)

Implications

Because lenient policy is likely to induce a customer to have positive attitude toward the store and purchase intention, this outcome can potentially lead to positive relation between the retailer and consumer (Petersen and Kumar 2009). Therefore, retailers should not consider lenient return policy to be an evil rather they should treat return policy as a strategic weapon to defeat competitors.

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Distinguished Teacher Comment

Engaging Students Where They Are

Shane Hunt, Arkansas State University, USA

Teaching Philosophy

My teaching philosophy is shaped greatly by my experiences, both personally and professionally. I spent many years in sales and marketing for large companies before receiving my Ph.D., and I try and provide my students with an environment where theory meets practice and where they can receive the best possible combination of basic knowledge, marketing research, and practical experience. My basic teaching philosophy is helping students fully understand the possibilities and challenges that their future in marketing can hold, and then using everything in my power to prepare them to meet those challenges and maximize the possibilities. Most students who are in my marketing classes are first generation college students spread across a variety of majors, and generally don't understand what a marketing manager or professional salesperson is. I begin every semester by illustrating how all of the stakeholders in a business, employees, shareholders, communities, families of employees, etc. are all relying on the marketing and sales organization to be successful. Without marketing and sales success, organizations have little need for financial analysts, IT, human resources, accounting or any other core business function. I hope that this makes the impression on students who go into marketing, finance, accounting or any other area of a company that everyone needs to be committed to helping make profitable sales as their business future is fundamentally tied to this cause.

Engaging Students Where They Are

I believe we often spend too much time talking about what our students can't do or what we wish they would do. Several years ago I made a conscious choice to use every tool at my disposal to engage students where they are in their educational journey. I saw an increasing number of students immersed in technology and sharing a real passion for making their community better. For the past several years, I have used technology and digital tools like Connect to help flip my classroom and allow for better discussion in my Principles of Marketing classes. All of my students now do exercises on the pricing process or sales force compensation strategies in the two days before they come to my class. These assignments have improved the classroom experience while also keeping students engaged in marketing on the five days a week we do not meet.

I have increased the number of experiential projects every year that my students engage in. Today, my students not only learn the basics of marketing or sales, but they are also forced to actively market for real businesses and non-profits in our community. In my Professional Selling class, we partnered with a professional sports team to actually sell tickets for a less popular regular season game. The students, many of whom are sports fans, get to see real life marketing as the organization gives us flexibility in the price we can sell the tickets and special promotions we can offer prospective buyers. My students are also expected to make sales forecasts in the weeks leading up to the game and then I lock them in where they cannot buy significantly more or less than was projected to help them understand how inventories are impacted by sales forecasting. Finally, all of the profits we make go to a charitable cause that is decided upon by the students. For the past four years, our profits have been donated to the Kans 4 Kids program which provides food for children in our community who would go hungry otherwise over weekends and school holidays. Since we started this project, over 70 children in our community have received food for an entire year because of our student's efforts.

I love being a marketing teacher and I hope when students leave my class, they appreciate the basic idea that we cannot succeed in marketing or as a global society, if we just work half-way, give half-way, care half-way, that we must be people, especially our current college generation, who works hard, genuinely cares about others, understands the power of good marketing, and acts in a way that makes our organizations and society better than they found it.

Distinguished Teacher Comment

Engaging Students, Executives, and Companies in Marketing and Sales Education: A Personal Journey on Three Continents

Joël Le Bon, University of Houston, USA

Teaching Philosophy

Pleased so much by the flow of lecturing,
Revealing the beauty of thinking, and reasoning, Offering the knowledge, enlightening the concepts,
Fencing skepticism, and overcome the bequests,
Empowering the mind by drawing new sights,
Stimulating questions, and the light in their eyes, Sensing the practice with resonating theories,
Inferring from debates valuable synthesis, Orchestrating the process of thinking tangibly,
Nurturing the value of team work harmony.

Promoting the doing to enhance the learning,
Rewarding the efforts, making them outstanding, Opening the classroom, perfecting foundations,
Facilitating learning with responsible obligations,
Extracting the very best of their inspired ambitions,
Strengthening their skills with enjoyable lessons, Searching far beyond the class graduation, Owing so much to the students behind this door,
Recognizing the chance to be a Professor.

Joël Le Bon

Teaching as a Personal Journey

The first time I had to write my teaching philosophy, it came to me as a poem. I like poems, they are like little treasures you can carry with you. As such, they also resonate with who you are and what you believe in. I'm a professor, and that is my profession. I was born in Mauritius, a small island in the Indian Ocean, received my education in France, and began my career as a Strategic Account Manager for Xerox France. I quickly started to teach while working for Xerox, and instantly loved it. The day after I was promoted International Account Manager, I tendered my resignation from Xerox and entered a doctoral program to become a marketing professor. That was my calling! The global experience

I wanted to live was in serving students, executives, and companies as a professor. Teaching business in a globalized economy is a journey I wanted to have in different parts of the world. Indeed, teaching in different countries is a great way to understand business practices and education from different perspective. I also view business education as an opportunity to innovate to better engage students, executives, and companies. In fact, education is also about helping people see the world differently, so they can change for the better. However, teaching and innovating in business education in different parts of the world is a challenging journey. It forced the professor in me to challenge the student in me.

I was fortunate to live my calling on three different continents and to initiate some innovations which received great responses in the classroom and from the business community in Europe (France), Asia (Singapore), and United States (Houston).

Learning through Teaching Innovations

The first innovation happened in France and Singapore while I was a marketing faculty at ESSEC Business School, a leading European business school which also has a campus in Asia. This initiative pertains to a mandatory quantitative marketing class I created for all the business school's students (i.e., about 550 students per year), so they all receive exposure to analytical marketing methodologies. The second innovation occurred in United States as a

marketing faculty at the University of Houston Bauer College of Business. This initiative concerns a real life selling class for the Sales Excellence Institute Program for Excellence in Selling's students (i.e., 150 students per year) to whom I teach how to become luckier at selling, so they are not afraid about selling. The third innovation also happened at University of Houston Bauer College of Business, where as the Director of Executive Education for the Sales Excellence Institute and with the help of my colleagues, I initiated a Sales Leadership Certification program (i.e., 3 sessions per year) to help sales executives change their organizations, and receive higher returns on their executive education investment.

I believe in education as a journey to become 'a better you'. As a professor, such a journey also happens with the invaluable aid of the students and their legitimate expectations. Thanks to them, I'm still learning!

Distinguished Teacher Comment

My Teaching Mentors: The Fortune 500

D. Joel Whalen, DePaul University, USA

Introduction

Marketing faculty frequently collaborate with corporations. We use their data for research, conduct cooperative class projects, and at times attain consulting income. This Teaching Comment explores another corporate resource: teaching innovations.

Refreshing Pedagogical Tool

Capabilities

The Coca-Cola Company's brilliant executive, Pamela Stroko, showed me how to operationalize goals and change via: Capabilities: The specific knowledge, skills and attitudes employees need to perform their work.

Applying Capabilities

When creating DePaul's Honors Marketing Program, my colleagues and I used a matrix of capabilities (Rows) and classes (Columns) to decide what would be taught and when. Using one big table we were able to see the entire curriculum and individual classes. Then we'd zoom down to examine individual learning objectives. DePaul's Center For Sales Leadership built our unique classes using capabilities from 3M, Kellogg's and Target Corporation. We selected those capabilities necessary to succeed in one's first 2-3 years in sales.

From Factory to Classroom

I created a pedagogical design method from Total Quality Assurance (TQA). The American Society for Quality Control (ASQC) taught me to reverse engineer a process, reducing it to separate, lineally integrated steps. Then, materials are inspected before they are introduced into the manufacturing process. Next, quality is measured at each step. The idea is to remove error before material passes to next processing stage. Transferring this method to the classroom yields high levels of student learning.

1. Students are qualified (university admission standards & prerequisite classes).
2. Class learning outcomes are determined.
3. Class deliverables ordered into hierarchical steps.
4. Learning interventions and student deliverables are designed for each step, e.g., papers, projects.
5. Evaluation is conducted at each step.

Creative Strategy Document drives Advertising Class

The TQA method is illustrated by an advertising class (Figure 1). The end of class deliverable is an advertising tool taught me by Ogilvy & Mather and J. Walter Thompson Advertising:

The Creative Strategy Document

This brilliant planning and control document became the structure of two successful classes: advertising and integrated marketing communication.

Just-in-Time Learning

Just-in-Time learning is an adaptation of a TQA technique shown me by Miller Brewing Company and Proctor & Gamble: Just-in-Time Manufacturing (Figure 1). The idea is to deliver materials to the assembly line just when they are needed, not a minute before. When one teaches Just-in-Time students are first given the assignment which activates their need to learn. Then, they ready to learn what they need to know, believe and do to successful complete the assignment.

Individual Class Components Created with Companies

Storytelling

Kraft Foods' Pamela Stroko, Allscripts' Dan Michelson and the Construction Management Association of America's Bruce D'Agostino.

Sleep's social, psychological and learning affects

The Gap, Inc.'s Pamela Stroko and Cornell's Jim Maas.

Summary

Corporations enrich marketing professors lives. We can gain research data, class projects, consulting assignments, and most delightfully, teaching innovations.

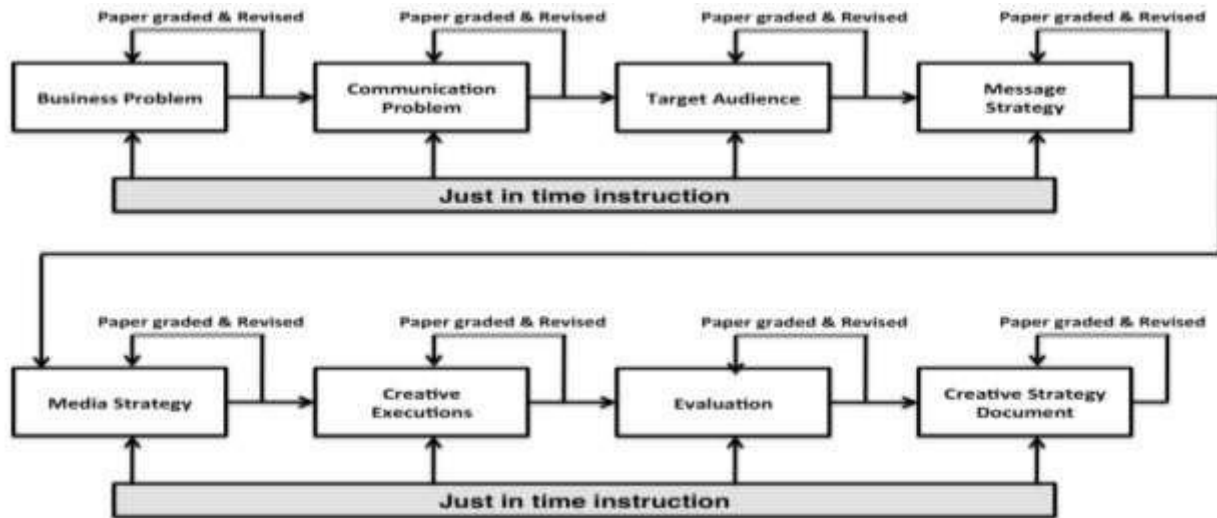


Figure 1: Total Quality Assurance Advertising Class Design with Just-in-Time Learning

Summary Brief

Texting and Driving: Perfecting the Message to Address the Public Health Concern

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Distracted driving, specifically texting and driving, in the United States, has become a public health problem. To combat this circumstance, non-profit organizations, corporations and the federal government have all stepped in to reverse the negative outcomes associated with this public health concern. This study identifies key components of attitude formation that are affected by differing ad message content via the effects of opposing victim and sponsorship contexts. Results from two studies reveal that behavioral change can be impacted with the utilization of dual sponsorship and self-victim contexts. Practical and theoretical implications as well as avenues for research extension are included.

Introduction

According to the U.S. Census, there are more than 200 million licensed drivers in the United States. At any moment in the United States, approximately 660,000 drivers are using their cell phones or manipulating their electronic devices while driving their vehicles (Pickrell and Ye 2013). Distracted driving is defined as the act of driving while engaged in other activities, like texting and talking on one's mobile phones, which divert the driver's attention away from the act of driving.

Public service announcements and corporate cause advertisements are a major element in social marketing campaigns, where corporations, non-profit organizations and government agencies have sought to use marketing to promote positive behaviors among certain groups in a population (Andreassen 1994). The purpose of this article is to understand the use of sources in a social marketing context and assess their effect on ad message perceptions. In this article, we first present Study 1 (exploratory content analysis) which serves as the basis for Study 2. We then present findings for Study 2 (experiment), including the methodology, results, and a brief discussion. Last, we offer implications for advertising and public policy.

Study 1

Following the methodology outlined by Kassirjian (1977), Study 1 seeks to describe the themes and messages featured in current advertising campaigns aimed at decreasing texting and driving behaviors. Investigators conducted online searches for terms such as "text and drive ads," "Don't text and drive," and "distracted driving ad" to identify a set of print, online and outdoor advertisements that addressed texting and driving and the general use of visual features of smartphones while driving. Results indicate that the most salient and consistent ad message formats revolve around the nature of the sponsor and the type of victim that is incorporated in the text and/or graphic within an ad. Thus, additional assessment of these formats as they relate to cognitive, affective and conative consumer responses is warranted.

Study 2

Based on the exploratory content analysis undertaken in Study 1, it is of interest to determine the effect utilization of different sponsors and victim contexts play in influencing the components of attitude. Study 2 addresses this issue by investigating the nature of commonly assessed attitudinal components (ad attitude, intent to change texting behavior, credibility and perceived social responsibility of the sponsor, and their relationship to the ad sponsorship and victim context messaging. Given, the following hypotheses are posited:

H1: Attitude toward the ad is expected to be heightened when dual sponsorship and self-victim contexts are utilized.

H2: Intent to change texting behavior is expected to be heightened when dual sponsorship and self-victim contexts are utilized.

H3: Credibility of the sponsor(s) is expected to be heightened when dual sponsorship and self-victim contexts are utilized.

H4: Perceived social responsibility of the sponsor(s) is expected to be heightened when dual sponsorship and self-victim contexts are utilized.

Methodology

The purpose of Study 2 was to assess the role of the sponsor (corporate, government agency or both) and the victim context (self vs. other) within an advertisement. The first step was the creation of six different print ads, each representing the manipulations (role of the sponsor and victim context). The advertisements from Study 1 were assessed as possible options for the experimental study. Advertisements were analyzed for content and design layout. An AT&T ad was chosen to be reproduced with an automobile company (Volkswagen), which was highly represented in the Study 1 sample, and a government agency (National Highway Traffic Safety Administration) which also was known for its texting and driving advertisements.

Six ads in total were created representing each of the manipulated experimental effects with three ads representing each sponsor manipulation and two for each victim context, resulting in a 3x2 full factorial experimental design. An online survey was created via Qualtrics and distributed to a convenience sample of respondents who were part of a national consumer panel. The instrument utilized randomized assignment of subjects to each of the experimental treatments. Upon completion of the questionnaire, respondents were paid a monetary incentive for their participation.

Results and Implications

Analysis supported the two experiential manipulations as well as the psychometric properties of all multi-item measures. Hypothesis testing required the creation of a 3 x 2, between subjects, full-factorial experimental design model via MANOVA. Hypothesis 1 is supported and marginal support was shown for Hypotheses 2 and 3. Results indicate that health concerned non-profits are urged to use the combined/self-victim format, yet in cases where government sponsorship is not forthcoming, it would appear that selection of a perceived socially responsible sponsor is necessary; in this case, corporate sponsors appear to be more credible than government agencies.

From a theoretical perspective, while the combined sponsor/self-victim message format appears to be salient in increasing perceptions of the ad, source credibility and perceived social responsibility, this format did not prove significant in evoking actual behavioral change. This would seem to contradict the premises of the theory of planned behavior as attitude did not appear to play a major role in precipitating behavior change. Perhaps insights gleaned from additional theoretical perspectives (i.e attribution theory, elaboration likelihood etc.), may provide greater guidance into understanding what stimuli will result in heightened behavioral change.

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Summary Brief

Towards a Typology of Consumption Philanthropy: Understanding the Implications for Consumers and Business Strategy

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The popularity of integrating philanthropy in companies and participating in philanthropy efforts continues to grow as voices from all edges of society call for companies to evolve from purely profit generating institutions. The increased efforts to integrate philanthropy in for-profit has blurred the line between the once clear division between for-profit and non-profit organizations. The efforts in industry have therefore led scholars to examine how stakeholders react and evaluate to such endeavors. A brief analysis of the literature shows an absence of understanding how consumers internalized various philanthropy strategies companies utilize. Another finding is that some key philanthropy strategies are not examined with any frequency. Therefore the purpose of this study is survey the existing multidisciplinary research related to giving behavior (charity, altruism, philanthropy, etc.) in the context of consumption to develop a typology of philanthropy from the business strategic perspective and the consumer perspective.

Introduction

Established economic and managerial theory supports the idea that the only goal of for-profit organizations must be to maximize shareholder wealth (e.g., Friedman 1962). On the other hand, the traditional goal of non-profit organizations was to create social wealth by developing strategies aimed at eradicating problematic social issues. This once wide divide between two business cultures is slowly blurring as more for-profit organizations conduct regular business activities that incorporate philanthropic activities. This integration of profitable and charitable business strategies are a drastic shift away from Friedman's (1970) position that profit-oriented businesses are only obligated to enrich their shareholders and leaving charitable giving acts to the discretion of individual shareholders.

For-profit organizations recognize that implementing said activities with a strategic focus could lead to increases in company financials and brand image (Luo and Bhattacharya 2006). Practitioners have also found corroborating evidence of the influence philanthropy has on consumers. For example, Cone Communications (2002) found that 81 percent of consumers were willing to switch to brands that were associated with charitable causes if price and quality were held equal. The trend has been sustained with more recent studies of consumer behavior showing that consumers both report (e.g., Cone Communications 2013) and act on (e.g., Elfenbein and McManus 2010) intentions to pay more for brands that are linked to charitable causes. Moreover, there are a considerable proportion of consumers who are willing to pay more for brands that are linked to charitable causes (Cone Communications 2013). Thus, it is necessary to understand how consumers choose among their options to engage in consumption philanthropy.

Conceptual Development

A brief analysis of scholarly studies on philanthropy indicated that an important strategy for corporate philanthropy, namely consumption philanthropy, is under researched in the academic and practitioner literature. Consumption philanthropy is the term adopted to describe a consumer product, either tangible or service based, where a portion of the purchase price is perceived by the consumer to directly aid a charitable cause (Nickel and Eikenberry 2009). The accumulated attention and strategic importance of philanthropic efforts and the infrequent devotion to certain philanthropic strategies offer an opportunity to create a typology of philanthropy strategies.

From a strategic business perspective, although all stakeholder groups are important to the success of the company, there was a tendency to examine consumers over other stakeholders (Peloza and Shang 2010). This movement was partly due to the agreement that consumers are the driving CSR practices (Kotler 2011). However, the consumer perspective, from the outset, appears to be more challenging. For instance, prior research in neuroscience has found that the region of the brain that is responsible for reacting to consumption and pleasure

cannot function simultaneously with the region of the brain responsible for altruism (Brafman and Brafman 2008). Interestingly, the context of consumption philanthropy has seemingly married the notions of consumption and altruism. Yet, if prior research outside of business studies asserts that human brains cannot be in a consuming and altruistic mindset simultaneously, are consumers acting as philanthropists or consumers when engaging in consumption philanthropy? This question requires understanding of how consumers self-categorize consumption philanthropy activities.

Proposed Methodology

The proposed typology surveys the existing multidisciplinary research related to giving behavior (charity, altruism, philanthropy, etc.) in the context of consumption to categorize the findings to this question. The typology in this preliminary research has its conceptual basis in scholarly articles from 1991-2014. It assesses the frequency of philanthropic studies generally, the degree of socially responsible activities (i.e. a focus on one philanthropic activity versus multiple activities), and finally the methodologies of prior research.

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Summary Brief

Collecting Data from Students: Which Approach Is Better, Online or In-Class Surveys?

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Over the last fifteen years, higher education has adopted internet technologies for collecting information from students. In the early 2000s, web-based surveys were met with skepticism by faculty. At that time, internet surveys were thought to have a much lower response rate and lower validity than paper surveys administered in class. Our research compares student responses on a survey that was conducted online and a paper survey distributed in class measuring student creativity. The response rate for both surveys was over 75% as both students received extra credit for completing the survey. However, there was greater engagement with the online survey than the in-class survey. The results of this study provide support for the use of internet surveys for collection of data from college students.

Introduction

Most of the marketing education literature involves research with populations of students. Much of the recent marketing education literature utilizes surveys collected in-class or outside class in paper form or on the internet. There are many advantages to internet surveys for collecting data from students such as no loss (or minimal loss) of class time and easier tabulation (Bennett and Nair 2010). Another factor that is conducive to internet surveys is the availability of software by subscription that makes the development of internet surveys simple.

Theoretical Development

The primary concern expressed in earlier studies about online surveys in educational institutions is the validity of the information collected online because it was assumed that internet surveys had a lower response rate than paper surveys collected in class. When traditional end of quarter/semester teaching evaluations began to be administered on the web, professors expressed concerns about low response rates and the representativeness of the sample of students who completed evaluations online. Dommeyer, et al (2002) found that faculty preferred in-class teaching evaluations because they believed that the response rate is higher than online evaluations. Other studies completed in the 2000s also noted concerns about low response for any type of online survey (Lefever and Matthiasdottir 2007, Porter and Whitcomb 2005). However, even in the early 2000s, some research studies showed that there was no difference in response rates for online vs. paper surveys if proper research methodology and incentives were used (Carini, et al 2003). Later research has shown greater student engagement with online technologies such as online discussion forums (Baglioni and Nastanski 2007) as well as open ended questions to surveys (Bennett and Nair 2010).

Our research therefore addresses the following research question related to students' creative output on an open ended question: Is there a difference in the quality of the answers provided to an open ended question when a survey is handed in class in paper form, or when students are invited to click on a link and answer an online survey?

Methodology

Sample and Data Collection

This study was conducted at two different AACSB accredited business schools in the West Coast of the United States during the 2013-14 and 2014-15 academic years. A total of 333 students enrolled in marketing classes participated in the original study which included an open ended question asking students to develop a new chocolate bar concept. Our sample consists of 285 students who completed the original survey online and 48 students (14.41% of the sample) who were asked to complete a paper questionnaire administered in class.

Data Analysis and Results

The quality of students' contribution to the open ended question was measured by the extent of "innovativeness" in their answers to the following question, "Let us now think about using creativity to come up with new chocolate bar ideas. Chocolate can be dark or milk chocolate and it can have a variety of fillings such as nuts, caramel, peanut butter, other cream fillings, and cookie or wafer parts. If you were to design an original new chocolate bar, what would it be like? Please provide a description of a new type of chocolate bar." An answer was considered "simple adaptation," if the students used 24 or fewer words (24 words were the median number of words generated) and mostly used information that was given in the question. An answer was coded as "elaborate adaptation" if it used 25 or more words to describe a chocolate bar using information that was provided in the question itself. A student's answer was coded as "simple innovation" if it used 24 or fewer words to describe a novel type of chocolate bar, a concept that could not be deduced from the information used in the question. "Elaborated innovation" was an innovative answer that was elaborated using more than 24 words. All creative outputs were coded by two people: one of the authors of this study and a graduate research assistant. Differences between the two codes were reconciled by one of the authors.

A cross-tabulation between the mode of data collection (paper vs. internet survey) found some differences between the two groups in terms of the type of creative output, but those differences were not statistically significant. About three quarters (75.6%) of students who completed the survey online gave adaptive responses utilizing the information given in the question (type of chocolate and fillings). Similarly 74.4% who completed the survey in paper form gave adaptive responses. Thus, the mode of administration of the survey influenced the amount of elaboration (number of words), but did not influence the level of innovativeness of students' responses.

Discussion

The quality of the answers given by students in terms of innovation (level of creativity demonstrated in their chocolate bar concepts) did not significantly differ between online and paper surveys. Students who were creative developed innovative chocolate bar concepts, while other students were content in combining the types of chocolate and fillings that were provided in the text of the open ended question.

In summary, we conclude that using online surveys represents a better alternative for collecting information from students than paper surveys. Students type longer answers when completing internet surveys and appear to demonstrate the same level of creativity in both methods of data collection. In addition, online surveys have the added advantages of being completed outside of class, of requiring students to complete all survey questions in order to receive extra credit, and allow for easier tabulation of data that can be downloaded in Excel or SPSS.

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Summary Brief

Personal and Social Motivations for Consumer Participation in Collaborative Consumption

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Collaborative consumption (CC) involves individuals or organizations coordinating the exchange of monetary or other compensation for the use of underutilized products or services. The overall objective of this study is to identify salient motivational drivers (i.e., personal and social factors) which are likely to influence consumers' behavioral intentions regarding participation in CC exchange activities. Consequently, a conceptual research model grounded in Social Exchange Theory (SET) is proposed. Next, this research evaluates the moderating effect of personality characteristics, namely conscientiousness and imagination. Research methods and results, which have implications for consumer behavior and services marketing research, are then addressed.

Introduction

The continual expansion of the collaborative consumption (CC) marketplace, which is estimated to reach \$335 billion in revenue over the next ten years and includes such notable startups as Airbnb and Uber (Owyang 2015), has significant implications for the future of service delivery. CC involves permitting temporary access or transferring permanent ownership for some form of compensation or reciprocal exchange. Specifically, CC allows for the redistribution of underused assets from those who own them to those consumers who require them, and for the creation of new markets by 'renting' products and services to customers who otherwise could not afford them, or who would not buy them for other reasons (e.g., space constraints, environmental concerns, or limited utility; Belk 2014). This has come about due to a number of factors including technological innovations (i.e., the internet and mobile platforms), shifting consumer demographics, new social values, consumer cost consciousness, and a weakened economic environment. In spite of the growth of CC, academic research remains limited. Thus, we focus on three research questions: (1) What are the underlying personal and social drivers for consumer involvement in CC activities? (2) How does Social Exchange Theory apply in the context of CC? and (3) Might the relationship between the drivers of and participation in CC be influenced by the personality characteristics of consumers?

Conceptual Development

As mutually beneficial exchange is at the heart of CC behaviors, this research presents a conceptual research model grounded in Social Exchange Theory (SET). SET helps provide rationale for consumer motivations for partaking in CC as its key tenets revolve around the degree to which individuals' behaviors are a result of self-interest or a sense of interdependence (Emerson 1976). It is believed that there are several individual, or personal, factors which might influence consumers' participation in CC. For the purposes of this study, it is suggested that CC behavioral intentions are greater when an individual has (H1) a greater preference for non-ownership, (H2) a higher level of CC involvement, (H3) lower levels of smart shopper orientation, (H4) greater tendencies towards consumer novelty seeking, (H5) greater optimism towards CC technology, and finally, (H6) a higher level of personal ethics.

Additionally, as consumers' need for social approval has powerful implications for determining consumer behavior, we look at the social influences that drive consumers' participation in CC. Following SET, the sense of interdependence, which arises in these social settings, will reduce risk and increase potential cooperation among parties. Although individuals attempt to maximize 'wins' in an exchange relationship, a sense of reciprocity reduces risk and increases cooperation among exchange partners (Cropanzano and Mitchell 2005). We therefore propose that an individual's (H7) level of intermediary trust and (H8) sense of reciprocity are positively related to his or her likelihood of participating in CC activities. Finally, for this research, the likelihood of consumer participation in CC is proposed to be greater when individuals are (H9) more imaginative and (H10) more conscientious.

Methods and Research Implications

Drawing on existing research scales (anchored 1-strongly disagree to 7-strongly agree), data used to test the research hypotheses were collected using Amazon's Mechanical Turk (Mturk; N=507). First, we submitted items for the in/dependent measures to a confirmatory factor analysis in LISREL 8.51 (Jöreskog and Sörbom, 2001) using maximum likelihood estimation. The initial measurement model fit was poor ($\chi^2 = 9261.22(1733)$, $p = .00$; RMSEA = .09; CFI= .76; NNFI= .75; SRMR = .10). After identifying poorly performing items, while taking into account the substantive impact of each item on the overall construct, the final measurement model resulted in a good fit to the data ($\chi^2 = 821.24(398)$, $p = .00$; RMSEA = .046; CFI= .95; NNFI= .95; SRMR = .04; Hu and Bentler 1999). Following an assessment procedure by Fornell and Larcker (1981), we found acceptable evidence of validity and reliability.

Subsequently we find that the structural model is indicative of a good fit to the data ($\chi^2 = 669.71(322)$, $p = .1$; RMSEA = .046; CFI= .960; NNFI= .953; SRMR = .038). All hypotheses, with the exception of personal ethics → behavioral intentions (H6) are supported. Preference for non-ownership (H1; $\gamma = .16$, $p < .05$), CC involvement (H2; $\gamma = .34$, $p < .05$), consumer novelty seeking (H4; $\gamma = .30$, $p < .05$), optimism regarding CC technology usage (H5; $\gamma = .17$, $p < .05$), intermediary trust (H7; $\gamma = .20$, $p < .05$) and reciprocity (H8; $\gamma = .18$, $p < .05$) were all positively and significantly related to CC behavioral intentions. Additionally, smart shopper orientation (H3; $\gamma = -.23$, $p < .05$) was negatively and significantly related to CC behavioral intentions. Finally, the moderation analysis (Hayes 2013) identified significant negative interaction effects for the effects of reciprocity (consciousness x reciprocity, H10b: $\beta = -.0715$, $p < .05$; imagination x reciprocity, H9: $\beta = -.0897$, $p < .05$) and CC involvement (consciousness x CC involvement, H10a: $\beta = -.0623$, $p < .05$) on CC behavioral intentions.

Our research provides initial insights into important personal and social factors critical to consumer participation in CC. This is further highlighted by calls for services-related research regarding value co-creation and coordination in collaborative contexts as well as the influence of mobile and digital technologies (Ostrom et al. 2015). As some forward thinking organizations have demonstrated, options exist for companies to take advantage of the growing interest in CC. Such companies should emphasize the experiential elements of their offerings. For example, companies may sell access to products/services rather than selling them outright. Researchers are encouraged to elaborate on these findings by analyzing CC across different contexts and buying situations.

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Summary Brief

Why Should I Buy Your Brand? A Systematic Review of the Literature on Brand Value Proposition

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A precise and authentic value proposition is a widely-used brand communication tool that enables buyers and sellers to create a shared understanding of the promise of a brand. Brand value proposition as a variable of interest has received the growing attention from marketing scholars, yet there is still a preponderance of research on how brand value proposition is defined and constructed. There are a number of conceptual articles with varied definitions and little empirical research that connects value proposition with achieving superior value. Moreover, the construct is barely mentioned in some of the most popular marketing textbooks. Because of the research potential of value proposition, there is a need for a more definitive systematic review of the literature thus far.

Introduction

The fundamental domains of marketing strategy include the creation of marketing objectives, the selection of appropriate target market segments, the development of a value proposition that highlights the benefits of an offering to the customer, and the allocation of resources to deliver and communicate the value of offerings to the customer (Slater 1995). Webster (1994, p. 25) defined a value proposition as a “shared understanding needed to form a long-term relationship that meets the goals of both the company and its customers.” Anderson, et al. (2006) categorized value propositions as: all the benefits, favorable points of difference, and a resonating focus. Most recently, the work of Frow and Payne (2011) grounded value proposition within the domain of service-dominant logic to define value proposition as a process that enables the alignment of value within all marketing stakeholder groups.

A systematic review of the marketing literature on brand value proposition is needed to reflect on the current state of research. This method for selecting marketing journal articles is grounded in the methodology of Tranfield, Denyer, and Smart (2003) and provides a platform for how research on the value proposition has developed in the past decades as a concept and has been applied in various empirical contexts. This methodology can identify important gaps in our understanding of this concept and identify agreements in the evolving value proposition marketing literature.

To achieve the objective of deepening the understanding of brand value proposition, the following research questions are proposed:

- (1) How is value proposition defined?
- (2) What theories and concepts are applied in the literature?
- (3) What empirical conclusions have been found?
- (4) What propositions can be offered to advance our knowledge of brand value proposition?

Research Methods

This study applies the systematic review method of Tranfield et al. (2003) whose multi-stage approach results in a comprehensive and reproducible literature review. Stage one is planning the review, stage two is conducting the review, and stage three is reporting and dissemination.

The first stage of the review includes defining the scope of the research to include the concept of value proposition in the marketing literature from the level of analysis of brands and not firms. Research questions were also developed at this stage. Stage two involves the identification of keywords and search terms, the selection of studies, an assessment of study quality, coding and data extraction, and data synthesis. Finally, stage three involves reporting descriptive information on the coding categories, providing an interpretation of emerging themes, and answering the research questions.

Preliminary Results

We conducted a broad search of the marketing literature unrestricted by date starting with the identification of keywords and search terms. The goal of this research is to assess the range of definitional, conceptual, empirical, and theoretical approaches to value proposition.

The search string included the appearance of “value proposition” in either the title, abstract, or keywords for high quality marketing journals (Steward and Lewis 2010). The search strategy was replicated by a research associate. Searches were conducted in several databases including Business Source Premier (EBSCO), ProQuest, Emerald Insight, and Science Direct. Google Scholar was also mined for published articles and full conference papers. A total of 93 articles were found that met our initial search criteria.

The articles were initially coded for year of publication and journal title. The volume of articles from 1996 to 2009 stayed relative stable with an average of two articles published per year. Starting in 2010, the number of articles published per year increased significantly, to a high of 13 articles in 2014, and continued at an average of nearly nine articles published per year. This increased interest may be due to the work on service-dominant logic and more specifically to the modification of a foundational premise (FP7) in which the authors clarify that “the enterprise cannot deliver value, but only offer value propositions” (Vargo and Lusch 2008, p.7).

A more detailed quality assessment of each article was conducted which reduced the number of articles in the dataset to $n = 54$. These articles were coded for year published, journal name, how value proposition is defined, theoretical frameworks, whether the article was conceptual or empirical, and if the latter, what methods were used, dependent, independent, and control variables and their measurement, what context and geography was studied, and findings and contributions of the study. The coding was replicated by two research associates.

Conclusion

This paper seeks to explore the breadth and depth of the literature on brand value proposition. Preliminary findings indicate an abundance of conceptual and qualitative approaches. This research is the first systematic literature review of value proposition in the marketing literature. Both practitioners and scholars understand the importance of the value proposition in the brand value creation process. The contribution of this research is to offer a grounded, parsimonious framework for the concept of value proposition using a rigorous and systematic review method.

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Summary Brief

Service Delivery at the Base of the Pyramid: What Works to Alleviate Poverty?

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Seeing consumers and communities move from poverty to self-sufficiency is a goal of multiple groups of researchers, policy makers, and organizations. Transformative Service Research (TSR) and Base of the Pyramid (BOP) researchers are particularly interested in using their skills to see this happen. This project focuses on the efforts of a mission-based organization in the slums of Nairobi as it seeks to train and empower pastors, leaders, and small business operators in the community to stimulate economic growth and uplift for both individuals and their communities. Ultimately the goal is to answer the question: What works? Understanding "what works" here will both help the organization better focus its efforts and help researchers in TSR and the BOP as they seek to apply these findings in other impoverished and oppressed communities.

Introduction

Service research and service researchers are uniquely poised to help in the continuing battle against consumer constraint, oppression, and poverty throughout the world. Service research has been called to focus on poverty and related issues (Bitner and Brown 2008; Gebauer and Reynosa 2013). In fact a movement is underway and growing, the Transformative Service Research (TSR) movement, that focuses on all service stakeholder well-being. It is pushing for a move away from the almost exclusive focus on the most developed and wealthy economies as we explore the applicability of service theory and attempt to understand service in practice across all service contexts (Anderson et. al., 2012). Within these requests for research and focus on the ills of society, particularly at the Base of the Pyramid, there is a focus on service delivery and service interactions. Understanding what organizations do right is limited; more research is needed to better understand what mechanisms employed see success, what is marginal, and what is working against alleviating poverty and oppression.

During the early and middle part of the last decade there was a "misdirected" but well-meaning push to solve poor consumers' problems, particularly in third-world countries, though corporate interventions focused dually on profit and poverty alleviation (i.e., Prahalad and Hammond 2002). This was misdirected in the overly simplistic perspective that by offering consumers more choices (of primarily "want" products) their overall well-being would improve. Choice is necessary, but of limited use when basic subsistence needs go unmet. Quickly, this movement of profitable poverty alleviation was challenged and continues to be shown difficult to achieve if not counter-effectual (Varman, Skålén, and Belk 2012). Often within these same articles it is suggested that political interventions can and should be the primary intervening factor for poverty alleviation or that consumers should be active economic producers to lift themselves out of poverty (e.g., Varman, Skålén, and Belk 2012). This is limitedly effective in developed countries; in many developing nations these approaches are not feasible due to resource constraints or due to corruption and other macro issues.

This brings us to social entrepreneurship, mission-based organizations, and NGOs. This also illuminates the need to focus on consumers as a probable resource for poverty alleviation. Community action research (Ozanne and Anderson 2010) is an approach that relies on consumers within the community to be active participants in the research program as well as active instigators of the changes needed to help the community. Consumers and communities have resources on which to draw for the uplift of themselves and others within the community. Identifying these resources as well as engaging the community in its improvement are likely the best direct approach to poverty alleviation. Engagement within communities will occur through the one-to-one or one-to-few interactions consumers have with service providers. In services to poor and/or oppressed consumers, it is workers (providers) who take on a powerful role in lifting up consumers, or the opposite, because they are the gatekeepers to needed resources (Rayburn forthcoming). This is a micro approach, but it can be effective none-the-less. Once understanding is developed of what works, organizations can focus on the successful portions of their efforts. Scaling up efforts can come as organization replicate efforts across new contexts. Research is needed that brings together aspects of these approaches; this research fills the void.

Research Program, Context, and Methodology

This research program is part of an ongoing and growing focus on services at the BOP (Gebauer and Reynosa 2013); this portion of the program is a collaborative project between the author and a mission-based community development organization operating in the slums of Nairobi, Kenya. This is the beginning of a string of projects with this organization in Nairobi that aims at reducing the poverty and suffering of those in need.

The organization works as a training and support organization for community pastors, leaders, and small business operators. The goal is to teach and empower leaders in the community to take action and instigate change. The organization seeks to accomplish this goal through leadership training and support, asset and resource mapping, small business support, and missions matching initiatives. All of these efforts are at work in the poorest communities in the city. Unfortunately, they have not identified specifically what is working, what is not, and what may be hurting those served. To overcome this deficiency, data has begun to be collected through written testimonials from community leaders participating in programs and services offered by the organization. Also, the author has begun interviewing members of the organization via Skype for their insights, perspectives, and feelings about the services they provide. Further, preparation is being made for additional data collection with individuals in both the organization and the impoverished communities of Nairobi where the organization works. The organization has a simple question: "What works?" TSR and BOP researchers have a simple question as well: "What works?" The project goal is to answer this question through identification of key mechanisms that positively impacts those served.

The project utilizes ethnographic methods; which includes the author traveling to Kenya to interview and observe within the organization as well and the community. The author will accompany workers in the community to observe and thereby develop a better understanding of the service offering, the service interaction, and the service context. Additionally, individuals in the organization who already act as trainers and developers in the community will be trained to conduct further interviews and observations since it is unlikely the investigator will have the same success in the community due to cultural differences between him and the targeted population. Depth interviews, observation, and content analysis will all be used in data collection and analysis processes. The goal is to understand perceptions and effectiveness of the organization in the community. The qualitative process involves immersion into the daily lived reality of the people, community, organizations, and culture being examined.

Conclusion

Through the qualitative research process, identification of initiatives that work and that don't in the process of community uplift can be identified. The organization can use this information to focus efforts at what is shown effective. The investigator can use this information to inform the TSR and BOP communities about the efforts working in this context with the goal of taking these to other communities. This project contributes to knowledge development at the BOP from a TSR perspective; it will identify mechanisms of uplift for the communities served through this organization. Service practice will benefit from the "how-to" approach taken in this research. Transformative Service Research and Base-of-the-Pyramid Research will benefit from explication of working poverty initiatives. Service Research in general will benefit from understanding of if and how current service understanding applies in the context of not-affluent service consumers. Consumers, particularly the poor, will benefit from discovery of interventions that work. This research is part of the author's broader research program focused on consumers' experiences of constraint and oppression in service systems and how consumers can be liberated from these ill-being inducing experiences. The goal is consumer liberation and empowerment; understanding the opposite is vital to developing service systems that create uplift rather than more oppression for disadvantaged and potentially vulnerable consumers.

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Summary Brief

Social Media Engagement: It's a State of Mind

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In this research, a qualitative study is undertaken to describe the experience of social media engagement, define social media engagement, and identify the characteristics of engaging social media content. Key findings from six focus groups and 22 in-depth interviews with social media users and marketers are used to develop a formal definition of social media engagement.

Introduction

As marketers race to leverage social media, the concept of “social media engagement” has surfaced as a top research priority among academicians and practitioners alike (MSI 2013; Mersey, Malthouse, and Calder 2010). This is a logical prioritization given that social media engagement is thought to be associated with a number of desirable outcomes. However, there is currently no consensus regarding exactly what constitutes this form of engagement. Some describe social media engagement in terms of the size of a brand’s or organization’s fan base (e.g., the number of people following a brand on Twitter) or as behaviors specific to a particular social media platform (e.g., “likes” on Facebook). Others argue engagement is a psychological state of mind that precedes behaviors (e.g., Mersey, Malthouse, and Calder 2010). The marketing literature provides little insight on social media engagement, as it suffers from a lack of agreement in the overarching conceptual domain of engagement as a whole (Dessart, Veloutsou, and Morgan-Thomas 2015). Notably, the focus of much of the research conducted thus far is on engagement with a brand (see Appendix 1) and examinations of engagement within the realm of social media are limited to studies incorporating the medium as part of the context in which customer engagement operates.

The lack of a formal definition of social media engagement makes it difficult to put forth theory concerning relationships between the construct and potential antecedents and consequences. To address this gap in the marketing literature, a qualitative study was conducted with the objective of developing a formal definition of social media engagement based on the answers to three primary research questions: 1) What characteristics describe the experience of social media engagement?, 2) How should social media engagement be defined?, and 3) What characteristics describe engaging social media content?

Method

In line with Strauss and Corbin (1990), a qualitative methodology was chosen to examine the domain of social media engagement, as this area currently lacks a guiding theoretical framework. Six focus groups and 10 in-depth interviews were conducted with social media users who connect with brands, service organizations, and non-profits using social media sites including Facebook, Twitter, Pinterest, Instagram, and LinkedIn. Additionally, 12 in-depth interviews were conducted with marketers who utilize the same social media platforms to promote a brand and/or organization.

Results

An analysis of the data suggests social media engagement is a state of mind that precedes many of the behaviors expressed on social media (e.g., “liking” a brand’s content on Facebook, retweeting a brand’s content on Twitter). Additionally, the object of social media engagement is the content consumed by individuals on social media sites, suggesting it is a distinct construct from consumer engagement with a brand. The data further suggest several drivers of the construct, including brand- and content-related factors. Contributions of this presentation will include the revelation of key findings based on the qualitative data collected, the advancement of a formal definition of social media engagement, and the delineation of the nature and scope of the construct.

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Appendix 1: Overview of Selected Engagement Conceptualizations

Construct	Author(s)	Definition	Behavioral dimension ?	Object of Engagement
Media Engagement	Calder and Malthouse (2008)	"embodies a sense of involvement and of being connected with something...stems from experiencing something like a magazine or TV program in a certain way"	No	Media Brand
Customer Engagement	Brodie et al. (2011)	"a psychological state that occurs by virtue of interactive, cocreative customer experience with a focal agent (e.g., a brand) in focal service relationships"	No	Brand
Online Brand Engagement	Mollen and Wilson (2010)	a customer's "cognitive and affective commitment to an active relationship with the brand as personified by the website or other computer-mediated entities designed to communicate brand value"	No	Brand
Consumer Engagement in Online Brand Communities	Dessart, Veloutsou, and Morgan-Thomas (2015)	"a cognitive, affective, and behavioral commitment to an active relationship with the brand"	Yes	Brand

Summary Brief

You Are How You Tweet: The Intersection of Anthropomorphism, Personality, and Social Media

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Brand use of social media continues to grow, however, understanding how and why consumers become attached to or choose to grow the consumer-brand relationship is a key area for exploration. Brands often choose to anthropomorphize or imbue their product with a specific personality. Congruence between the brand and the consumer's personality shows strong promise for examining this concept. This research looks at how brands anthropomorphizing with specific personality traits via social media can best leverage the medium for improving brand image and consumer-brand relationships. Method, results and implications will be discussed.

Introduction

Since the advent of social media, consumers have seen vast growth in the widespread communication of ideas. No longer are individuals limited to the world directly surrounding them; today, users have the ability to connect instantly with unlimited others worldwide. Beyond basic communication, research has shown users engage in social media use for myriad reasons, including to self-enhance and build status (Kim and Ko 2012). A cornerstone for marketing is the consumer-brand relationship (Fournier 1998). Social media presents an opportunity for customers to humanize brands, but also enhance their customer-brand relationships as social media allows for two-way consumer-brand interaction. People form relationships with products similarly to how they form relationships with individuals (Fournier 1998), so two-way communication, wherein the brand communicates directly to the consumer, allows for further development of that connection, allowing for the co-creation of a brand image, potential products, and an interdependent consumer-brand relationship (Kim and Ko 2012).

Anthropomorphism and Personality

Anthropomorphism is the projection of imagined or real behavior on to nonhuman agents, embodying those agents with humanlike characteristics, motivations, intentions, and emotions (Epley, Waytz, and Cacioppo 2007). Consumers anthropomorphize, for a variety of reasons, including influencing brand partnership (Aggarwal and McGill 2012). Related is the concept of brand personality, the set of human personality characteristics associated with a brand (Aaker 1997). Personality traits allow consumers, again, to associate products to other ideas within their frame of reference. Humanizing a product increases consumers' identification with the brand and assists consumers in making links between the brand and the consumer's self or aspirational image (Belk 1988). Products humanized with certain personalities can help alleviate or satisfy underlying motivational needs, such as sociality or effectance (Chen, Sengupta, and Adaval 2013). Congruence between the personality of the product and the intended consumer can enhance the impact of the advertising message (Hirsch, Kang, and Bodenhausen 2012). When consumers see a brand's personality as aligning with their self-view, they are more likely to view the brand as a co-producer and assimilate their behavior with that of the brand (Aggarwal and McGill 2012), whereas consumers seek to distance or differentiate themselves from brands or personality traits viewed negatively or personally dissimilar from their actual or aspirational self (Kim and Kramer 2015).

Social media is an unavoidable element of integrated marketing communication. As technology becomes more assimilated into everyday life, the opportunity to capitalize on and build brand relationships is more widely available and has the potential to create strong consumer-brand bonds. The internet allows individuals to craft an identity of their choice, connecting with those they select, to develop a selected image. Consumers who view brands as friends have the potential to become long-term allies through relationship development. Social media allows the brand to craft an image imbued similar personality traits to the consumer's self-view, facilitating that relationship. Moreover, it allows brands to continually provide new content in the context of the personality trait, further driving home the idea of the brand as a person similar to the consumer's self-view. It is expected that (H1) individuals in the

(non) anthropomorphized condition will have (lower) higher identification, willingness to pay a premium, and purchase intent for the product, and (H2) individuals rating high in the displayed trait will have higher identification, willingness to pay a premium for the product, and purchase intent, compared to those lower in that trait.

Method

A series of tweets was developed to imbue a specific personality (extraversion or agreeableness) (Hirsch, Kang, and Bodenheiser 2012), and an anthropomorphized (or not) state on two generic products. Extraversion and agreeableness were selected following previous research (Hirsch, Kang, and Bodenheiser 2012). Participants will be a combination of a student and Mechanical Turk sample. Consumers will see product information and view the product's twitter account, in the anthropomorphized (or control) condition. They will compose tweets to and in response to the product. In the anthropomorphized condition, the account will respond in a friendly tone, as if the account were an individual, whereas participants in the control condition will not receive a response. Then, participants will measure their identification with the brand, willingness to pay a premium, and purchase intent. The 'Big Five' personality traits for the consumer will also be measured (DeYoung, Quilty, and Peterson 2007).

Results and future research directions will be discussed. Potential implications of this research include enhanced knowledge of consumer response to and liking of brands on social media, particularly those they view as relational partners, an enriched understanding of the increasing role social media plays in the marketing mix, and insight into strategic brand characterization and the potential use of social media to support and develop the integrated marketing communication plan.

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Summary Brief

Emotional Efficacy and Sales Success

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People's belief in their ability to succeed—termed self-efficacy—is one of the most predictive and widely studied constructs in the marketing and psychology literatures. Here, the authors extend the efficacy literature by examining skill-based efficacy related to a salesperson's emotional abilities. The concept of emotional efficacy is introduced to examine how salespeople's beliefs about their emotional skills impact customer relationships and subsequent sales performance. Three studies highlight the distinct nature of emotional efficacy beyond both objective emotional ability and general self-efficacy in the prediction of sales outcomes. A robust inverted-U relationship was found to enhance sales performance, highlighting the need for salespeople to not only possess heightened emotional skills and beliefs about their overall ability to succeed, but also believe they are good at using their emotions.

Overview

One of the most important factors is a salesperson's belief in his/her ability to succeed, known as self-efficacy (Bandura 1997). Self-efficacy research has identified a powerful relationship between efficacy and salesperson performance (Ahearne, Mathieu, and Rapp 2005; Yang, Kim, and McFarland 2011). This positive impact has been attributed to greater persistence and motivation to accomplish selling tasks (Ahearne et al. 2005). Despite the importance of believing in one's ability to accomplish sales tasks, many researchers have identified that the transfer of emotional information between buyers and sellers is fundamental to the exchange process (DeCarlo, Laczniak, and Leigh 2013; Soldow and Thomas 1984; Rapp et al. 2012; Williams and Spiro 1985). Emotional information is commonly exchanged between parties that can directly impact performance. The ability to recognize, understand, and manage emotional information is critical in establishing relationships and completing sales (Kidwell et al. 2011). Considering how emotions are used in a marketing exchange is critical in understanding buyer-seller relationships and salesperson performance. In the current research, we extend these research streams by identifying that one's belief in their emotional skills (termed emotional efficacy) plays an important role in determining how emotional information is communicated and used within marketing exchanges.

We examine the impact of emotional efficacy on performance outcomes directly and indirectly through marketing exchange and job-related influences. Findings indicate that for salespeople to be high performers, having objective knowledge about goods or services is not sufficient (Verbeke et al. 2008). Salespeople must also believe in their ability to recognize, understand, and manage customers' emotions throughout the exchange process. Further, we highlight the nature of the relationship between emotional efficacy and performance. The relationship between emotional efficacy and performance follows an inverted-U shape, such that salespeople should possess moderate levels of emotional efficacy to maximize performance. Too little belief in their emotional abilities will lead generate negative affect within the sales interaction. Feelings of anxiety, doubt, and even frustration can quickly sink marketing interactions and hinder salespeople's ability to create positive relationships with customers. Too much efficacy, on the other hand, can have even more damaging effects since salespeople believe they are good at using their emotions when they are actually ineffective.

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Summary Brief

Are Wall Street Wolves Actually High-Sales Performers (Yes) & Are All Stockbrokers High-Sales Performing Wolves (No)?

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This study defines Wall Street wolves as stockbrokers scoring high on a scale measuring Machiavellianism. The study finds that such wolves have high sales performance consistently while lambs do not--lambs are stockbrokers scoring low on the Machiavellianism scale. The study builds on prior research showing that asymmetric tests provide higher accuracy in predictive outcomes of interest than the use of the dominant logic of symmetric, variable focused, tests (e.g., correlation and multiple regression analysis). Asymmetric tests focus on predicting sufficiency of models of high scores at the case level (e.g., high sales performers among stockbrokers) versus the symmetric testing at the variable level of both low and high scores.

Introduction

Belfort's (2008) autobiographical account, *The Wolf of Wall Street*, centers on the belief that manipulative, persuasive, behavior is useful for accomplishing personal objectives--the cornerstone of Machiavellianism as a personality trait. Belfort was the chief executive officer and trainer of 22 stockbrokers who he instructed on how to lie to customers to achieve stock sales--resulting in substantial profits via insider trading by Belfort and substantial losses of savings by customers. Machiavelli (1513/1952, 1531/1965) expresses the necessity of lying in an imperfect world; one may need to sacrifice ethical standards to achieve personal objectives. The relevant literature includes scales to measure individuals' levels of Machiavellianism. The literature on Machiavellianism and job performance is substantial though the findings are inconsistent. Prior literature reviews support this perspective: "Machiavellianism ... does not consistently lead to real-world success. It is best regarded as one of several social strategies, broadly similar to the 'defect' strategy of evolutionary game theory, which is successful in some situations [industry contexts] but not others" (Wilson, Near, & Miller, 1996, p. 285). The present study demonstrates that among stockbrokers high Machiavellianism does associate consistently with high sales performance.

The present study advocates refocusing Machiavellianism and sales performance theory and research beyond the current dominant logic of applying symmetric testing only; the study provides a paradigm shift for building and testing theory based on asymmetric tests, that is, inferring a specific outcome of interest by using simple and complex algorithms. McClelland (1998) provides an early example of how using algorithms improves on explanation and predictive validity of job performance when testing models on additional samples versus using traditional symmetric testing approaches such as regression analysis. Asymmetric versus symmetric testing represents a radical shift in both theoretical and data analysis logic; asymmetric tests provide models usually representing complex antecedent conditions based on Boolean algebraic expressions of recipes of ingredients--such model statements indicate case-level descriptions. Symmetric testing provides models representing the weighted partial additive influences of individual variables based on matrix algebra to predict both low to high scores on a dependent variable--such statements indicate variable-level influences. Scientists tools are biased is an insightful gist of how such alternative data analysis as Boolean algebra versus matrix algebra based expressions affects alternative theoretical paradigms.

Complex Antecedent Conditions as Recipes (Algorithms) and Complexity Theory

"Complex antecedent conditions" are recipes indicating that if an individual case has a specific combination of attributes, then the same individual's outcome score will be high (low). For example, consider the

following recipe inference proposal: if an individual has a high score on a Machiavellianism (Mach) scale, is a male (M), and is young, he will have high sales performance (P). Model 1 expresses this configuration: Mach•Male•~Old ≤ P (model 1) where the mid-level dot (“•”) indicates the logical “AND” condition and the sideways tilde (“~”) indicates negation. Model 1 states that a case (individual) with a high Mach score, who is a male, and who is young will have high sales performance. Model 1 is an expression of sufficiency but not necessity; unlike symmetric models, model 1 makes no predictions about low scores for this model. Model 1 is an asymmetric statement of a recipe that predicts a high score in an outcome condition. High sales performance is an example of an outcome condition. A positive and negative valence simple condition within different complex antecedent conditions (recipes) may indicate the same outcome (e.g., high sales performance). Woodside (2015) labels this perspective as the first precept of complexity theory: X relates to Y positively, negatively, and not at all to Y with the same data set. Thus, findings in the same data set might support model 2 as well as model 1: Mach•~Male•Old ≤ P (model 2) where model 2 indicates that individuals high in Mach, who are females, and are old will have high sales performance scores. “Equiparity” is the term used to represent this concept of two or more models (recipes) which infer the same outcome condition. Thus, recipes often are more important than ingredients in describing, explaining, and predicting behavior. Asymmetric theory and testing of algorithms applies Boolean algebra not matrix algebra. Thus, using Boolean algebra the score for a complex condition (i.e., a recipe) is equal to the lowest scores among the simple antecedent conditions in the complex expression. For example, using calibrated scores ranging from 0.00 to 1.00 for all simple conditions and a dummy code for gender (male = 1; female = 0), an individual (case) having the following profile would have a score for model 1 equal to 0.66: Machiavellianism = 0.97; gender = 1.00; and age (old) = 0.66. The same individual has a score equal to 0.00 for model 2: Machiavellianism = 0.97; ~male = 0.00; age (old) = 0.66. This individual is a male, and model 2 represents the combination score for Machiavellianism AND female AND old age.

Method: Revisit of Data in the Aziz, May, & Crotts (2002) Study

The present study reanalyzes the same data analyzed by Aziz et al. (2002). Here both symmetric and asymmetric models are constructed and tested.

Findings

High scores on the scale (Mach-BR) for Machiavellianism alone associate with high sales performance consistently. High scores on the two-item tested scale for altruism alone do not indicate high sales performance consistently. The recipe including high Machiavellianism, high altruism, and older versus younger salesperson does indicate high sales performance consistently but such persons may be available relatively rarely. The findings support the perspective that asymmetric theory and testing provide useful additional information beyond the use of only symmetric-based theory and testing of indicators of high sales performance.

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Summary Brief

Search for a Generalized Multidimensional Scale for Measuring Salespeople Agility

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Studies on agility in the workplace have focused mostly on technical factor. Little attention has been given to the personal factors. The agility literature has largely given attention to production personnel and ignored the impacts of agility on non-production personnel such as salespeople. A quick look at the literature on sales force agility shows that most work on salesforce agility is conceptual. Furthermore, there is no published scale available to measure salesperson agility. This study aims to contribute to the literature by examining the agility capabilities factors that will lead to the development of an empirically validated salespeople agility scale. This paper will provide evidence that agility selling and adaptive selling have differential effects on sales and marketing outcome performance measures.

Introduction

Customer's expectations and needs have changed significantly over the last decade. Customers now feel more comfortable dealing with the salespeople who are capable of using their sense of responsibility to meet their expectations. Change dynamics drive salespeople to consider change and adopt an agility selling approach. Marketing scholars have recently begun paying attention to the concept of agility selling (Chonko and Jones 2005). According to Chonko and Jones "an agile salesperson (1) has mental dexterity to get to where the customer will be; (2) is quick to see opportunities; (3) is clever in developing short-cycle strategies; (4) is able to anticipate and meet customers' needs quickly; (5) is capable of creating flexible, customer-focused value propositions; and (6) is quick at learning and unlearning" (2005, p. 379). Agility selling means that salespeople are willing to consider change in customers' ways of thinking as an opportunity - being constantly ready to develop/modify their sales strategies based on the anticipated customer developments (Chonko and Jones 2012). Salesperson agility is about proactive behavior and reactive behavior. Sales agility impacts both how salespeople perform in regards to their regular sales responsibilities and how they anticipate the customer, market trends and change complexity (Jones et al. 2012).

The theoretical basis for understanding salespeople agility, especially how sales agility is different from other similar constructs, is limited (Chonko and Jones 2005). In order for sales force agility to earn recognition as an important selling construct for study and practice, researchers must have a firm understanding of what is distinctive about the construct and what merely overlaps with other similar constructs such as adaptive selling. A reliable and valid measure that represents distinct dimensions must exist for research to be meaningful. This paper offers an integration of the various conceptualizations of agility in the marketing literature. Next, building on theory and the emergent themes from our qualitative work, a conceptualization of salesperson agility will be offered. Subsequently, this research seeks to identify the domain elements and scale items that will allow us to know about the distinct aspects of salesperson agility in relation to other similar constructs.

The agility concept was popularized in manufacturing and was soon extended to the broader business context. Organizational agility reflects a firm's ability to sense environmental change and respond readily (Tallon and Pinsonneault 2011). An agile workforce uses knowledge and skills to anticipate and pre-empt the dynamics of the environment (Alavi and Wahab 2013). Agile salespeople anticipate and respond to customer changes quickly. They must be knowledgeable about the marketplace changes and change proficient.

Exploration of the Unique Structure of Salesperson Agility

The concept of sales agility considers salespeople's anticipatory skills that allow them to provide value to their customers when unpredictable events occur (Chonko and Jones 2005). Agile salespeople can, and likely do, exhibit many behaviors shared with salespeople who practice adaptive selling. Salespeople with only adaptive skills do not necessarily exhibit characteristics of agility. Agility is described as a state of being ready for change, rather than simply adapting to change (Chonko and Jones 2005). Agility refers to the salespeople's improved ability to anticipate the uncertain future. The ultimate objective of this research is the development and validation of an

instrument to measure salesperson agility. In the line with prior research, we are following established scale-development procedures (Churchill 1979; Gerbing and Anderson 1988). An iterative process involves domain specification, item generation, content validation, scale dimensionality, scale validation, discriminant validity and use of the scale to analyze outcomes of the salesperson agility. Discriminant validity of salesperson agility from adaptive selling scale will be taken into consideration in order to explain how salesperson agility construct is differentiated from related constructs. The concept of adapting salespeople's behavior to specific changes in selling situations was proffered by Weitz, Sujan, and Sujan (1986). The nature of selling situations often referred to as external environmental influence (Jones et al. 2005) and derive from many different sources, called as "agility drivers" (Chonko and Jones 2005). Continuous changes in agility drivers motivates salespeople to develop unique capabilities which allow them to "respond rapidly to the unanticipated opportunities as they proactively develop solutions for the potentials needs" (Chonko and Jones 2005, p. 378).

Findings and Discussion

Qualitative inquiry has been conducted with fifty experienced sales students to develop the constructs from a customer's viewpoint and gain insights into the perception of agility from the customer perspective. Two researchers with knowledge of the relevant literature coded responses independently and found that agile selling behavior is more related to the unplanned behavior and anticipated customer-oriented requests. Quantitative data were collected from randomly selected hundred and fifty sales students to examine whether salespeople agility explains more variability in performance than other similar constructs (adaptive selling, diligence and flexibility). The results demonstrate the importance of salesperson agility and its impact on maintaining profitable long-term customer relationship.

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Summary Brief

An Examination of the Self-Regulation Skills of Sales Professionals

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Emotion control and motivation control are identified as key capabilities enabling salespeople to reach higher levels of sales performance and better handle job related stressors. Specifically, empirical results provide evidence that salespeople with higher levels of motivation control exhibit higher levels of sales performance and salespeople with high levels of emotion control experience lower levels of role ambiguity, role conflict, and work-family conflict. Emotion control was also found to enable salespeople to better handle stress; the negative relationship between of role ambiguity and sales performance diminishes for those with higher levels of emotion control. Furthermore, this moderating influence of emotional control does not apply to the negative relationship between role ambiguity and job satisfaction. As such, high performing salespeople with high levels of emotion control are identified as Uncommitted Stars. Due to their high performance levels, these stars may be difficult for management to identify but they may be at risk of leaving the organization.

Introduction

The purpose of this study is to investigate a salesperson's ability to remain continuously motivated and focused on effective selling. It investigates salespeople's capability to remain productivity oriented in the face of success, and in the face of frustrations. These capabilities are referred to as self-regulation skills. Self-regulatory skills have been largely absent from marketing research studying personal selling. This is peculiar given that self-regulation should play a key role in efficient time management, as well as keeping salespeople from falling into emotional ruts. The lack of self-regulation studies in sales is also surprising given the prominent position of role perceptions and role stress in the sales literature (i.e., Brown and Peterson 1993). Studies in other disciplines indicate that self-regulation enables effective coping of negative environments and their resulting affect.

In this study, two self-regulatory skills (i.e., motivation control and emotional control) are hypothesized to be key variables influencing role stress and its relationship with job satisfaction and sales performance. Motivation control and emotional control are self-regulatory capabilities that are important in complex learning environments (Kanfer and Ackerman 1990; Bandura 1986). By integrating recent theoretical developments from social psychology and existing sales literature, a model is proposed which investigates salesperson success through the development of self-regulation skills.

Study One

A sample of business-to-business salespeople were sampled and findings suggest that motivation control and emotion control positively impact sales performance. Emotion control allows salespeople to better cope with role ambiguity and is particularly important for salespeople who are lower performers.

Table 1: Structural relationships among constructs for study one

Emotional Control Moderation				Sales Goal Attainment					
Moderation				Low EC SGA		High	Low SGA		
High EC				SE	SE	SE	SE	SE	
SE	Structural Paths			SE	SE	SE	SE	SE	
				χ^2	χ^2	χ^2	χ^2	χ^2	
<i>Emotional Control</i>	→ <i>Performance</i>	.23	**						
<i>Emotional Control</i>	→ <i>Relational P</i>	.12							
<i>Emotional Control</i>	→ <i>Performance</i>	.16	*						
<i>Emotional Control</i>	→ <i>Relational P</i>	.21	**						
<i>Emotional Control</i>	→ <i>R Ambiguity</i>	-.29	**						
<i>Emotional Control</i>	→ <i>R Conflict</i>	-.29	**						
<i>Emotional Control</i>	→ <i>Work-family C</i>	-.23	**						
<i>Role Ambiguity</i>	→ <i>Performance</i>	-.33	**	-.07	-.45	**	5.22	*	
<i>Role Ambiguity</i>	→ <i>Relational P</i>	-.37	**	-.13	-.64	**	8.84	**	
<i>Role Conflict</i>	→ <i>Performance</i>	.36	**	.30	.43	**	1.96		
<i>Role Conflict</i>	→ <i>Relational P</i>	.35	**	.27	.57	**	4.77	*	
<i>Work-family C</i>	→ <i>Performance</i>	.10		-.06	.16		2.90		
<i>Work-family C</i>	→ <i>Relational P</i>	.15	**	.12	.20	*	.98		
Correlations	↔ <i>Motivation C</i>	.52	**						
Structural Model Goodness of Fit Statistics									
n		433		158	151		145	152	
Chi-square / df		788.14 / 447		1221.01 / 919			1293.98 / 919		
CFI / TLI / GFI / RMSEA		.95 / .94 / .90 / .04		.93 / .92 / .81 / .03			.92 / .91 / .80 / .04		

*p<.05, **p<.01

Study Two

A sample of life insurance salespeople were sampled and findings suggest that while emotion control allows salespeople to better cope with role ambiguity, it does not attenuate the relationship between role ambiguity and job satisfaction. Thus, salespeople with high emotion control handle stressful environments but feel them. This may make high emotion control salespeople difficult to manage as these uncommitted stars deliver high levels of performance even though they have low job satisfaction and commitment to the organization.

Table 2: Structural relationships among constructs for study two

Emotional Control Moderation		High EC	Low EC	SE	SE	SE	SE	2		
Structural Paths										
<i>Self-efficacy</i>	→	<i>Sales Performance</i>	.47	**	.61	**	.24	*	11.91	**
<i>Self-efficacy</i>	→	<i>Job Satisfaction</i>	.32	**	.40	**	.18	*	4.53	*
<i>Role Ambiguity</i>	→	<i>Sales Performance</i>	-.26	**	-.07	**	-.45	**	7.07	**
<i>Role Ambiguity</i>	→	<i>Job Satisfaction</i>	-.41	**	-.40	**	-.46	**	.39	
<i>Role Conflict</i>	→	<i>Sales Performance</i>	.17	**	.12	**	.29	**	2.41	
<i>Role Conflict</i>	→	<i>Job Satisfaction</i>	-.16	**	-.11	**	-.16	*	.50	
<i>Job Satisfaction</i>	→	<i>Intention to Leave</i>	-.43	**	-.29	**	-.48	**	4.53	*
Correlations										
<i>Self-efficacy</i>	↔	<i>Role Ambiguity</i>	-.46	**						
<i>Self-efficacy</i>	↔	<i>Role Conflict</i>	-.20	**						
<i>Role Ambiguity</i>	↔	<i>Role Conflict</i>	.40	**						
Structural Model Goodness of Fit Statistics										
n		418			225		191			
Chi-square / df		408.33 / 314					795.47 / 649			
CFI / TLI / GFI / RMSEA		.98 / .97 / .93 / .03					.96 / .96 / .88 / .02			

*p<.05, **p<.01

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SMA Treaching Moments I

“Duck, Duck, Goose” or “Soaring to Success”

Barbara Wooldridge, The University of Texas at Tyler, USA

How do you large classes to look up instead of engage in technological distractions? Go back to their childhood and play. Depending on class size pass out several small rubber ducks. Tell students they can pass the duck along or hang on to it. Inform them at some point you will randomly call out “goose.” The person holding the duck may have to answer a question or receive a small prize. The first few times you call out goose always ask a question; after that mix up the prize and questions. Watch the ducks fly or nest as students engage.

Improving Your Marketing Curriculum by Making Internships Count

Bob Erffmeyer, University of Wisconsin- Eau Claire, USA

Student internships can be a valuable educational experience and a stepping stone to future employment opportunities. Nothing in the classroom can duplicate the experiences of employment. However, depending on the activities and compensation a student receives, internships can also be a disappointment. Capitalizing on helping students secure “meaningful” internships presents marketing educators with several challenges. Students comment that they don’t want to pay tuition for internship credits, and consequently seek them out on their own. How then can the educator document where are students are engaged in internship experiences, determine the value gained by working at that organization and develop the relationship between the university, the student and the employer? This vignette shares how one university has begun to address these challenges.

Big Change Fast: Creating Engagement in the Classroom

Charles Drehmer, DePaul University, USA

Big Change Fast can be used in your classroom as an ice breaker or a tool to alleviate anxiety before a presentation. Students will become more comfortable showing emotion, telling a story and being themselves around others. Here is how the exercise works. Participants are assembled in groups of two. The first person introduces the second using the following script. “This is [NAME]. (S)he is an expert on [OBJECT] and feels [EMOTION] about it.” The second person then makes a presentation with no further preparation that shows and demonstrates their emotion. The emotion is then changed by simply announcing it and the second person continues without interruption using the new emotion. Example: This is John and he is an expert on caskets and feels blissful about them. . . And he feels enraged....and he feels puzzled...and he feels sad about them, etc.

Incorporating Practitioner Technologies Into Student Sales and Marketing Class Projects: Who Benefits?

Richard A. Rocco, DePaul University, USA

Corporate employers want university business graduates who are well prepared for employment. Recent interviews with marketing and sales executives suggest an increasing importance for students to have exposure or direct experience with prominent, practitioner-utilized technologies as an important dimension of a well prepared, work-ready candidate. The paper provides a case study of a class that partners with leading technology providers to integrate prominent sales and marketing technologies into a class project. The benefits, challenges, and outcomes are discussed from the perspective of companies, students, and faculty. Recommendations are provided to assist educators in adapting this approach to their sales and marketing classes.

Make the Most of Exams as Teachers

Jeff Tanner, Old Dominion University, USA

No matter the format of your exam, you're probably leaving learning on the table. Tough exams not only give you freedom to distribute term grades appropriately, they also signal students where learning may be weak. Why not reward those who take ownership for their learning? And reward those who say they can go deep and didn't get the chance? You won't want to use all of these ideas all the time - but when you do, you'll create a learning experience that sticks.

It's on the Web, It Looks Official, Therefore It Is True: How to Teach Students the Absurdity of That Statement

Stephen B. Castleberry, University of Minnesota Duluth, USA

We teach our students how to conduct secondary research using the web as one source. While the web can be a tremendously helpful source for information, instructors should help students realize not to believe everything that is written there. Print off Martin Luther King's "I Have a Dream" speech from six different websites. Six students serve as volunteers, and each is given a one printed copy from one of the web sites. Taking a version of the speech from a known and verified source, instruct the volunteers to stand up and then sit back down quickly anytime their copy is different from what the instructor is reading. Volunteers pop up and down constantly! Take away: you can NOT trust the web for accuracy, even for something as historically important as Martin Luther King's famous speech. A discussion then ensues around how to verify accuracy of web information.

Staying in a Customer's Evoked Choice Set: How Not to Lose Your Marbles

Charles S. Madden, Baylor University, USA

Short term memory and thus a customer's evoked choice set is very similar to a small table covered with dozens of marbles. Every day more marbles are added to the table and when they are added, some of the marbles are forced off the table. When you advertise or otherwise add your brand (a marble) to the table it takes its place on the table until someone else bumps your marble off the table. To be on the table, you must periodically add your marble (reminder ads). By using this simple way to explain how short term memory works and how clutter and evoked choice set theory works this complicated process becomes both easier and fun. The visualization of the table and the marbles are easily used in class.

Taking Note of Marketing Concepts

Brian A. Vander Schee, Aurora University, USA

New students often struggle with knowing what to write down or how to take notes. Providing students with an outline leaving space to finish phrases, answer questions, complete activities, and draw visuals uses more than just listening as a learning sensation. The sight, sound and touch approach also provides a permanent record of class activities. Using a portable media device with wifi to be more efficient can actually become a greater distraction. Thus using paper and pen for taking notes in a structured format provided by the instructor keeps students focused on the concepts and actively engaged in the material.

Integrating and Enhancing Critical Thinking and Social Media Skills

Shuoyang Zhang, University of St. Thomas, USA

Combining the traditional approach of case analysis and the increasing demand for social media practice, collective blogging was employed in two marketing classes at the undergraduate and graduate levels respectively. As a course requirement, each student was required to submit one blog each week to analyze a relevant article from the current issues of the Wall Street Journal. Students were expected to use the concepts and skills learned in the marketing class, such as situation analysis, segmentation and targeting, and marketing mix, in the analysis. In addition, they are encouraged to read each other's blogs and make comments as part of their class participation. As a result, students not only kept up with the current events in the real business world and applied what they learned in understanding the marketing strategies, but also developed skills on social media marketing, which makes them more competitive in today's job market.

Summary Brief

Emotional Insights towards Spending Money and Acquiring Possessions: A Qualitative Approach

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What are consumer emotions regarding the act of spending money? How do these emotions differ when consumers consider the acquisition of possessions as ends to spending money? An adapted critical incident technique was applied to reveal emotions expressed before, during, and after spending money and acquiring possessions. Using the descriptors listed in the consumption emotions set (CES) proposed by Richins (1997), reported emotions were identified and classified. A distinct set of emotions resulted for each construct of interest. In terms of spending money, the findings suggest an alternative set of emotion descriptors as the number of categories was reduced and all of them were negative. In terms of acquiring possessions, although a smaller number of emotions were revealed, the overall applicability of the CES to identify and classify emotions expressed before, during, and after acquiring possessions seems to be corroborated. Implications for practice and directions for future work are suggested.

Introduction

A number of marketing studies are devoted to the study and measurement of attitudes toward possessing goods, but the examination of the emotions experienced in the process of obtaining possession of them has been less frequent. Consequently, many questions remain unanswered about consumer thoughts and feelings regarding relinquishing of money in order to acquire material possessions. What are consumer emotions towards the act of money spending? How do emotions differ when the acquisition of possessions are considered during money expenditure? In order to uncover these emotions, the current research opted for a qualitative approach. Using consumer narratives, this study attempts to provide preliminary answers to these questions.

Method

Participants were asked to share stories of recent incidents involving spending money and acquiring new possessions and services through a series of three open-ended questions that were formulated using an adapted critical incident technique (CIT) methodology. Considering that the acts of spending money and acquiring possessions are, in essence, simultaneous service provision and customer-provider service co-creation processes, CIT seemed to be an optimal methodological choice. The written narratives were gathered through an online survey platform from a convenience sample of mainly student consumers at two public universities in Texas, with anonymity and confidentiality assured for participants.

The sample was comprised of mainly undergraduate and graduate college students. A total of 149 usable questionnaires were returned, with an average essay length of 378 words across the three focus questions. The sample was 52 percent female, had a median age of 25 years, and 42 percent were currently pursuing a master level degree. Among the respondents, 24 percent were married and 28 percent had one or more children.

The responses were analyzed by two independent coders to identify the expression of emotions regarding the constructs of interest. This process involved multiple readings of the data and uncovering the main themes relevant to the topic under investigation through iterative analysis. An inductive coding schema (open, axial, and selective coding) suggested in the grounded theory approach by Glaser and Strauss (1967) was used.

Findings

Based on the analysis, a distinct set of emotions resulted for each construct of interest. The emotions expressed during the process of spending money included only negative emotions. Among the identified emotions, only four categories are contained in the CES. Specifically, coders found expressions of anger, fear, sadness, and worry. Among them, the most frequent emotion descriptors were classified as worry. For the rest of the emotions not contained in the CES, descriptors not listed included hate, reluctance, and hesitation. This latter emotion, hesitation, was the most common descriptor not contained in the CES.

After spending money, respondents expressed a more varied set of emotions, both positive and negative. Again, only four categories were contained in the CES and those were all positive. Coders found descriptors of excitement, joy, and a particular type of love. This particular type of love reflected caring for their own children. As respondents expressed, they felt the money spent was justified to ensure the wellness of their children. The rest of the emotions fell under the category "Other" in the CES. This is interesting to note, because emotions such as pride, guilt, eagerness, and relief were not classified by Richins (1997). For the rest of the emotions not contained in the CES, descriptors not listed included satisfaction, reward, remorse, and less frequently, disgust. Another interesting finding was the expression of multiple simultaneous and occasionally contradictory emotions.

Generally, respondents did not mention a particular emotion before acquiring possessions. Consistent with Richins (1997, 2013), the current sample revealed a more varied set of descriptors when acquiring possessions, including excitement, joy, and romantic love (towards possessions) among the positive emotions during the process of acquiring possessions. Negative emotions illuminated included anger, discontentment, fear, and worry. Among the emotions not identified as part of the CES and similar to the emotions toward spending money, analysis of the data uncovered hesitation and reluctance as common negative occurrences and gratification and reward as common positive occurrences.

Similar to the emotions towards spending money, it was common to find the expression of multiple emotions at the same time. A particularly interesting finding was the small number of emotions expressed after acquiring possessions. Only two positive emotions and three negative emotions were mentioned. Among the positive emotions, happiness and gratefulness were cited. Anger, guilt, and relief were common negative emotions. This may be aligned with prior research finding that the happiness experienced after acquiring goods is transitory, particularly among materialists.

Discussion

In terms of spending money, the findings suggest an extended or alternative set of emotional descriptors as the number of categories was reduced and most of them were negative. In terms of acquiring possessions, although a smaller number of emotions were found, the current analysis corroborates the overall applicability of the CES to identify and classify emotions expressed before, during, and after acquiring product-related purchases. Respondents expressed a series of negative emotional descriptors when spending their money, which were seemingly independent with regards to the type of transaction being conducted. Emotional descriptors frequently cited and not listed on the CES included some form of hesitation, disgust, and remorse. After spending their money, respondents reported expressing a more varied set of emotions, both positive and negative. Because the emotions experienced after spending are usually accompanied by a completed transaction, it is likely that the consumers were inclined to express positive feelings due to the acquisition rather than the emotion attached to the money disbursement.

The current findings have implications for retailers. Adjusting the communication approach as consumers gravitate between emotions can assist in lessening the negative feelings accompanied by a purchase that requires long-term consumer commitment. As large purchases are mostly facilitated by a salesforce, training should consider and extend to the consumer emotional display. Moreover, it is important to address the negative emotions associated with money disbursement, particularly any form of hesitation, in order to reassure the consumer of value of the potential acquisition.

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Summary Brief

An Investigation into the Triadic Relationship Among Uncertainty, and Regulatory Focus, and Regret

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This research connects the literatures of regret and regulatory focus by emphasizing consumer uncertainty as created by the purchase environment. We show (1) that consumer uncertainty in the buying environment triggers differences in prevention focus, and, (2) such differences result in variances in consumers' regret from action versus that from inaction. In the relative absence of consumer uncertainty in the buying environment, regret arising from inaction is greater than that arising from action – reversing the most commonly obtained finding in regret literature. We also demonstrate how such differences in regret impact variables like switching intentions.

Introduction

Regret from action usually exceeds that from inaction – a finding that has been replicated most often (Gilovich and Medvec 1995). Subsequent research, however, has boundary conditions of the above finding. We extend the above reversal phenomenon by identifying additional conditions and relate them to differences in consumers' uncertainty at the time of purchase. Such differences in uncertainty lead to differences in consumers' goals, notably, in their regulatory focus. Finally, we link these conditions to switching intentions.

Conceptual Development

The presence of any factor that increases consumer uncertainty (e.g. a negative feature in the buying context or the possibility of a negative post-purchase outcome) can trigger a prevention focus. For example, consider a situation where a consumer is offered an unknown brand for purchase and has to make a decision, i.e., to buy or not buy the brand; how would one go about choosing? Given that Sela et al. (2008) indicate that decision justifiability is a key driver of choice, we posit:

H1: Presence (vs. absence) of increased consumer uncertainty in the buying environment triggers increased prevention focus.

Regrets from inaction relate more to promotion failures (e.g. Pennington and Roesse 2003). Roesse et al. (2007) predicted that under a prevention focus orientation, regret from action would be greater than from inaction. There is no empirical work that explicitly connects differences in regulatory focus goals and differences in regret from action versus from inaction. Given (H1), and that differences in prevention focus may moderate differences between regret arising from action and inaction, it follows that differences in consumer uncertainty may moderate differences between regret arising from action versus inaction. Hence, we propose H2:

H2: In the presence of more consumer uncertainty, regret from action exceeds regret from inaction. When there is less consumer uncertainty, regret from inaction exceeds regret from action.

Study 1: Regret and Regulatory Focus

Study 1A was conducted to test H1. Participants read about a digital camera buying situation involving either a relatively low or high quality brand. Subsequently, respondents completed a promotion/prevention goal measure. Results showed greater uncertainty and a greater preventive goal when considering the low quality brand. Study 1B was conducted to test H2. This was a 2 (brand quality: high vs. low) X 2 (decision: action or inaction) between-subjects design. The first part of the scenario was same as above. The decision manipulation stated that participants either purchased (action) or did not purchase (inaction). Finally, while they were going through Consumer Reports later, the (non) purchased brand was rated (highly) poorly on quality, for the inaction/action condition respectively. ANOVA for regret showed a significant interaction with the lower quality brand indicating

more regret from action. The higher quality brand showed more regret from inaction. Hence, H2 was supported.

Study 2: Switching Intention

The linkage between differences in uncertainty levels and relative amounts of action versus inaction regret has implications on switching intentions. To the best of our knowledge no study has examined how switching intentions are likely to vary based on regret due to inaction versus regret due to action. Consequently:

H3: Presence (absence) of increased consumer uncertainty in the buying environment moderates the impact of action versus inaction on switching intentions. In the presence of increased consumer uncertainty, switching intention under action exceeds switching intention under inaction. In the absence of increased consumer uncertainty, switching intention under inaction exceeds switching intention under inaction.

We also propose H4, a mediation hypothesis, which directly follows from H2 and H3:

H4: Differences in levels of switching intentions (as outlined in H3) are mediated by differences in the levels of regret.

Methodology and Results

Participants (in a 2 (decision: action or inaction) \times 2 (expertise: expert or non-expert) between-subjects design) imagined that they were shopping for a digital camera and asked for salesperson's help. Expertise was manipulated by stating that the salesperson was either an expert or a non-expert. The decision manipulation stated that participants either purchased (action) or did not purchase (inaction). Finally, the scenario indicated that while reading Consumer Reports later, it was seen that the (un)purchased brand received a/an (superior) inferior rating in the inaction/action condition respectively.

An ANOVA for regret indicated a significant interaction. In case of the non-expert, significantly greater regret accrued from action. In case of the expert, significantly greater regret emanated from inaction. An ANOVA for switching intentions also indicated a significant interaction. For the non-expert, significantly greater switching intentions emanated from action. However, for the expert salesperson, switching intentions were (directionally) higher for inaction. A mediated moderation analysis for switching intentions was also run. Bootstrap confidence intervals for the partial mediation effect did not include zero, implying significant mediated effects. Hence, support was found for H3 and H4.

Discussion

Herein we provide the first step towards understanding the relationship across consumer uncertainty, regulatory focus, and regret from action versus that from inaction. This manuscript contributes to, and connects, the literature on regret and the literature on regulatory focus. It also suggests extensions to multiple papers that have shown instances wherein inaction regret can be systematically more than action regret.

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Summary Brief

Shame or Blame? The Role of Empathic Concern in Negative Post-Purchase Behavior

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Prior research has shown that empathic concern positively influences positive customer behaviors, but what effect does empathic concern have on negative behaviors? This study seeks to partially address this question by examining the influence of empathic concern on refund seeking and complaining. Relying on attribution of blame as the impetus for negative post-purchase behaviors, the authors briefly discuss negative post-purchase behavior and provide a theoretical basis for the role of empathic concern in such behavior. This study utilized an online quasi-experimental survey and employed ANOVA and univariate analyses to assess the hypothesized relationships. The authors found strong support that external attributions of blame (i.e., on the firm) lead to stronger likelihoods of refund seeking and complaining, and marginal support was found for the moderating effect of empathic concern on complaining. Implications, limitations, and future research directions are also discussed.

Introduction

Scholars widely acknowledge that the impact to the firm of a purchase does not end with the purchase itself (Aksu, 2013). Such a discrete view of transactions has been criticized by scholars as shortsighted and has given rise to such concepts as customer relationship management (CRM). While nurturing customer relationships has been demonstrated to lead to repeat purchases and enhanced customer lifetime value (Bitner, Booms, and Tetreault, 1990; Keng and Liao, 2009), sometimes, consumers are unhappy with purchased products once they have left the store despite otherwise satisfactory store and transaction experiences. This unhappiness may arise from product failures, which are typically attributable to the firm, or personal circumstances which are attributable to the self (Powers and Jack, 2013; Sweeney, Hausknecht and Soutar, 2000). Ultimately, unhappy consumers can cause harm to the firm through negative post-purchase behavior, such as returning purchases or lodging complaints (Anaza, 2014; Egan, Santos and Bloom, 2007; Elliot and Devine, 1994; Gattorna, Trost and Kerr, 1990; Keaveney, Huber and Herrmann, 2007; Powers and Jack, 2013; Sweeney, Hausknecht, and Soutar, 2000). As such, the examination of negative post-purchase behavior and its influences is important to both managers and scholars.

One possible influence on negative post-purchase behavior is empathic concern. Anaza (2014) found that empathic concern enhances customer citizenship behaviors, which lead to positive outcomes for firms. However, Anaza calls for future research to address possible effects of empathic concern on negative post-purchase behavior; this research seeks to partially answer that call. We seek to contribute to the literature in the following two ways. First, we show that empathic concern does moderate the relationship between dissatisfaction and complaint likelihood. Second, we develop a scale for refund seeking intent, which to the authors' knowledge has not been done in the literature. Implications are given along with future research directions which will further answer Anaza's call and enhance our understanding of how empathic concern affects negative post-purchase behavior.

Background & Hypotheses

Attributions of Blame & Negative Post-Purchase Behavior

Powers and Jack (2013) contend that the cause of cognitive dissonance stems from either a product-related dimension (external attributions) or an emotional dimension (internal attributions). Specifically, attribution theory posits that individuals make decisions based upon how they perceive and arrange information (Zuckerman, 1979). This information is gathered from either external attributions (i.e., the situation is the cause of the behavior) or internal attributions (i.e., one's own feelings and emotions are the cause of the behavior). In the context of this study, attributions of post-purchase product issues manifest themselves in the placement of blame on either the firm or the individual. For example, a light bulb may be packaged as lasting for at least five thousand hours but may cease

to burn after only one hundred hours. In this scenario, the consumer is likely to blame the firm, because the product did not deliver on its promise. Meanwhile, a customer who has purchased a pair of shoes may later discover that she already has other pairs of very similar shoes. The consumer's blame in this case is likely to be on herself, since her decision, not the product itself, leads to the post-purchase unhappiness. Given the above, when attributions of blame are external (i.e., on the firm), negative post-purchase behaviors impacting the firm are argued to be higher than for internal attributions of blame. Specifically, consumers are argued to have higher levels of refund seeking intent and complaint intent when the firm is to blame for post-purchase dissatisfaction. This leads to the first two hypotheses:

H1: Refund seeking intent is higher when consumers experience product failure (external attribution of blame) as opposed to mismatched needs (internal attribution of blame).

H2: Complaint intent is higher when consumers experience product failure (external attribution of blame) as opposed to mismatched needs (internal attribution of blame).

Moderating Effect of Empathic Concern

Davis (1983) defines empathic concern as "a tendency to experience feelings of sympathy and concern for others" (p. 115). As such, empathic concern causes an individual to think about how others would feel in a given situation and to adjust behavior accordingly (Batson, Fultz, and Schoenrade, 1987; Duan and Hill, 1996; Moore, 1990; Redmond, 1989). Despite exploration of the concept in the psychology literature, empathic concern has not been extensively explored in the marketing literature. Recently, Anaza (2014) focused on empathic concern within the context of customer citizenship behaviors and found that consumers with higher levels of empathic concern experience higher levels of customer satisfaction and have higher levels of customer citizenship behavior. When the situation is reversed and negative post-purchase behavior is involved, one would expect consumers with high levels of empathic concern to avoid engaging in negative post-purchase behavior due to the discomfort such behaviors may cause firm employees. Thus, we hypothesize the following:

H3: Empathetic concern moderates the relationship between attribution of blame (internal vs. external) and both (a) refund seeking intent and (b) complaint intent.

Method & Data

In exchange for extra credit in a course, 396 undergraduate students were recruited from a large southwestern university to participate in a quasi-experimental online Qualtrics survey. After data cleanup to remove incomplete and inattentive responses (i.e., all 1's or 7's, even with reverse-coded items), 284 respondents remained. In the instrument, 7-point Likert-type scales (strongly disagree to strongly agree) were used to assess each construct. Respondents were presented with independent measures of perspective taking and empathic concern before being presented with scenarios of product-related issues either attributable (external) or not attributable (internal) to the firm. Then, respondents were asked to rate their refund seeking intent and complaint intent based on the given scenario before being presented with demographics questions. Finally, the respondents were thanked for their participation before being directed to a separate informational form to record their information for the purpose of providing extra credit.

Attribution of blame (internal vs. external) was manipulated using the presented scenarios. In the internal blame scenario, the respondent purportedly purchased a shirt which unknowingly matched multiple shirts already in the respondent's closet. In the external scenario, the respondent had purchased a heat-resistant serving dish that cracked upon first use. The scale for empathic concern was adapted from Anaza (2014) and exhibited acceptable reliability in our study ($\alpha = .741$). Additionally, we developed our own six-item scale for refund seeking intent and found that all items loaded together (.892 to .928) and exhibited acceptable reliability ($\alpha = .947$). Likewise, we developed our own seven-item scale for complaint intent, which yielded a single factor (.729 to .828) and strong reliability ($\alpha = .877$). See Appendix 1 for scale items.

Findings & Discussion

Results

To test H1 and H2, ANOVA was employed. As expected, attribution of blame (internal to external) is directly related to refund seeking intent ($M_{\text{Internal}} = 4.89$ vs. $M_{\text{External}} = 6.45$; $p < .001$) and complaint intent ($M_{\text{Internal}} = 2.60$ vs. $M_{\text{External}} = 3.76$; $p < .001$), providing strong support for H1 and H2. Based on univariate analyses, no support was found for H3a, which posited that empathic concern moderates the relationship between attribution of blame and refund seeking intent ($p > .10$). Marginal support was found for H3b, suggesting that empathic concern does moderate the relationship between attribution of blame and complaint likelihood (interaction of

empathic concern and attribution: $R\text{-sq.} = .141$; $\beta = -.272$; $p < .10$). In fact, the moderation of empathic concern causes the direct relationship between attribution of blame and complaint intent to reverse direction (attribution only, before interaction: $\beta = 2.694$).

Implications, Limitations, & Future Research

This research impacts the marketing research and practice in the following ways. First, the finding that attribution of blame positively impacts refund seeking intent highlights the importance of mitigating consumer blame on the firm for post-purchase dissatisfaction. This can be addressed through ensuring appropriate quality and aligning sales approaches to optimally meet customer needs. Second, the authors developed scales for refund seeking intent and complaint intent and demonstrated their initial validity. Future research should further validate these scales with rigorous quantitative analysis across a variety of contexts.

One limitation of this study is the use of hypothetical scenarios in contrast to actual experiences. Future research can overcome this limitation by capturing perceptions of actual product failures and occurrences of post-purchase dissatisfaction. Another limitation of this study is the use of a student sample, which restricts the generalizability of the findings. Thus, future research should expand the sample to include multiple respondent backgrounds, which will enhance the generalizability of the findings.

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Appendix 1: Scale Items for Refund Seeking Intent and Complaint Intent

Refund Seeking Intent (Factor Loadings: .892 to .928; $\alpha = .947$)

1. Feel motivated to seek a refund
2. Believe that you deserve a refund
3. Insist on receiving a refund
4. Travel to the store to obtain a refund
5. Ask for a refund

Complaint Intent (Factor Loadings: .729 to .828; $\alpha = .877$)

1. Complain to strangers (i.e., other customers)
2. Complain directly to a store manager
3. Complain through social media/other website
4. Complain through the firm's customer service hotline
5. Complain to a sales associate (non-manager)
6. File a complaint with an external organization (i.e., the Better Business Bureau)

Summary Brief

Exploring Complexities of Need for Humor's Effect in Efficacy of Humorous Threat Persuasion Advertising

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In this paper we explore the interaction between gender and Need for Humor (NFH) in humorous threat appeals. Results from two experiments suggest that gender and NFH don't appear to impact humor evaluation (i.e. "this is funny") but they do interact attitudinally (i.e. "I like this") in these settings, suggesting that the interplay between gender and NFH, especially for high-NFH males and females, should be considered when employing humorous persuasion efforts. Managerial implications and areas for further research are discussed.

Introduction

Advertisers certainly believe that humor can be effective and a meta-analysis of humorous advertising research generally concurs, with humor increasing attitudes towards advertisements and brands, consumer affect, attention, and purchase intent (Eisend 2009). However, humor research has largely been done in low-risk settings, but humor is also often employed in riskier contexts where many consumers may find its use to be, for better or worse, shocking and/or inappropriate. Another aspect of riskier humor would be the interplay of the context with consumer personality differences at both a broad-level (e.g., gender) and a finer-sliced level (e.g., sense of humor).

Presentation Summary

The sense of humor is a key personality component (Martin 2007), and individual differences play a key role in humorous ad processing. Humor's effects are amplified in individuals high in Need for Humor (NFH), the motivation to process humorous stimuli (Kellaris and Cline 2007). These individuals consider humor to be an essential part of their lives, and self-identify as experts in its use. This would suggest competing hypotheses when high-NFH individuals encounter humor in a potentially inappropriate setting; on one hand, they might deem it more appropriate than low-NFH consumers since they generally appreciate humor more overall, or a diametrically opposite effect might occur, with high-NFH humor "gatekeepers" actually being more sensitive to when humor belongs and when it does not. Further complicating these general effects of NFH could be the message receiver's gender. On one hand some research suggests that males tend to employ humor more and enjoy different types of humor (McGhee 1979), while other research suggests that such findings may be generalizations made from severely limited range of behavior within limited settings (Crawford and Gressley 1991; Lampert and Ervin-Tripp 1998). However, riskier humor settings like threat and sex might be fertile ground for potential gender differences to manifest, as women have been shown to be more sensitive to the extent to which information presented in an advertisement is relevant than are male respondents (Meyers-Levy and Sternthal 1991). Relative to men, women may be more intolerant of advertising tactics they perceive as inappropriate, and thus a NFH-driven interaction might result in a larger backlash amongst females. We believed a threat-based situation—where humor might be high-risk, high-reward—would be an interesting backdrop to explore possible gender x NFH differences.

Threat appeals deal with critical issues that may have severe consequences for the consumer or the public (Freimuth et al. 1990); threatening information is posed, and attitudinal or behavioral suggestions are then given as potential solutions. The perceived threat would ideally spur the motivation to conform to the solutions given (e.g., Rogers, Cacioppo, and Petty 1983; Tanner Jr., Hunt, and Eppright 1991). However, a public policy official or marketer creating a threat-based communication would also have the option of using a high amount of threat (e.g., if you don't follow this advice you could die) or a lower level (e.g., you could get ill). Additionally, threat can be combined with other executional elements, the thought being that these additional layers may improve the persuasiveness of the threat itself, or perhaps make the threat appeal more palatable and approachable. One of these additional elements that might be added is humor.

In experiment 1 the threat setting was dental care; college undergraduates ($n = 78$) were shown a public service announcement (PSA)-type ad promoting the importance of dental health where the presence or lack thereof of humor was manipulated, NFH was measured, and biological gender was treated as a categorical variable. In experiment 2 the threat setting was sun damage; college undergraduate participants ($n = 84$) saw an advertisement for a fictitious sun lotion. Here, both ads featured humor but threat level (high vs. low) was manipulated, NFH was measured, and gender treated as a categorical variable (note that all results reported in this abstract are for Aad.). In both cases regression analysis resulted in significant overall models, with significant three-way interactions present. For experiment 1 a spotlight analysis on males at one standard deviation above the mean of NFH revealed that the use of humor revealed significantly higher attitudes than when no humor was present ($p < .01$), whereas males at one standard deviation below the mean of NFH exhibited no differences ($p > .83$). Conversely, females at one standard deviation above the mean of NFH exhibited no differences, whereas females at one standard deviation below the mean of NFH had significantly higher attitudes with humor present than when it was not ($p < .01$).

In experiment 2 a spotlight analysis revealed that with humor present, increasing threat level from low to high had no significant attitudinal effect on either females at one standard deviation below nor above the mean NFH. However, males at one standard deviation above the mean of NFH had significantly higher attitudes when humor was paired with low threat than high threat ($p < .05$) but the effect was reversed for males at one standard deviation below the mean of NFH, as Aad was higher with high threat than low ($p < .05$).

Our results suggest that gender and NFH don't appear to impact humor evaluation (i.e. "this is funny") but they do interact attitudinally (i.e. "I like this") in these settings. It would appear there is a high threshold to what high-NFH males deem inappropriate (e.g., the high-threat setting) and humor appears to be quite effective with this group in generating positive attitudes across settings. Conversely, high-NFH females appear to be rather sensitive to its use in persuasion efforts in these types of settings.

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Special Session

Theoretical and Practical Evolution of Marketing and Distribution in Japan

Introduction

Japan was the world's second largest economy and it is a nation of gradually declining population. As such, it may be a harbinger of the future of Marketing and Distribution in other large, wealthy economies. As the marketing phenomenon is complex and dynamic in recent years, we need various information and research methods in order to describe/explain/predict it objectively.

This special session tries to clarify the marketing and distribution in Japan from the view of the theory for science as well as that of the strategy as its managerial application. When it is compared with the marketing in other nations, we will easily find many common features and differences there. Thus, this session consists of the following 4 papers which recognize them objectively based on the macro perspective as well as the micro one.

Determinants of Japanese Household Expenditure on Consumer Goods Specialty Retailers: 1991 – 2007

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We theoretically address, and empirically estimate, key factors that affect sales per household at three major lines of retail trade that include frequently purchased consumables (food and drink), less frequently bought non-durables (apparel, shoes and dry goods), and infrequently acquired durable goods (furniture). We examine Japanese Industrial Classifications 59, 56, and 57: Food and Beverage stores (primarily grocery, liquor, and specialty food stores); Dry Goods, Apparel and Apparel Accessory stores (largely clothing, shoe, linen and accessories); and Furniture, Household Utensils, and Appliances. These three trade lines deal with the necessities and supplies of life; they consist of relatively small specialty retailers. In addition, they have been an important target of urban planning and retail distribution policies of cities in Japan. Our data is drawn from five successive retail trade censuses (1991, 1994, 1997, 2002, and 2007) encompasses 791 cities in all 47 prefectures.

Theoretical Model

Our theoretical model argues that retail sales per household are determined by three fundamental factors: the Market Environment (which is beyond the control of retail managers), Intertype Competition (which is influenced, but not controlled, by managers in each line of trade), and the Marketing Mix in each line of trade (which is set by managers). The essence of our argument is that the Market Environment determines a base level of sales per household; Intertype Competition may raise or lower sales in our focal lines of trade; and, the Marketing Mix in each line of trade can augment sales by (a) doing an above average job of appealing to customers and (b) countering the negative impact of Intertype Competition. For Intertype Competition we use General Merchandise Stores (largely department stores and supercenters) that, in Japan, directly compete with Apparel, Food, and Furniture stores.

Data and Empirical Model

Based on our research framework, we conduct a three-stage, hierarchical multiple regression analysis in each line of trade. Within Market Environment we include nine variables in a first-stage regression model: average number of people per household, household growth rate, average home size in square meters, income per household, population ratio aged 65+, auto ownership per household, distance to the prefectural capital city, residential land prices, and daytime population ratio. We expect each of these independent variables (except for population ratio aged 65+) to increase retail sales per household – which is our dependent variable.

In the second-stage regression model we include General Merchandise Stores (GMS) sales per household along with the above nine Market Environment variables. GMS is anticipated to lower sales per household in Food stores, but is expected to raise sales per household in Apparel and Furniture stores as a spillover effect.

For the Marketing Mix we measure four variables: assortment (proxied as square meters of selling space per store), service (employees per square meter of selling space), access (number of stores per land surface area of the city), and advertising (newspaper subscribers per household). These variables are included in the third-stage regression model along with the aforementioned ten independent variables; each of them should increase retail sales per household in its line of trade (e.g., the marketing mix for Food stores should only affect food sales per household).

In the first stage of our analysis we use the Market Environment to explain the variation in retail sales per household across the five census years and three lines of trade (i.e., fifteen regressions). The Market Environment generates adjusted R²'s of 17.4% – 41.2%. In the second-stage analysis we include Intertype Competition and the Market Environment variables as explanatory of retail sales per household in each line of trade in each census year. This raises the adjusted R² by a modest 0.7% – 4.9%. In the third-stage regression model we add the Marketing Mix variables to the analysis; adjusted R²'s rise by 6.6% – 37.7%. Thus, our final regression model enables us to explain some 37.1% – 63.6% of the variation in retail sales per household across the three lines of trade over five census years.

Contributions

Our empirical research makes six contributions. First, we incorporate five independent variables that rarely (if ever) appear in studies of sales per household: out-shopping (daytime population ratio), home size, population ratio aged 65+, distance from the prefectural capital city, and residential land price. Second, we show the impact of intertype competition on sales in specific lines of retail trade. Third, we investigate data from five censuses that span a sixteen year period; few previous studies have examined changes in retail structure over such a lengthy time span. Fourth, we examine consumer goods retailers – who are an important target of urban planning and retail distribution policies of Japanese cities. Fifth, Japan had important characteristics during the time span we examine: it was the world's second largest economy and it is a nation of gradually declining population. As such, it may be a harbinger of the future of retailing in other large, wealthy economies. Sixth, Japan has rarely been the focus of retail trade studies.

When Do Negative E-WOM Messages Enhance Product Evaluations?

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It have been claimed that positive eWOM has positive impacts while negative eWOM has negative impacts on consumers' product evaluations with assumption that either positive or negative eWOM message is presented on a single website. However, the existence negative eWOM may have positive impacts with assumption that both positive and negative eWOM messages are presented simultaneously. This study examines how consumers' product evaluations vary with the ratio of positive to negative eWOM messages in a single website. With three experiments, this study found that the existence of negative eWOM on the website affects consumers' product evaluations positively under three conditions—(1) when the eWOM messages are about a hedonic product, (2) when expert consumers read attribute-centric reviews and/or (3) when negative eWOM messages precede positive eWOM messages on the website.

Introduction

With the advent of the Internet in Japan, electronic word-of-mouth (eWOM) messages have come into vogue and Japanese consumers can interact with each other, exchange product-related information, and make informed purchase decisions via eWOM. In this regard, many scholars have investigated the effects of positive and negative eWOM (e.g., Herr, Kardes, and Kim 1991; Laczniak, DeCarlo, and Ramaswami 2001; Park and Lee 2009; Richins 1983), assuming that either positive or negative eWOM message is presented on the website. The fact that unlike traditional WOM, positive and negative eWOM messages from various sources can be simultaneously presented together in a single website has been neglected. As a notable research, Doh and Hwang (2009) assumed that both positive and negative eWOM messages are presented in a single website and reported that the existence of negative eWOM message can affect consumers' product evaluations positively. However, little is known about the conditions under which negative eWOM can have positive impacts. Thus, the purpose of this study is to address the following research questions: how can the types of the product, the receiver, and reviews as well as the order of

eWOM messages in a website affect the relationship between the ratio of positive to negative eWOM messages and consumers' product evaluations?

Study 1

We conducted three studies. Study 1 is to investigate how the types of the product (utilitarian/hedonic), the receiver (expert/novice), and reviews (attribute-/benefit-centric) affect the relationship between the ratio of positive to negative eWOM messages (10:0/8:2/6:4) and the consumers' product evaluation. To collect the data, we conducted a laboratory experiment in Tokyo. The results of ANOVA showed that consumers evaluated hedonic products (movies and comics) more favorably when the consumers read a few of negative eWOM messages among a lot of positive ones in a single website than when they read only positive eWOM messages. In contrast, consumer evaluations of utilitarian products (portable media players and digital cameras) were highest when the consumers read only positive eWOM messages. The results also showed that expert consumers evaluated a product more favorably when they read not only positive reviews, but also some negative reviews than they read only positive reviews if the reviews are attribute-centric. In contrast, when expert consumers read benefit-centric reviews and novice consumers read attribute- or benefit centric reviews, their product evaluations were highest when all reviews are positive.

Study 2

Study 1 implied that negative eWOM messages has a positive effect if the eWOM messages are about a hedonic product. In Study 2, we addressed whether the effect varies with the order of positive and negative eWOM messages (negative preceding positive vs. negative following positive). The results of multiple comparison procedures showed that consumers evaluated hedonic products (movies) more favorably when they read negative eWOM messages before positive ones than when they read positive eWOM messages before negative ones. Consistent with the recency effect research (Broadbent, Vines, and Broadbent 1978), this implies that positive effects of negative eWOM messages can be enhanced by sorting the eWOM messages in the way that negative eWOM messages preceded positive ones about hedonic products.

Study 3

Study 1 also implied that negative eWOM messages has a positive effect if expert consumers read attribute-centric reviews. Thus, in Study 3, we focused on the case of expert consumers reading attribute-centric reviews and examined how their evaluations varied with the order of positive and negative eWOM messages (negative preceding positive vs. negative following positive). The results of multiple comparison procedures showed that when expert consumers read attribute-centric eWOM messages, they evaluated the products (movies and digital cameras) more favorably if they read negative messages before positive ones than when they read positive attribute-centric eWOM messages before negative ones. Again, this implies that positive effects of negative eWOM messages can be enhanced by sorting the eWOM messages in the way that negative eWOM messages preceded positive ones.

Conclusions

Previous studies have investigated the effect of positive and negative eWOM messages with assumption that either positive or negative eWOM is presented in a single website. This study assumed that consumers read both positive and negative eWOM messages simultaneously and found that the types of the product (utilitarian/hedonic), the receiver (expert/novice), and reviews (attribute-/benefit-centric) as well as the order of eWOM messages in a website (negative preceding positive vs. negative following positive) affect the relationship between the ratio of positive to negative eWOM messages (10:0/8:2/6:4) and product evaluations.

The findings of Study 1 implied that the existence of negative eWOM messages in a single website enhances consumers' product evaluations when eWOM messages were about hedonic products and/or when expert consumers read attribute-centric reviews. Furthermore, the findings of Study 2 and Study 3 indicated that the existence of negative eWOM messages has greater positive effects on consumer product evaluations when negative eWOM messages preceded positive eWOM messages in a single website.

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Richins, Marsha L. (1983), "Negative Word-of-Mouth by Dissatisfied Consumers: A Pilot Study," *Journal of Marketing*, 47 (Winter), 68-78. **Summary Brief**

Threat or Opportunity? Incumbents' Competitive Responses to New Products

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Competitive responses (e.g., introducing of me-too products) often determine a new product's success or failure in the marketplace. Thus, when and where marketers should introduce their new products to avoid competitive responses is a key concern in formulation and implementation of a new product strategy. The author investigates when the firm is likely to respond to new products introduced to the central (/peripheral) categories rather than those introduced to the peripheral (/central) categories by focusing on two types of motivations (i.e., threat and opportunity). The model was tested using a dataset of new products introduced in the soft drink industry in Japan. The results offer rich implications for both researchers who study competitive responses and marketers who introduce new products.

Introduction

Competitive response is defined as a counteraction taken by a firm to defend or improve its relative position (Chen et al., 1992). Because competitive responses often determine a new product's success or failure in the marketplace, when and where marketers should introduce their new products to avoid competitive responses is a key concern in formulation and implementation of a new product strategy. In response to such practical needs, researchers on marketing and competitive strategies have explored factors that influence the decision-making on competitive responses (e.g., Jayachandran and Varadarajan; Debruyne, et al., 2010). In this study, the author focuses on the decision-making on the introduction of me-too products as a major instrument of competitive responses to new products.

Previous studies using the managerial decision-making approach have focused on the motivation as a key driver of competitive responses. It has been suggested that a competitive response is induced when a firm perceives the rival's new product as the threat of losses in sales (Chen and Miller, 1994) and the perceived level of the threat is higher when the rival's new product is introduced to the central categories rather than the peripheral categories (Debruyne, et al., 2010).

However, a firm responds to the rival's new product by using a me-too product, not only when the firm perceives the threat of losses due to the rival's new product, but also when it perceives the opportunity of gains from its own me-too product. And, as opposed to the threat, the perceived level of opportunity may be higher when the rival's new product is introduced to the peripheral categories rather than the central categories. Thus, the author investigates when the firm is likely to respond to new products introduced to the central (/peripheral) categories considering two types of motivations (i.e., threat and opportunity).

Research Model

Under the assumption of bounded rationality, it is impossible for firms to process and evaluate information on all strategic issues. Thus, they address this limitation by labeling the strategic issues and prioritizing the labels (Simon and March, 1958). In both academy and practice, the threat and the opportunity are two labels which have most frequently applied to strategic issues (Dutton and Jackson, 1987) and whether decision makers prioritize the threat or the opportunity depends on the context of the decision-making (Ocasio, 1997).

In the context of the introduction of a me-too product against a new product, when a firm prioritizes the threat (/opportunity) the firm may be likely to introduce a me-too product against the rival's new product introduced to the central (/peripheral) categories. It is because the focal firm may perceive the product as the threat (/opportunity). Thus, the author proposes a model describing that contextual factors (i.e., organizational and environmental contexts) influence whether the focal firm prioritizes the threat or the opportunity and, in turn, influences whether the firm is likely to response to the rival's new product introduced to the central or the peripheral categories.

Method & Findings

The model was tested using a dataset of new products introduced in Japanese soft drink industry during 2009-2011. Because firms in Japanese soft drink industry most frequently use new products as competitive instruments, the industry seems to be appropriate to test the model describing the decision-making on the introduction of a me-too product against a rival's new product. The usage of secondary data has an advantage of avoidance of availability, hindsight, and common method bias, compared to ex post facto survey research (Debruyne, et al., 2010). However, it also has a disadvantage of impossibility to directly measure unobservable variables, such as motivation. Thus, this study only tested the relationship between contextual factors (i.e., organizational and environmental contexts) and the response categories (i.e., central or peripheral).

Following the procedure of previous studies (e.g., Chen and Miller, 1994), the author conducted a content analysis on industrial journals as well as press releases to identify the pairs of the new products and their me-too products. As a result of the context analysis, 1115 pairs were identified. Response categories were measured as a binary variable with central (1) and peripheral (0). The central (/peripheral) categories were operationalized as the categories which sales account for more than (/less than) 30% of the total sales. All contextual factors (i.e., organizational and environmental contexts) were measured using secondary data reported by a Japanese private research firm. The results of a logistic regression showed that contextual factors (i.e., organizational and environmental contexts) influence whether the firms are likely to response to their rivals' new products introduced to the central or the peripheral categories.

Conclusions

This study identifies when firms are likely to response to their rivals' new products introduced to the central or peripheral categories by considering two types of motivations (i.e., threat and opportunity). The findings of this study imply that competitive responses of firms vary depending on whether the motivation is the threat or the opportunity. Thus, future research should consider the two types of motivations and examine the impacts of them on other dimensions of competitive responses (e.g., intensity, speed, or instrument). The findings of this study also have implications for marketers who introduce new products. For example, if a troublesome competitor (e.g., market leader) prioritizes the threat, the marketer may be able to avoid a competitive response by introducing a new product to the competitor's peripheral categories. On the other hand, if a troublesome competitor (e.g., market leader) prioritizes the opportunity, the marketer may be able to avoid a competitive response by introducing a new product to the competitor's central categories.

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The Impacts of the Use of Dual Distribution on Interfirm Performance

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Nowadays more and more firms rely on the simultaneous deployments of both direct and indirect channels to distribute the same product line, often referred to as dual distribution systems. Marketing channel scholars have investigated the causal relationships between the use of dual distribution and individual firm performance. However they have not focused on the impacts of the use of dual distribution on interfirm performance. This study examines how the use of dual distribution impacts on interfirm performance. Based on the relational view, this study develops the conceptual model describing that the positive effects of three types of resources on interfirm performance are greater when the manufacturers use dual distribution than when they use single distribution. The proposed model is empirically tested by using a dataset from Japanese manufacturers in various industries. This study contributes to marketing channel research in terms of relating dual distribution to interfirm performance.

Introduction

Dual distribution system is defined as the simultaneous deployment of both direct and indirect channels to distribute the same product line (Frazier, 1999). By using dual distribution, firms can offer their customers more ways to do business with them. In Japan, in order to meet customers' various needs, the use of dual distribution has become common practice in many industries. Prior research has investigated on the causal relationship between the use of dual distribution and individual firm performance. However, no research has examined how the use of dual distribution affects interfirm performance. It is important to address this issue because interfirm performance is a key factor to create competitive advantages. Thus this study focuses on the effects of the use of dual distribution on interfirm performance. Based on the relational view (Dyer and Singh, 1998), which is an extension of the resource based view (Barney, 1991) to the dyadic level, this study develops the conceptual model describing that the positive effects of three types of resources (i.e. relation-specific assets, knowledge-sharing routines, and complementary resources/capabilities) on interfirm performance are greater when the firms use dual distribution than when the firms use single distribution.

Literature

There are two research topics, namely (1) the antecedents of the use of dual distribution and (2) the causal relationship between the use of dual distribution and individual firm performance. Former research has found a transaction cost (e.g., Dutta, Bergen, Heide, and John, 1995) and environmental factors such as market growth (e.g., Sa Vinhas and Anderson, 2005), as the antecedents of the use of dual distribution. On the other hand, Kabadayi (2011) investigated the effects of using dual distribution on individual firm performance. By using a transaction cost analysis, he found that when firms' three transaction cost variables were close to the ideal type of the variables, they can minimize their transaction cost and increase its performance. He made useful insights into our understanding of dual distribution. However, prior research has not focused on the causal relationship between the use of dual distribution and interfirm performance. Traditionally, marketing channel scholars have considered interfirm performance as a key factor to create competitive advantages (e.g., Jap, 1999). Thus it is important to focus interfirm performance and relate using dual distribution to interfirm performance.

Approach

To investigate the causal relationship between the use of dual distribution and interfirm performance, this

study bases on relational view proposed by Dyer and Singh (1998). Marketing channel scholars have widely used this perspective to examine interfirm performance. They recognize that relational view is one of the most effective approach to relationship between manufacturers and distributors. Based on relational view, this study focuses on three recourses as determinants of interfirm performance; relation-specific assets, knowledge-sharing routines, and complementary resources/capabilities.

Conceptual Model

This study consider the knowledge through performing distribution functions. When firms use single distribution of indirect channels, they are not able to get the knowledge. On the other hand, when firms use dual distribution, they can obtain the knowledge by performing distribution functions through direct channels. This knowledge will enhance relational capabilities to utilize three types of resources (i.e. relation-specific assets, knowledge-sharing routines, and complementary resources/capabilities) effectively. Thus this study develops the conceptual model describing that the positive effects of the three resources on interfirm performance are greater when the firm uses dual distribution than when the firm uses single distribution.

Method and Results

A dataset from Japanese manufactures in various industries were collected by mailing to marketing/sales managers of manufacturers. The questionnaires were developed on the basis of available scales and previous field study. The respondents completed the questionnaires about their distribution systems and their relationships with distributors. A regression analysis was conducted to test the proposed model. The results showed that the effect of relation specific assets and complementary resources/capabilities on interfirm performance are higher in the presence of dual distribution than in the presence of single distribution.

Conclusions

Though prior research has focused on individual performance, this study focuses on causal relationship between the use of dual distribution and interfirm performance. The findings of this study imply that dual distribution can enhance relational capabilities to utilize the interfirm resources effectively and increase the interfirm performance. It suggests that manufacturers can use dual distribution as a marketing strategy to create competitive advantage. This study contributes to marketing channels research by relating dual distribution and interfirm performance.

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Summary Brief

Conceptualizing Overall Firm Satisfaction in a Business Services Context

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This paper develops a conceptual framework for overall firm satisfaction in a business services context based on network theory. Though the vast majority of satisfaction studies are conducted by identifying a one or two key informants, we first propose that true overall firm satisfaction should be based on a weighted average of the individual satisfactions of all actors in the customer firm with a vested interest in service provision. We then propose that changes to overall firm satisfaction can be partly attributed to the manner in which interpersonal influences change individuals' satisfaction assessment over time. We discuss the implications of each proposition on service managers.

Introduction

Satisfaction studies in marketing have traditionally focused on individuals as the unit of analysis. However, the study of business customers heightens the need for understanding satisfaction better at an organizational unit of analysis. Rudimentary approaches have primarily been implemented to assess satisfaction at the organizational level, and there has been a call for more research concerning customer satisfaction formation in organizations (Schellhase, Hardock and Ohlwein 2000; Chumpitaz and Paparoidamis 2004). Existing research approaches have heretofore failed to consider how interactions among individuals within a company influence the formation of organizational satisfaction. In response to this issue, this paper develops a conceptualization of the satisfaction formation process in organizations based on principles from network theory (Borgatti and Halgin, 2011). The framework developed in this paper is especially applicable to the business services context.

Conceptual Framework

Network Theory

We apply a network perspective to develop a deeper understanding of the satisfaction formation process of business customers. A network may be described as, "a set of actors or nodes along with a set of ties of a specific type that link them" (Borgatti and Halgin, 2011). The nature of the nodes and ties may differ according to the research context. In the present conceptualization, the individuals employed by the customer firm are the "actors". The nodes that tie the actors together within the company would be information flows pertaining to a particular service provider. Additionally, the service provider is connected to particular actors in the customer firm through one or more bridging ties. These bridging ties are the entry points whereby information from the service provider that is not generally disseminated enters the organization and flows to one or more actors in the organizational network, and then get dispersed accordingly.

If we look closer within the customer organization, we can see that information from the service provider may disseminate across the organization in different ways. This implies that the process of satisfaction formation will differ based on how the service provider is tied to the customer firm, and how service provider information is dispersed within the company. Our conceptualization will focus on the cases where a service provider interacts with several actors in customer's organization that belong to either one or several departments or functional areas. Network theory is more applicable to scenarios that involve more than one actor, since only then would interactions among actors come into play. Further, when we have several actors, it is important to consider the relative influence or power of the actors. There are different bases of power in an organization, and actors vary in the amount of power that they possess. Sociology and network theory literature discuss power from two different perspective: social power and network power. We can assume that overall firm satisfaction is formed through a process whereby both sources of power play some role. Therefore, an index of power that includes both bases of power should be constructed for each actor.

Overall Firm Satisfaction

The true overall firm satisfaction should be based on collective individual satisfactions of both managers' and employees'. All actors who have a vested interest in the service provision with some amount of power contribute to the overall satisfaction of the firm. Managers from different departments and their employees may have heterogeneous evaluations of the service provider, so using just one or two informants to represent the satisfaction of an entire organization may be misleading. If all actors have equal power then overall satisfaction would resemble a voting setting that each actor has one vote and all votes are treated equally. However, since power and influence will typically vary among the relevant actors, their satisfaction inputs should be weighted accordingly. We propose:

Proposition 1: Overall firm satisfaction is the weighted average of the relevant actors' satisfaction from within a customer firm, where the weights are based on each actor's power within the organizational network.

Changes in Overall Firm Satisfaction

Each direct or indirect interaction that the service provider has with different actors in the firm is evaluated in some way, and an individual impression or understanding is formed for each actor. In addition to the day to day interactions that shape overall firm satisfaction, decisions and observations related to the service provider are often discussed in groups. Through group discussions actors can influence group opinion about satisfaction toward a service provider. "A choice shift is said to occur when, after a group's interaction on an issue, the mean final opinion of group members differ from the members' mean initial opinion" (Friedkin 1999, p. 857). Choice shift is attributed to interpersonal influence (Friedkin 1999), what French (1956) call social power. Thus, the individual satisfaction of each actor may change, even if the nature of service provision remains constant as individual actors within the customer firm exert their influence with one another over time. This leads to our second proposition:

Proposition 2: Changes in overall firm satisfaction over time can be partly attributed to the degree and manner in which individuals' satisfaction within the customer firm is modified by interpersonal influences.

Conclusion

In this paper, we develop a conceptual framework, based in network theory, of overall firm satisfaction that is applicable to business services contexts. The model presented here can help services firms serving business customers assess satisfaction more accurately. We make the case that true overall firm satisfaction should be based on the individual satisfaction of all individuals from the firm with a vested interest in service provision. We also proposed that interpersonal influence will be a source of satisfaction change over time. Future research should seek to incorporate the views of more organizational members and apply the principles of power and influence when measuring satisfaction at the organizational level.

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Summary Brief

Service Worker Job Resourcefulness Effects on Burnout, Intentions to Leave and Job Satisfaction: A Replication in the Health Care Field

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Managers continue to feel the pressure to do more with less while focusing on increased firm efficiency. Resourceful employees are necessary in order to carry out this effort. Not surprisingly, the job resourcefulness construct continues to grow in importance. The current study attempts to replicate past work on the job resourcefulness construct by examining its influence on two aspects of service worker burnout: burnout towards management and towards customers in a health care environment. These preliminary results reveal divergent effects for the constructs under investigation based on the research setting.

Introduction

“Doing more with less” has become a familiar slogan for service marketers today. The business press is rife with examples of the pressures that managers feel to maximize their returns by focusing on both high quality and high profit business models. As Harris (2014) observes, businesses weathered the storm of the great recession but are now realizing that the expectations to do more with less have increased. To address this issue, a growing stream of research has focused on the “job resourcefulness” construct (Harris et al. 2013; Karatepe and Aga 2013; Ashill et al. 2009; Rod and Ashill 2009; Harris et al. 2006; Licata et al. 2003). Job resourcefulness (hereafter JR) has been conceptualized as an employee-level, individual-difference variable and defined as “an enduring disposition to garner scarce resources and overcome obstacles in the pursuit of job-related goals” (Licata et al. 2003, p. 257).” As Harris (2014) has discussed, JR research has added much to the literature. The construct has been shown to influence a number of outcome variables. Supervisor- and self-rated performance, job satisfaction, intentions to leave, and “units sold” are all influenced by JR (Licata et al. 2003, Harris et al. 2006; Harris et al. 2013).

The work of Harris (2014) began to investigate an important relationship: the influence of JR on distinct components of service worker burnout (towards management and towards customers). This work was supported by emotional labor theory. It was proposed that JR would influence burnout towards customers and managers, as well as intentions to leave the firm and job satisfaction. The focus of the current work is on replicating these findings in a health care setting. Burnout towards patients is a concern for health care managers today, and it is an especially important issue in the nursing profession which continues to face a serious shortage in the United States. The work proposes the following hypotheses:

H1: *JR negatively influences burnout toward customers [patients].*

H2: *JR negatively influences burnout toward management.*

H3: *JR positively influences job satisfaction.*

H4: *JR negatively influences intentions to leave the firm.*

H5: *Burnout toward management negatively influences job satisfaction.*

H6: *Burnout toward management positively influences intentions to leave the firm.*

H7: *Burnout toward customers [patients] negatively influences job satisfaction.*

H8: *Burnout toward customers [patients] positively influences intentions to leave the firm.*

H9: *Job satisfaction negatively influences intentions to leave the firm*

H10: *The personality traits of (a) conscientiousness and (b) openness to experience are both positively associated with JR.*

Methodology

A total of 128 surveys were distributed to a range of hospital employees who had frequent contact with management and patients. A total of 107 surveys were available for the analysis. All measures were adapted from Harris (2014) and all alphas > .70, with the exception of burnout towards customers ($\alpha = .69$).

Data Analysis and Results

The measurement model had acceptable fit, and all items loaded on their constructs ($\chi^2 = 540.22$, d.f. = 356, CFI = .92, SRMR = .09, RMSEA = .07.) Path analysis was utilized for hypothesis testing, with average scores used as input. The model fit was acceptable ($\chi^2 = 14.95$, d.f. = 8, $p = .06$, CFI = .94, RMSEA = .09). Only half of the hypotheses were supported. JR did not significantly influence burnout toward patients (SPC = $-.04$, $t = -.36$) nor management (SPC = $-.14$, $t = -1.47$). Nor did JR influence job satisfaction (SPC = $.05$, $t = .62$) or turnover intentions (SPC = $-.04$, $t = .59$). Burnout towards management did negatively influence job satisfaction (SPC = $-.59$, $t = -7.33$). It did not significantly influence turnover intentions (SPC = $.12$, $t = 1.44$). Burnout towards patients did not influence job satisfaction (SPC = $-.01$, $t = -.04$), but did influence turnover intentions (SPC = $.14$, $t = 2.06$). Job satisfaction negatively influenced turnover intentions (SPC = $-.62$, $t = -7.32$). Conscientiousness positively influenced JR (SPC = $.24$, $t = 2.58$), as did openness (SPC = $.28$, $t = 3.05$).

Discussion

The continuation of the work on JR-BO components is in its early stages. The health care environment is highly specialized. One difference between banking and health care settings is that employees in health care fields are often more highly-educated and possess more training than does the general U.S. workforce. Also, professionals nearly always enter the field with the goal of helping patients. Being resourceful on the job may have little effect on burnout. In general, health care workers are more cognizant of the demands under which their immediate supervisors work. So, what can be said about the role of JR in health care? First, it should be emphasized that a variety of employees were included in the study. While we have evidence that JR does not influence burnout, this is not to say that JR is unimportant in health care. In fact, Harris et al. (2006) found that JR influences tenure with the hospital and tenure in the healthcare industry, while Licata et al (2003) found that JR influences both self- and supervisor-performance evaluations. JR effects may be more long-term than immediate in this context.

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Summary Brief

The Echo Effect: Sharing One's Opinion about a Product Can Influence One's Own Attitude

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Previous research on word-of-mouth (WOM) effects has primarily focused on how consumers change their attitudes toward products after receiving WOM communications. Complementary to this approach, we investigate whether WOM communicators' attitudes might also be influenced after sharing their impressions of a product. Across five experiments, we find evidence for the Echo Effect—communicators' own attitudes, recall and purchase likelihood are influenced by sharing WOM messages with another consumer—and discover that the mechanism driving the effect lies in the extent to which the communicator attempts to take into account the WOM recipient's attitude toward the product. These studies make an important contribution to the existing literature because they suggest that WOM communication is more than just a transfer of information from one person to another, but rather an ongoing dynamic social process with the potential for significant bidirectional influence.

Introduction

Word-of-mouth is a pivotal concept in the marketing research literature. Prior research has demonstrated the effects of WOM on product adoption (Arndt 1967), switching behavior (Wangenheim and Bayon 2004), and consumer attitudes (Bone 1995). However, the vast majority of previous research on WOM effects has focused on consumers as receivers of WOM messages (Moore 2012). Complementary to this receiver-centric approach, there is a small but growing body of WOM research that focuses on the communicators of WOM—i.e., consumers who share their opinion about the product (see Berger 2014 for a review). The current research adds to this burgeoning literature by examining how the communicators of WOM might be influenced as a result of their communication. In particular, we focus on situations in which the WOM communicator is asked to share their opinion of a product with a recipient who has a pre-existing opinion of the product. In keeping with the notion that individuals accommodate their audience's characteristics (Higgins and Rholes 1978), we would expect that the communicator would take into account the audience's attitude toward the product when generating the WOM message. Given previous findings, this leads to the prediction that a communicator would share more positive WOM with a recipient who likes the product than with a recipient who dislikes the product. Moreover, adjusting one's WOM in this manner would lead the communicator to have more positive attitudes toward the product and like the product more when the recipient likes the product than when the recipient dislikes the product. We call this the echo effect and test it in a series of five experiments in which participants are placed in the role of WOM communicators and asked to provide WOM to a friend.

Methodology

Experiment 1 establishes the effect and provides initial evidence for the mediating mechanism. Participants were asked to initially evaluate one of three products. Then, the recipient attitude manipulation was introduced: participants learned that their friend liked or disliked the product and was considering purchasing it. However, they wanted to know their friend's (i.e., the participant's) opinion of it before deciding. Participants then wrote a WOM message to the friend, completed a filler task, and finally evaluated the product again. Coding participants' WOM messages revealed that they were more positive when the friend liked the product compared to when they disliked it. Moreover, participants' own attitude toward the product became more positive when the friend liked the product, and this change was mediated by the positivity of their WOM message.

Experiment 2 replicates the effect and finds evidence for changes in the WOM communicator's recall of the product as well as their attitudes toward the product. Thus, communicators don't just like the product more, but also remember it more positively, after sharing WOM with a recipient who likes the product.

Thus far, participants were provided with a clear indicator of their friend's attitude in accordance with prior research. However, it remains unclear whether the communicator has to be explicitly informed of the recipient's pre-existing attitude. We predicted that if someone were considering purchasing a product, then the WOM communicator would assume that they hold a positive attitude toward it and act accordingly. To explore this,

participants in experiment 3 received a message from the friend that merely asked for their opinion, but without any explicit indication of whether the friend liked or disliked the product. In addition to writing the WOM message and reporting their attitude toward the product, participants also rated what they believed their friend's attitude toward the product to be and completed a purchase likelihood measure. As expected, the more positive the friend's attitude was (believed to be), the more positive the WOM shared with the friend. This in turn led the participant to hold more positive attitudes toward the product, and be more likely to purchase the product.

Experiments 4 and 5 moderated the echo effect using two different manipulations of feedback about the WOM message. In both experiments, participants were again provided with product information along with a message from their friend asking for their opinion (and no indication of their attitude). After writing the WOM message and completing the filler task, participants in experiment 4 were either informed that the friend had found their message to be useful or told that it was unhelpful. In experiment 5, participants discovered that their friend had either purchased the product or had not purchased it. In both experiments, the manipulation of feedback moderated the echo effect.

Conclusion

Thus, we find evidence for the Echo Effect across five experiments—communicators' own attitudes end up being influenced by the content of the shared WOM messages—and discover that the mechanism driving the effect lies in the extent to which the communicator attempts to adjust for the WOM recipient's attitude toward the product. These studies make an important contribution to the existing literature because they extend previous psychological findings to consumer behavior. Moreover, the novel finding that communicators' beliefs about the recipient's attitude can also lead to changes in the WOM content shared and the communicator's subsequent attitude is a significant addition to this literature. Indeed, these findings suggest that WOM communication is more than just a transfer of information from one person to another, but rather an ongoing dynamic social process with the potential for significant bidirectional influence. As such, these findings bring together multiple research streams on social influence, social cognition, as well as WOM.

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Summary Brief

The Marginalized Masculinity

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This research uses a global lens to investigate the change of masculinity. Specifically, the study explores how male models with international experience who present masculinity in advertisements perceive their own masculinity in the fashion industry. A qualitative inquiry is used to examine the research purpose. To that end, this study contributes to marketing literature by adding to the understanding of the changing male identity globally.

Introduction

Fashion modeling is ineluctably linked to the development of consumer society across the globe (Entwistle and Wissinger 2006). From Fordism relations of mass production and consumption, to post Fordist regimes of niche marketing, modeling grew as a profession, within the expansion of consumption during the twentieth century (Bell 1973). Thus, as the means of producing consumer desire proliferated, so did work opportunism for fashion models. Modeling was predominantly a female profession, beginning in the exclusive couturiers when models would be on hand to display clothes for private clients (Evans 2005). Later, the trend from the private displays to fashion shows became a mechanism for promoting fashion to a wider consumer base. The rapid development of the advertising industry further facilitated the use for models (Crewe 2003; Nixon 1996). Models became important tools in advertising production. In general, models are used to translate a “look,” sometimes called “beauty,” but not always (Entwistle 2002).

The value in aesthetic appearance of the body makes modeling a unique position for men, traditionally on the other side of the objectification gaze (Entwistle and Wissinger 2006). The “to be looked-at-ness” of male models is similar to women in popular imagery (Mulvey 1975). Contrary to the traditional belief that the display of men tended to indicate power and authority (Goffman 1979), male models have been recently portrayed as “homosexual” or “laddish” (Gill 2007), which is consistent with the premise that the growth of feminism and the homosexual movement fueled this increase in consumption roles.

However, research on male models has been little investigated in the marketing literature. In addition, much research has only focus on “local models”, while little has been done to investigate the models with global experience. Therefore, there is a need to understand of the gendered nature of the aesthetic labor behind and in front of the scenes, examining the empirical reality of “situated bodily practices” on a global level (Entwistle 2001). As such, the study aims to examine the male fashion models’ experience associated with their masculinity.

Marginalized Masculinity

As the purpose of the study is exploratory in nature, a qualitative inquiry is appropriate to conduct the study. A total of 15 male models, aged between 20 and 30, agreed to participate in the study in China. All models are Asian and have been in the modelling industry for both Chinese and Western context for at least five years. The one-on-one interviews were conducted face to face and the conversation was video recorded. Each individual interview lasted about one to two hours long and generated about 40 pages of transcripts in Chinese. All transcripts were translated in English and were independently read/coded, following Strauss and Corbin’s (1998) approach. The findings show that the male model more or less felt stressed about the lack of masculine power in the work place. Contrary to traditional belief that men in the ads are quite masculine, the majority of male models are frustrated with their forced passiveness and lack of power.

Our approach was to use a qualitative inquiry to demonstrate the changing male identity. Given the dominance of the consumer research literature by North Americans and Western Europeans, this paper presents a relatively unique portrayal of changes occurring in the global context and provides a foundation for studying masculinity through a global lens. The study reveals that masculinity has been marginalized in the international fashion industry. It challenges the generality of the man-of-action hero portrayal (Holt and Thompson 2004). Given the change of masculinity, one may reject the view that the desire to fashion oneself as a man-of-action hero guides men’s identity consumption.

As an engine of consumption, advertising plays a strong role in promulgating dualistic gender roles and prescribing sexual identities. Connell (1995) notes that conventional readings of advertising representations lead men to pursue hyper-masculine ideals and become “stronger.” On the other hand, if feminine ideals are pursued by women, their role as the weaker sex is reinforced, at least in advertising targeted to males. Advertising imagery constitutes pervasive and influential gender representations in public space, incorporating displays of power, dominance, and normativity within the consumer spectacle. Therefore in the traditional consumption realm, the male is embodied as an active subject (a matter-of-fact, self-assured decision maker), while the female occupies the passive object (the observed sexual/sensual body, eroticized, and inactive). Through careful manipulation of imageries, the dominant market system helps construct one’s gender identity during consumption processes influenced by the desires and passions objectified through advertising. However, changing masculinity in advertising industry is clearly evident, and we agree with Patterson and Elliott’s (2002) conclusion that hegemonic masculinity is changing in order to maintain its privileged position.

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Full Paper

Liminal Consumption among Chinese Migrant Workers: The Past, Present and Future

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The purpose of the study is to explore the consumption practices of rural migrant workers in China. As such, a qualitative inquiry/narrative analysis was applied to examine the consumer culture among the migrant workers. The results show that migrant workers' consumption activities constitute a liminal space. Consumption in the past, present and future constitutes a permanent/prolonged notion of liminality, which exists in parallel to the hegemonic order of consumer culture. Overall, the results enrich to the literature on liminality, acculturation, and subsistence consumer behaviors.

Introduction

Marketing research, particularly work oriented towards consumer culture, embodies a cross-disciplinary infusion and hybridism (Cody and Lawlor 2011). Much previous work has theorized the consumer culture link between everyday life and the symbolic/ritualized marketplace consumption. That being said, consumer researchers have enriched literature on symbolic interaction (e.g. Ligas and Cotte 1999; Solomon 1983), cultural branding (e.g., Schroeder and Sakzer-Morling 2005), as well as self-concept and family identity (e.g., Epp and Price 2008; Schouten 1991).

While previous studies have focused on the hegemonic consumer culture (Mehta and Belk 1991; Oswald 1999; Penaloza 1994; Askegaard et al. 2005; Ustuner and Holt 2007), “conflicts” have yet to be understood for certain social groups such as non-middle class consumers (Cody and Lawlor 2011; McEwen et al. 2006). As Schouten (1991) stated, little is yet really known about the consumption patterns of liminal people/liminal social groups within the domain of consumer research. Despite knowing that subsistence consumers have uncertainty and a lack of control over many aspects of their life (Viswanathan 2007), the understanding of the unique aspects of subsistence marketplaces remains limited (Weidner, Rosa and Vsiwanathan 2010). As such, research needs to expand the marketing theories on the liminal consumers, as conditions in subsistence markets are different from what typically exists in developed markets (Viswanathan, Rosa, and Ruth 2010).

In China, the marketization process has propelled the country from austere poverty to a Western-like consumer society in urban areas, while it has left rural regions behind (Zhang 2010). As a result, from a rural labor force of 516 million in 2007, 132 million left to find work in the cities, with the hope of making a better living (Zhang 2010). At their destination, they are considered to be the poorest and most “marginalized” (Zhang 2010). The rural migrants' situation may differ from that of international migrants, due to the shared cultural roots among the Chinese. One would expect that it may be possible for them to assimilate consumption patterns and spending habits associated with urban Chinese culture.

However, prior studies have tended to focus on international /cross boarder migrants (Lee and Tse 1994; Mehta and Belk 1991; Oswald 1999; Penaloza 1994), and there is a lack of study on within-the-country migration. This study, thus, aims to explore the premise that for Chinese consumers who are standing mid-way between two symbolically defined market segments (e.g., urban, rural), who moved from rural China and are adapting to urban life. In doing so, the researchers seek to understand how liminal spaces are experienced by those who live within financial and cultural constraints. Therefore, this research focuses upon the consumption practices of Chinese migrant workers

Chinese Migrant Workers

Prior to the emergence of consumer culture (Tse et al. 1989), Chinese consumers were roughly characterized as either rural or urban (e.g. Sun and Wu 2004; Chan and Zhang 1999). Much research has particularly

paid attention to urban consumers (e.g. Cui and Liu 2000; Chan 2008) and their regional differences (Yusuf and Brooks 2010; Zhou et al. 2010).

In China today, consumer culture has been shaped by government-instituted policies (Fowler, Gao, and Carlson, 2010). Though this rural-urban divide still exists, economic development has led to a more heterogeneous market (Schmitt 1997). As a result, Chinese markets can be divided into three segments: rural consumers, urban consumers, and (the quarter of a billion) migrant consumers. “Rural consumers” refers to those living in the countryside with rural hukou (government registered rural ID). “Migrant consumers” (nong min gong) are those who hold rural hukou (government registered urban ID), but have moved to urban areas to make a living as industrial workers.

According to Chinese government statistics, in 2011 the total number of migrant workers reached 252.78 million. The average monthly income was about RMB1, 690 (\$248 in 2010), which slightly exceeded the poverty standard defined by the World Bank. In addition to financial restraints, migrant workers are often characterized as illiterate, in poor health, inaccessible by media, geographically isolated, and inexperienced with consumption (Pralhad 2005).

Similar to international migrants (Penaloza 1994; Oswald 1999; Mehta and Belk 1991; Lee and Tse 1994), the Chinese workers enter an urban context with slightly different lifestyles. However, unlike international migrants, the “internal” migrants share the same ethnicity and the same written language (though a variety of spoken dialects exist). Given the increasing number of the workers and their unique social position, it is critical for consumer researchers to understand their consumption patterns and life experiences.

Acculturation and the Liminal Lens

Consumer acculturation is defined as the process of movement and adaptation to the new consumer culture (Penaloza 1994). Much early research viewed acculturation as a uni-dimensional and linear process (Mathur 2012). Given sufficient time, the process can result in full assimilation, where migrants are virtually indistinguishable from the members of the mainstream culture. The new post-assimilationists, however, viewed such a process as multi-dimensional (Mathur 2012). As a result, the outcome of the acculturation may depend on the path taken the individuals. For instance, some individuals may fully integrate into the new culture and give up their past identity (assimilation), while others may adopt certain cultural norms but maintain their own rituals/identity (Integration). Additionally, some migrants may feel rejected by the host culture and at the same time may not want to maintain their cultural identity (Marginalization). Finally, others may maintain their cultural identity and do not form relationships with the other social groups in the new culture (Separation) (Berry 1997).

Several additional issues have been researched that highlight the complexity of acculturation. For example, the cultural orientation (collectivism and individualism) could influence the process of acculturation (Gentry, Jun and Tansuhaj 1995). Following the same path, Ownbey and Horridge (1997) studied the shopping orientation of Chinese immigrants, and Bernstein et al. (2011) researched Korean immigrants in the U.S. However, much prior research was conducted in a transnational context. The acculturation process for migrant workers within a developing nation has been neglected. In China, state policy may have facilitated the migration from rural to urban areas, and reinforced the liminal status of the workers as outsiders who are socially “out of place” in the city (Pow 2007, 1545). As culturally distinct and inferior “others,” the workers are considered “rootless,” “uncivilized,” and “dangerous” (Pow 2007; Rowe 1990). Thus, their acculturation involves liminal experiences.

According to Turner (1967), liminal space exists midway between two identified states and as such, it encompasses a phase of incomplete transition. In other words, it can be understood as experiencing a suspension of identities, in which commitment to the fixed and definable social categories from which they left or toward the categories perceived to belong to the new environment is difficult to handle. In essence, liminoid phenomena are characterized by a temporary change or transformation from the original state by voluntary or uncertain choice (Turner 1974). According to Turner (2009), the “transition” can be marked by three phases: separation, marginalized experience, and aggregation. The first phase comprises symbolic behavior signifying the detachment of the individuals from an earlier social structure. During the intervening “liminal” period, the person tends to face ambiguity, and he or she passes through a cultural realm that has few or none of the attributes of the past or the future. In the third phase, the individual has acclimated to the norms of the new state.

In the 1990s, when rural workers began appearing in the cities, they were generally considered as temporary outsiders who would soon return to their rural origins (Pow 2007). However, today’s migrants tend to stay in the city for a prolonged time period. Many can be no longer reached by the rural authority in their places of origin; but at the same time, they are considered as outsiders by city officials (Pow 2007). These social neophytes on the border of urban and rural divides may not be able to return to their rural identities once they have begun the journey towards urban life. Yet, interpretive consumer research has underutilized the liminal theoretical lens through which to understand the consumption practices of those betwixt and between social categories (Cody and Lawlor

2011; Schouten 1991). Therefore, it is important to explore the consumption patterns of migrant workers. As such, the next section specifies the methodological procedures used to investigate Chinese migrant workers.

Methods

As the purpose of the study is exploratory in nature, a qualitative inquiry is appropriate to conduct the study. A total of 30 migrants between the ages of 24 and 47 participated in the study in Shanghai, China. All migrants are Chinese nationals and have been in the urban area for at least five years. The one-on-one interviews were conducted face to face and the conversation was video recorded. Each individual interview generated between 10 to 30 pages of transcripts in Chinese. All transcripts were translated into English and were independently read/coded by the researchers.

After reading the transcripts in depth, the researchers began with coding as Strauss and Corbin (1998) suggested. In the coding phase, words and lines were labelled. After the open coding was completed, the important factors, themes and relationships were identified (Wolcott, 1994). The meaningful results were grouped together into higher-level categories and the preliminary findings are presented below.

Findings

The results showed that migrant workers' consumption activities constitute a liminal space between the rural order of life and the hegemonic consumer culture. Ritualized consumption is negotiated and complemented with other rituals of navigating a society defined by material goods and institutionalized ways of consumption. The research findings also reveal that liminal spaces such as consumption practices among those who are at the bottom of the wage scale shape the temporal and social experiences of the migrant workers. Three major themes emerged: marginalized past and monetary allocation; marginalized present and consumption strategies; and the future and the nature of hope.

Marginalized Past and Monetary Allocation

As Turner stated (2009), the first phase comprises symbolic behavior signifying the detachment of the individuals from an earlier social structure. Consistent with the theory (Turner 2009), the informants believed that their lives are marginalized/isolated from the past, with better living conditions. For instance, one of the informants stated that: "I feel my living condition now is better than in the past. Shanghai is much better than my own hometown. There are people out there who still do not have enough food and clothes. By thinking about that, I feel much better for myself." "Also, when I was a kid, I walked six miles every day to go to school. Now in the city, you can actually buy a bike and it only takes a few minutes to go to the places you need to go."

Though many respondents acknowledged the improvement in living conditions in the cities, their experiences still link to past rural lives. In other words, the sense of detachment from the past varies among individuals. Lin further elaborated his feelings about the past experiences. "Every end of the year, I give money to my parents. I pretty much leave every dime I have to my parents and hope they can take care themselves. During the Chinese New Year, they calculated their living costs and wanted to return the money left to us. I refused to take it and honestly they can keep it for themselves. This is sad. When I first left my parents, I did not even have a cell phone. I used the public phone to call them for a while. For the first seven or eight years, I really did not have anything left to give to them. Now, my financial situation is slightly better and I really want to take care of them. My Mom and Dad cried when I said I will take care of them. They told me that it is not easy for me to make a living. I do not have much money for myself. I should keep it." "My brother is nice as well. When I left my family, my brother told me that I should go. If it is not good out there, I still can come back. He even said that he will be responsible for my parents' living and asked me not to worry about them. Then I left. The first time I went back to see him, he held me and cried." In addition to the "left-behind Chinese elderly" (i.e. Bao 2007), the interviews uncovered the situation for the left behind children. Many married informants expressed the concerns on the children were left behind with their grandparents or relatives in rural China. For example, Zhou told us, "My daughter is with her grandparents. We live in a small place in Shanghai. If I ask my parents to bring her here, they won't have a place to stay. So we had to leave them behind and often my wife purchases stuff here and mail it back to them." Other informants discussed similar situations: "I work 12 hours a day. There is no way I can take care of my own child here." "You know, they are labeled as 'left-behind children' and their life is miserable. The TV news talks about them all the time."

Recent research has shown that due to the labor migration, 25 percent of all Chinese children have been left behind by one or both parents (Duan et al. 2003). Consequently, their consumption is restrained by their migrant parents' condition. Unlike Western children who are left to single parents due to divorce, Chinese left-behind children are also more likely to suffer higher stress levels (Ren and Treinman 2013). Though much research has found that Chinese children have become a major consumption entity (Fowler et al. 2010), it is unlikely that the "left-behind children" embrace similar purchasing power. As we learned from the data, many migrant parents

choose to buy products and mail them back to the children, rather than giving the children disposable income and this spending pattern may be referred as “Confucian’ consumerism” reflecting the long-standing Chinese values of families and social relations (Zhao 1997).

Marginalized Present and Consumption Strategies

According to Ustuner and Holt (2010), the different social classes rely on different consumption strategies. During the transitional/liminal phase, the interviews uncovered that many of workers suffered from low literacy levels, low cultural capital, and low economic status. In order to cope with the disadvantages, the individuals deployed strategies such as using electronics as a mean of coping with limited socialization experience, finding surrogates to shop online, avoiding bargaining and making the purchase in the “known” store, and building identities though avoiding certain product categories.

Previous researchers have identified a number of cognitive and social vulnerabilities that arise from low consumer literacy in both developed economics such as the United States (Adkins and Ozanne 2005; Viswanathan et al. 2005) and developing economies such as India (Viswanathan et al. 2008). As a result of low literacy, the present living conditions cannot be improved as desired. For example, Li stated, “I have six siblings, I went to elementary school for two years. That’s it. Now, I try to learn something on radio and finally reach a point that I can read some of the Chinese characters. But my mind is so slow, it is not enough.” As a result of low literacy, many encountered difficulties in assimilating into urban society. For instance, one of the respondents expressed, “my education is elementary level. My family is very poor and could not support me to go to school. I do not understand Shanghai-nese accent. They always see us as outsiders. There is nothing wrong with us. Just some locals wear colored lens to see us. We are not one of them.”

Low literacy has been researched in marketing literature. Jae and DelVechio (2004) suggested that low literate consumers experience substandard product choices because the overdependence on peripheral cues in product advertising. Wallendorf (2001) also outlined a research agenda, predicated on the assumption that low literate consumers are vulnerable. As a consequence of low literacy, the interviews uncovered that TV has become a major channel for migrant workers to obtain information. In addition, it served to provide visual cues for making buying decisions (Adkins and Ozanne 2005). “I do not have hobbies; I watch a lot of TV shows.” “I love TV and I spend a lot of time to watch the shows.” “I want a computer, I use computer to watch TV. In terms of phone, I would buy it as far as it looks pretty to me. But I want a computer to watch my favorite shows, though I do not know how to use it still. Lately, I save so hard lately for a computer [laughing].” “I have not been to any parks yet. My kid wants to go and I told him to wait till the school takes them there. For us, it is more important to buy a TV and a bike. They are the necessities.” “The only product or brand I trust is those I watched on TV. If a new brand comes out, I have never seen it on TV before, I would not even think of buying it at all. I would go to the store to try it but definitely won’t take it home.” “At time, my friends introduced me some brands. But still I do not like them, unless I see the on TV before.”

In addition to TV, many informants described the importance of owning electronic products such as computers and cell phones. These products have become the “must-have” items for many migrant workers. This tendency of prioritizing electronics may be due to the lack of socialization or low cultural capital. Using TVs, computers/internet, and cell phones as communication channels may provide opportunities to supplement the lack of socialization. In essence, electronic products have become the connection between the self and the outside world.

Furthermore, watching TV at home has become a coping strategy for minimizing spending. For instance, Zhou expressed that, “My wife likes watching TV, but I like movies. She does not want me to go to the movie theater, as the ticket would cost us money. TV is cheaper here (we only have basic channels). Well, just like we do not go to the parks; we do not want to pay the tickets to get in.” The liminal existence has “forced” the workers to find creative ways to further cope with consumption issues. For example, the passages below show that the workers use strategies such as seeking help to shop online and going to the “known” store they can trust without bargaining. “I love online shopping, it is convenient. But I do not know how. Sometimes, I ask for help from a friend. She pays it for me ahead of time. Later I pay her back. I also shop more in the summer than in the winter, as summer clothes are cheaper.” “I love to buy stuff online. But my son is the one who operates the computer system. I do not really know to use it.” “I love online shopping. I also like to shop in the store I know of. You know. Most of us do not like to bargain. So, if you know the store, you would feel more comfortable to go. Plus, I do not think shopping is leisure. I go to the store I know and buy the stuff back. I do not like to wander around in the mall.”

The findings show that a friend or family member may provide surrogate shopping. As prior studies showed, buying clothing can be stressful experience for low literate individuals. As such, a trusted friend might act as a surrogate shopper (Adkins and Ozanne 2005). In addition, making the purchase in the “known store” without bargaining is another way for the individuals to avoid conflicts and the strategy may help to save one’s “face” in the marketplace.

Interestingly, the interviews found that the female informants have found ways to minimize social conflicts through avoiding certain products such as makeup. For instance, two female participants stated, “I do not buy makeup. I feel makeup is expensive. Plus, my employers would not like me to wear it anyway, I think. They want hire the down-to-earth person. I am glad that I do not buy or use makeups.” “I do not wear makeup; you know that you cannot look like the boss. They may not like us to look in certain ways. For clothes, my boss may concern less. If it fits, and the fabric is good, I am good. I do not need anything stylish.” Contrary to previous findings that physical appearance may provide power or confidence in social, occupational, or intimate relationships, especially for those experiencing loss or rejection (Schouten 1991), our findings suggest that the appearance or the appearance-related products may not provide the symbolic meaning and social advantages for transitional individuals.

As Holt (1998) noted, certain social class norms involve specific patterns of consumption. In other words, each status group develops a unique lifestyle and pursues unique consumption activities. The low cultural capitals (LCCs) are acculturated in a social milieu in which they engage the material rigors of everyday life (Holt 1998). From our conversations, it seems that female migrant workers perceived aesthetic appearance to further widen the gap between them and the “locals.” Consequently, many have developed self-identity through the lens of others. Reaching the expectations of others was the key for consumption decisions. However, the finding conflicts with the previous research finding that the low cultural capital (LCC) indigenized consumption to narrow the social class gaps and consistently consumed goods that served as conspicuous signals (Ustuner and Holt 2010).

As expected, the migrant workers preferred items that are durable, functional, non-branded, and low priced. As the literature showed, the LCCs’ ability to manage the material constraints becomes a primary value (Holt 1998). However, our interviews uncovered that the workers have deployed subtle strategies such as finding surrogate shoppers with online skills, using electronics as a means of culturing the self, and avoiding certain product categories for constructing the self-identity through the eyes of others.

The Uncertain Future and the Sense of Home

In the third phase, the individual is expected to behave in accordance with the norms binding on the current culture (Turner 2009). From the acculturation perspective, some individuals may fully integrate into the new culture and give up their past identity (assimilation), while others may adopt certain cultural norms but maintain their own rituals/identity (Integration) (Berry 1997). Our findings suggest that many workers tend to take the path of marginalization as described earlier, due to cultural differences and public policies. For many, future living experiences appear to be less desirable and conflict with their worldview.

For instance, one respondent expressed that: “When I first got here, I felt that I moved from the hell to the heaven. I finally could afford pork for dinner. But, I really miss my family.” Other informants elaborated upon similar feelings: “I do not feel we can be urban people. They look at us differently. They feel we are dirty anyway. You know we work in the factory. In the future, if it is possible to save some money, I would like to go back the hometown to buy a place to live in the countryside. That’s my dream.”

Additionally, the interviews revealed that some workers will leave the city due to education policies which state that migrant children without residency status are not supposed to receive educational benefits (Wong et al. 2007). After the nine years obligated education policy (1 grade-9th grade), many migrant children cannot attend high school in Shanghai, and as a result, they will have to return home to finish their educations. In addition, the migrant parents expressed concern about future living arrangements, with their desiring a home in Shanghai or one in rural China. “I save some money for my kid. I also think it would nice to buy a home. I know, I know, it is not even possible, I could only dream about it. It is awfully expensive in Shanghai.” “My life goal is to get a larger apartment.” “My goal of living in the city is to buy a place to live. Stability is the key for us. We save money but do not really have a clear plan.” “If you really want to settle down, first thing you want to do is to buy a house. Everything else is secondary. I have the expectation but it does not mean it will become true.”

For the middle class in Shanghai, buying a home in a gated community signifies the notion of “civilized modernity” (Pow 2007, 1547). For the urban, migrant workers are perceived as lacking in civilized values with low social status. In the marketplace, gated communities have reinforced of the lack of economic power and cultural capital of the migrants. Perhaps, for the migrant workers, ownership of a home can narrow the segregation. As such, many of the interviewees have considered owning a home as a future destination plan. In essence, owning a home is an identity event in the transition from rural to urban.

Discussion

This study aims to examine the consumption patterns of migrant workers in China. Our depth interviews revealed that consumption patterns in the past, present, and future may constitute a prolonged notion of liminality, which exists in parallel to the hegemonic order of consumer culture. Borrowing the literature on acculturation and liminality, we have found that migrant workers still have ties with past, while living in the liminal phase. It seems

that the ties will continue for an extended period time, as the some of their children were left behind. The spending patterns with the past ties, including sending funds to their parents, may be referred to as “Confucian consumerism” based on family values and other social relations. During the liminal phase, the findings showed that migrant workers deployed consumption strategies such as finding surrogate shoppers, culturing/socializing the self with electronic goods, and constructing the self-identity by downplaying appearance and appearance-related goods. Finally, in the last phase, in order to assimilate into the urban culture, many workers wish to own a home, which is the desired future transition in terms of living condition.

Bhabha (1994) defined liminality as an emancipatory agentic space that refers to the otherness within a hegemonic culture. For example, Landzelius (2001) highlighted the behaviors of mothers who negotiated the liminal terrain as they concurrently resent and worship biotechnological phenomena. Sturdy et al. (2006) and Garsten (1999) have demonstrated, with reference to temporary employees in flexible organizations, that the liminal state can give rise to new norms, routines, and identities, and thus liminality may even be a desirable and creative experience. Cody and Lawlor (2011) used liminal theory to study the consumption practices of young adolescents. Consistent with the previous findings, Chinese migrant workers are going through three major phases and the liminal consumption patterns were associated with new norms and identities. Thus, creative consumption strategies emerged. Unlike previous findings, this research uncovered that the liminality of Chinese workers is affected by the uniqueness of the Chinese culture (e.g., family values, urban housing arrangements), and public policies (education and industrial development policies). As such, the liminal phase is beyond a cultural realm. The interface between the cultural factors and policies may have partially determined the difficulty of reaching the third phase. For instance, we have found that many workers chose to leave the city because of concern about their children’s education and barriers to owning an urban home, which is seen as critical for the final transition to an urban citizen.

In essence, the study contributes to marketing theory by enriching the description of consumption practices among liminal consumers. It seeks to widen the transitory phase of liminality in consumer acculturation theory. It uncovers that low literary and low culture capital may play important roles in the liminal space to make purchasing decisions. For example, due to low literacy, some workers exhibited the tendency of to trust TV commercials.

Consistent with previous literature, low literate consumers tend to exhibit more concrete thinking due to difficulties with abstractions, reducing decisions to single attributes (Pralhad 2005; Viswanathan et al. 2005, 2008). The study also revealed that many individuals living in subsistence conditions lack the confidence or skills (e.g., downplaying the appearance) needed to generate better living environments in the future, which may contribute to a “permanent state” or “prolonged state” of transition.

Following from the experiences of the migrant workers, one can conclude that the unprecedented conditions constitute the foundation of their own consumer culture, which can be seen as marginalized from the host culture. These individuals, who belong to the liminal space, remind consumer society of its otherness and suppressed heterogeneity. The study used a narrative inquiry to investigate the migrant workers’ experience in the marketplace. Future research should look into the “left-behind” children’s experiences. It would also be valuable to study the urban perspectives of the migrant workers and their consumption behaviors. Future study may also consider using a survey (i.e., face to face interview/survey, as the workers may have difficulties to read Chinese characters) to analyze the living experience and consumption patterns for these workers in more detail. Finally, it may be valuable to examine migrant workers’ experiences over time, using longitudinal methods.

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Summary Brief

Understanding Consumer Acculturation Strategies Among Immigrants Through Their Homeownership Decisions: The Importance of Social Capital

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The process through which immigrants acculturate into their host societies is multidimensional and complex. Within this framework, the acculturation of immigrants as consumers is of key importance for marketing scholars and practitioners. However, assessing the level or degree of consumer acculturation is not a straightforward task. In this paper, we use the decision to own a home as a sign of an advanced level of an immigrant's acculturation as a consumer. This paper argues that the homeownership gaps between different groups of immigrants are expressions of each group's particular preference for acculturation outcomes, somewhere in between their original and current cultural contexts. Using logistic regression and a step-wise simulation approach, we show that the accumulation of social capital represents one of the most important factors explaining immigrants' preference for some acculturation paths over others.

Introduction

The process through which immigrants establish in a new society is complex. The degree and extent of adaptation displayed by an immigrant outlines his or her attitudes towards, both, the original and the new context (Berry, 1980, 1997). The process through which these attitudes are defined is known as acculturation (Berry, 1997). Within these dimensions and layers, the acculturation of immigrants as consumers is of key importance for marketing scholars and practitioners. However, assessing the degree of acculturation of immigrants in host countries is not an easy and straightforward task. We propose the use of homeownership decisions among immigrants as a conduit to understand the complexities of immigrants' journeys through their acculturation as consumers. This paper argues that the homeownership gaps between different groups of immigrants are expressions of each group's particular preference for acculturation outcomes. In doing this, we underscore the important role that the processes of accumulation of social and cultural capital play in an immigrant's acculturation as consumers in the host society.

Literature Review

Consumer acculturation is defined as "the general process of movement and adaptation to the consumer cultural environment in one country by persons from another country" (Penaloza, 1995). The degree of an immigrant's consumer acculturation acts as a moderator of his or her purchasing decisions (Ogden et al. 2004) and may help explain different attitudes toward particular marketing practices across immigrant groups (Penaloza and Gilly, 1999). However, measuring the degree of consumer acculturation has not been an easy task for academics. Currently, researchers agree in the need for a multivariate approach to measure acculturation (Berry 1980), one in which short-term and long-term as well as personal and contextual perspectives are considered (Luedicke, 2011).

Homeownership facilitates and encourages some processes of social integration, such as civil and political participation (Fischel, 2001). Despite all these benefits, some demographic groups display significantly lower homeownership rates than others. Massey (1985) considers that immigrants are no different to natives with respect to their preferences for homeownership and that, as they adapt to the host society, their homeownership gap with respect to natives should eventually disappear.

We argue that the persistence of these gaps could be better explained if one considers homeownership as a sign of advanced consumer acculturation. The different homeownership rates displayed by some immigrant groups may reveal their distinct patterns of acculturation as consumers in the host society. Accordingly, homeownership gaps between natives and immigrants may reflect the different information-gathering processes, and its associated costs, that immigrants face in the host society. For some groups, the difficulty faced when collecting information

may reveal distinct features of their acculturation experience that may explain the tendency towards certain strategies.

Data and Results

This paper uses logistic regression along with a step-wise simulation exercise to examine the importance of social and cultural capital accumulation processes in the explanation of these gaps. We accomplish this with two models. The first model aims at showing the importance that immigration experience factors have in explaining the homeownership gaps between natives and immigrants. A second model focuses on showing the differences among distinct immigrant groups. For each model we consider a standard set of independent variables that encompasses the stylized facts of the decision to own a home that the corresponding literature has identified. These sets of variables are introduced to the models one category at a time, in a step-wise fashion, to evaluate the importance of different factors in the definition of homeownership gaps.

We use the case of Spain's immigrant population as an empirical approximation on the basis of this country's intense and accelerated growth in the flow of immigrants received during the last decade and its substantially higher homeownership rates than other developed countries -almost 86% of Spanish households own their homes, nearly 30 percentage points higher than the corresponding rate in USA or Germany-, defining a gap of more than 60 percentage points with respect to the homeownership rate displayed by Spain's immigrants.

For our first model, our results show that on average 70% of these gaps are explained by features associated with immigrants' adaptation to the host society. We argue these results highlight the power that homeownership decisions have in gauging an immigrant's level of consumer acculturation. In the second model, we show that both cultural and social capital accumulation processes help explain approximately two thirds of the homeownership gap exhibited among different immigrant groups. Social capital factors possess the most important role of these two sets, accounting for almost half of the observed gaps. These aforementioned results vary for different groups of immigrants. We argue that this finding represents evidence that homeownership decisions may reflect distinct preferences for certain consumer acculturation among some immigrants and discuss its marketing application.

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Summary Brief

Eat, Drink, and Be Merry: The Impact of Future Self-Vivid Imagery on Visceral Cue Responses

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The current study applies the theory of visceral influences and future self-theory to investigate the impact of visceral cues in a fast food advertisement context. Visual prime visceral cue is addressed in conjunction with vivid future self-imagery. Predictions are derived and an experiment is designed that examines the effects of a visceral cue in fast food advertising. Results indicate that the presence of a visceral cue is associated with greater purchase intentions. By contrast, future self-vivid imagery is shown to reduce respondent susceptibility to the visceral cue. Implications for advertising research are discussed.

Introduction

Fast food advertisements are an enduring part of everyday life. These advertisements are designed to continuously remind consumers of the taste and value benefits of consuming fast food. Fast food imagery in advertisements has even become a billion dollar industry with the top ten fast food chains in the United States spending more than \$2.2 billion annually (Institute of Medicine 2006). As such, the fast food industry is known for using vivid imagery promotion of fast food in order to emphasize the convenience, taste, and low cost of fast food and induce purchase behavior (Grier, Mensinger, Huang, Kumanyika and Settler 2007). Underlying this imagery is the presence of visceral cues. The present research examines how future self-vivid imagery interacts with fast food advertisement visceral (cues) to impact food choice behaviors.

Theory

Lowenstein's (1996) Theory of Visceral Influences (TVI) provides the theoretical foundation for explaining the visceral cue effect of fast food advertisement imagery. Visceral cues are primarily responsible for generating advanced perceptions of reward achievement (Amos and Spears 2010). This amplifies reward focused emotions and affective impulses (Amos and Spears 2010). By contrast, future self-theory suggests that visualizing the self in the future increases the vividness and clarity of the future, thereby, reducing future discounting (Markus and Nurius 1986). Therefore, we argue that when future self-imagery is used in the presence of a visceral cue, the impact of the visceral cue is reduced.

Hypotheses

H1: Inclusion of the fast food advertisement visceral cue is positively associated with expected satisfaction with a fast food meal, (b) expected physical fullness after eating a fast food meal and (c) purchase intentions for a fast food meal.

H2: Self vivid imagery state will moderate the relationship between fast food imagery and fast food meal purchase intentions such that future self vivid imagery will reduce purchase intentions for a combo meal compared to a sandwich only meal.

Methodology

Study 1 was a 2 (visual prime) meal size: combo meal (French fries, soft drink and sandwich); sandwich only meal) \times 2 (temporal self-state: vivid future self; vivid current self) between-subjects design. MANOVA (multiple analysis of variance) was used to test the hypotheses. Visual prime was manipulated with the inclusion of either a sandwich advertisement or a combo meal advertisement. Temporal self-state was manipulated as the inclusion of a future self-vivid imagery scenario versus the inclusion of a current self-vivid imagery scenario. To enhance imagery, guided imagery techniques were used (MacInnis and Price 1987). Measures of future selves (i.e., physical, connective, and material) were developed for this study based on Cross and Markus's (1991) qualitative

results. Imagery measures were based on those used by Bone and Ellen (1992).

Findings

Multivariate significance (Wilk's λ (3, 119) = .915; η^2 = .02) was found for the vividness of the reward. Univariate results indicate that the inclusion of a combo meal advertisement produced a positive but not significant result for expected satisfaction (MCombo-current = 3.41, MCombo-future=3.00 versus MSandwich-current = 3.29, MSandwich-future=3.17) (F (1, 128) = .147, $p > .702$.) However, when a combo meal was shown, respondents felt that they would be more physically full (MCombo-current = 6.12, MCombo-future = 5.81 versus MSandwich-current = 5.49, MSandwich-future) (F (1, 128) = 5.389, $p < .01$); The manipulation also did not produce a significant result for purchase intentions (MCombo-current = 2.94, MCombo-future = 2.68 versus MSandwich-current, = 2.63, MSandwich-future=2.79) (F (1, 128) = .033, $p > .85$). Therefore, H1 is partially supported.

Multivariate results showed that there was a significant interaction between the visual prime and temporal self-state (Wilk's λ (3, 119) = .94; η^2 = .05). Univariate results indicated that inclusion of the combo meal, instead of the sandwich only meal, lead to reduced purchase intentions (F (1, 128) = 5.389; $p < .05$; η^2 = .052 , for respondents in the vivid future self state than in the vivid current self state. Therefore, H2 is supported.

Discussion

The two hypotheses were partially supported and supported, respectively. The vivid meal visceral cue was associated with higher levels of satisfaction, physical fullness and purchase intentions. However, the future-self vivid imagery interacted with meal size producing lowered purchase intentions for the larger, combo meal. Individuals who viewed the vivid advertising image for the combo meal and who had also been guided to visualize themselves in the future had lower purchase intentions for the combo meal than respondents who had been guided to visualize their current selves and were exposed to the same combo meal advertisement.

Overall, our results suggest that the impulsivity effects of fast food advertisements' visceral cues diminish when respondents visualize their future possible selves. The vivid self-images of the future lead to a reduction in the proximity of the future as well as a reduction in the discounting of the future. This interruption effect yields increased restraint and likely encourages consumers to transition from the hot - "go" processing system state to processing in the cold - "stop" state. Our findings suggest that impulsivity is countered by the presence of deliberative decision-making.

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Summary Brief

The Effect of Organizational Improvisation on Market Orientation

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As more firms embrace market orientation, managers are under pressure to find cost-effective strategies to develop and increase it in order to remain competitive. One area that has not yet been explored in the context of market orientation is organizational improvisation. The process of organizational improvisation has been demonstrated to be effective in areas that include music, theater, athletics and the military; it also has been shown to enhance new product development, team coordination and organizational learning. This proposal describes a model in which organizational improvisation may have a positive relationship with market orientation. In an empirical study it was found that, 24.3% of market orientation (MKTOR) could be explained by organizational improvisation (OI). These results may have significant interest to marketers who wish to develop and enhance market orientation to maintain and improve competitive advantage.

Introduction

The positive effects of market orientation on firm performance are well established in marketing literature (Jaworski and Kohli 1993; Kirca, Jayachandran, and Bearden 2005; Narver and Slater 1990). However, in today's hyper-competitive environment it's not enough just to attain market orientation; managers must also have strategies in place to grow it and develop it as a sustainable competitive advantage (Eggers and Kraus 2011; Kumar et. al 2011; Narver, Jacobson, and Slater 1999). While marketing literature identifies the benefits of market orientation and antecedents that lead to it, there is little academic guidance that helps managers understand how market orientation can be sustained without substantial commitment of resources which may negate the performance impact of market orientation. And, the challenge to maintain and grow market orientation is even greater as marketers now operate in an environment where rapidly changing technology magnifies risks and unexpected actions force changes in established marketing strategy (Baker and Sinkula 2007).

Organizational Improvisation and Market Orientation

This proposal is motivated by the notion that the practice of organizational improvisation may provide marketers with a readily available means to enhance market orientation. Although organizational improvisation is a relatively new concept in managerial science, improvisation has long been accepted and utilized in music, theater, athletics, and military science (Vera and Crossan 2004; Weick 1998). Research into organizational improvisation indicates that it is a competency that can be learned and, when implemented, helps managers respond quickly to unexpected situations, to improve responsiveness, and to minimize use of resources (Moorman and Miner 1998; Vera, Dusa, Crossan 2005). This proposal provides a description of initial empirical research which examined if there is a statistically significant relationship between organizational improvisation and market orientation as practiced by top managers across a wide range of job titles, experience and industries.

Research Design

In this study, the independent variable was organizational improvisation (OI) and the dependent variable was market orientation, defined as MKTOR. Although both OI and MKTOR can vary, market orientation is the larger and the more complex of the two concepts. It also is more persistent over time whereas OI is a transient condition and is more easily changed in the short run by actions of firm behavior and outside circumstances. This construct is consistent with the Narver and Slater and Kohli and Jaworski (1990) conceptualizations of market orientation as an organization-wide condition with definable antecedents.

Both Narver and Slater's and Kohli and Jaworski's constructs indicate that, when antecedents are operationalized and effective, they contribute toward higher levels of market orientation. However, the reverse is not part of market orientation theory; that is, firms do not increase their market orientation in order to increase the antecedents of customer orientation, competitor orientation, or interfunctional coordination.

In empirical research conducted by one of the co-authors as part of a larger study, it was found that 24.3% of market orientation (MKTOR) could be explained by organizational improvisation (OI). Interestingly, this positive relationship was not moderated by variables such as job title, size of company, type of industry or gender of the executive. In other words, the effect of OI on MKTOR was same in large companies, small companies, technology, finance and for all job titles. These results may have significant interest to marketers who wish to develop and enhance market orientation to maintain and improve competitive advantage.

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Full Paper

Responsive and Proactive Market Orientations: Antecedents and Effects on Performance

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This study examined the nature and functions of a responsive market orientation (responsive MO), which involves addressing the expressed needs of consumers, and a proactive market orientation (proactive MO), which involves addressing the hidden needs of consumers. Because existing studies do not provide insight into the antecedents of responsive and proactive MOs or their effects on the performance of new products, we developed a conceptual model based on multiple studies and confirmed the empirical validity of this model by partial least-squares structural equation modeling (PLS-SEM) analysis using data obtained from manufacturers in Japan. This study yielded two main findings. First, we identified the factors that influence responsive/proactive MOs and determined the degree of their influence. Second, the results seemed to support the conclusion that responsive and proactive MOs do not directly influence the performance of new products; instead, their effect is indirect, via the novelty or meaningfulness of products.

Introduction

McCarthy and Perreault (1984) defined ‘market orientation’ (MO) as a company’s action to create value for customers and to effectively communicate with a target market. Since the 1990s, empirical studies using statistical methods have evaluated the effects of MO on a company’s performance (e.g., Jaworski and Kohli 1993; Narver and Slater 1990). However, the results of such studies have differed, with some implying that a stronger MO leads to less innovativeness (Christensen and Bower 1996).

Narver, Slater, and MacLachlan (2004) divided MO into a ‘responsive market orientation’ (responsive MO) and a ‘proactive market orientation’ (proactive MO). A responsive MO involves attempts to satisfy the expressed needs of consumers, whereas a proactive MO involves attempts to satisfy the hidden needs of consumers. These authors suggested that existing studies could not produce consistent results because market orientation had been measured as a single concept.

Following this study, empirical analyses have suggested the importance of both responsive and proactive MOs on corporate performance, although scholars seem to favor one MO over the other (e.g., Bodlaj 2010; Zhang and Duan 2010). On the one hand, studies have suggested strengthening proactive MOs, rather than just relying on only responsive MOs, as a way to survive in the current competitive environment (e.g., Narver, Slater, and MacLachlan 2004; Zhang and Duan 2010). On the other hand, some studies have emphasized the importance of responsive MOs, arguing that companies must satisfy the current needs of customers to achieve a sustainable existence (e.g., Conner 1999).

The question addressed by this paper does not involve identifying the superior MO; instead, it attempts to identify the actual effects and process of both responsive and proactive MOs on corporate performance. It is hoped that the use of a comprehensive conceptual model to identify the effects of each of the two MOs on corporate performance will determine the factors in each MO that promote or hinder corporate performance. This paper is divided into four sections. Section two explains the hypotheses tested by the study. Section three presents the analysis and results of the study using data obtained from Japanese manufacturers, and Section 4 discusses our conclusions.

Hypotheses

This paper examines many potential contributors to the MO of a company. It begins with a discussion of the executive aspects of the strategic operations affecting MOs. The entrepreneurial orientation of top management

refers to the willingness of an organization's top executives to engage in risk-taking actions that promote innovation in the company (Miller 1983). Organizations with such executives tend to proactively seek innovations (Miller 1983); thus, we hypothesized that they would encourage a proactive MO. Diversity in the top management team refers to the diversity of the members' educational, functional, industrial, or organizational backgrounds (cf. Hambrick and Mason 1984). Executive teams with high levels of diversity tend to have a greater range of power to make decisions regarding business strategies (Talke, Salomo, and Kock 2011), which would mean that these types of teams would promote a proactive MO. We deduced two hypotheses from these considerations:

H1: The entrepreneurial orientation of top managers has a positive impact on a proactive MO.

H2: Diversity in the top management team has a positive impact on a proactive MO.

The paper next examines the interdepartmental issues between the research and development (R&D) and sales departments. Conflict between R&D and sales departments often occurs because members of one department generally dislike interacting with those from another (cf. Jaworski and Kohli 1993). We used the interdepartmental dynamics of these two departments because they are opposites in terms of orientation: the R&D department tends to be innovation-oriented, whereas the sales department tends to be customer-oriented (Homburg and Jensen 2007). Conflict often develops between these two departments because of their opposite approaches, but they can reconcile and work toward an innovative product through active discussions involving participation by both sides (Oswald, Brettel, and Engelen 2012). Connectedness between R&D and sales departments refers to the degree of formal and informal contact between employees of the R&D and sales departments (cf. Kohli and Jaworski 1990). High interdepartmental connectedness should lead to livelier discussions between the departments regarding market needs and promote interdepartmental information sharing, resulting in more synergy in the company. The influence of the sales department, compared with that of the R&D department, on product development refers to the degree to which the sales department influences the decision-making process of the R&D department with regard to new products. If the influence of the sales department is larger than that of the R&D department, the new products should be focused on expressed needs rather than hidden needs, whereas the opposite should be the case if the balance of power is reversed. Based on the interactions of these two departments, we proposed the following hypotheses:

H3: Conflict between the R&D and sales departments has negative effects on a responsive MO.

H4: Connectedness between the R&D and sales departments has positive effects on a responsive MO.

H5: Connectedness between the R&D and sales departments has positive effects on a proactive MO.

H6: Higher levels of influence of the sales department on the R&D department have positive effects on a responsive MO.

H7: Higher levels of influence of the sales department on the R&D department have negative effects on a proactive MO.

We also considered employee-related factors that affect responsive/proactive MOs. A market-based reward system refers to employees being rewarded for their efforts to develop a good product rather than for financial results (Jaworski and Kohli 1993). This system effectively encourages employees in the context of a responsive MO, but it also reduces the incentive for seeking to identify the hidden needs of consumers. Employee self-efficacy refers to the employees' self-confidence in achieving goals (Tan and Zhao 2003). Employees who have high self-efficacy tend to actively pursue difficult tasks (Morrison and Phelps 1999) so they are able to meet both expressed and hidden needs. Employee diversity refers to the diversity of the employees' educational, functional, industrial, or organizational backgrounds (cf. Gotteland and Haon 2010; Hambrick and Mason 1984). Teams with high employee diversity are able to create innovative ideas (Bantel and Jackson 1989) by collecting information from a wide range of sources, which is key to meeting hidden consumer needs. These important employee-related considerations led to the following hypotheses:

H8: A market-based reward system has positive effects on a responsive MO.

H9: A market-based reward system has negative effects on a proactive MO.

H10: Employee self-efficacy has positive effects on a responsive MO.

H11: Employee self-efficacy has positive effects on a proactive MO.

H12: Employee diversity has positive effects on a proactive MO.

In addition, we also considered the effects of outside players on the MO of a business. A good relationship with suppliers refers to open communication, coordination of effort, and joint planning between the company and its suppliers (Tuten and Urban 2001). A good relationship with suppliers allows manufacturers to share knowledge and techniques that can potentially develop into products that meet or will meet the needs of the market. Relationships with external partners depend on the level of information sharing between a manufacturer and its external partners (Verganti 2009). By sharing information with external partners, manufacturers can potentially discover new solutions to meet the hidden needs of customers. Thus, we proposed the following hypotheses regarding suppliers' effect on MOs:

H13: A good relationship with suppliers has positive effects on a responsive MO.

H14: A good relationship with suppliers has positive effects on a proactive MO.

H15: A good relationship with external partners has positive effects on a proactive MO.

In addition to supplier-related factors, we also examined the internal factors related to product development that affect MO. Internal manufacturing integration refers to the internalization of various activities related to product development. High internal integration should allow companies to develop innovative products (Langlois and Robertson 1995). To achieve this goal, a manufacturer needs slack resources or a pool of resources that is in excess of the minimum necessary to produce a given level of organizational output (Nohria and Gulati 1996). An organization with ample slack resources should be able to promote radical innovation. Two hypotheses on the internal factors affecting MO were deduced from these considerations:

H16: Internal manufacturing integration has positive effects on a proactive MO.

H17: Slack resources have positive effects on a proactive MO.

The study tested whether a responsive or a proactive MO affects the performance of new products, using product novelty and meaningfulness as the intermediate variables between a responsive/proactive MO and the performance of new products (cf. Im and Workman 2004; Kim, Im, and Slater 2013). Product novelty refers to how customers perceive the image of a new product from one company compared with that of competitors, whereas meaningfulness refers to how well a new product satisfies customers' needs (Im and Workman 2004). Companies with a highly responsive MO tend to produce products with high levels of meaning, whereas companies with a highly proactive MO introduce products with high levels of novelty (Bodlaj 2010). The following four hypotheses were designed to identify the connection between a responsive/proactive MO and product novelty/meaningfulness.

H18: A responsive MO has negative effects on product novelty.

H19: A proactive MO has positive effects on product novelty.

H20: A responsive MO has positive effects on product meaningfulness.

H21: A proactive MO has positive effects on product meaningfulness.

Finally, we divided performance into quantitative and qualitative aspects according to the work of Im and Workman (2004) to evaluate the effect of product novelty and meaningfulness on both performance indicators. A meaningful product will lead to high levels of performance, as measured both quantitatively and qualitatively, because such a product is easy to accept and practical for customers. On the other hand, a novel product will lead to a level of high performance only when it is measured qualitatively because, although the product is expected to surpass the expectations of customers, it is initially difficult to accept. On this basis, we proposed the following three hypotheses:

H22: Product meaningfulness has positive effects on the quantitative performance.

H23: Product novelty has positive effects on the qualitative performance.

H24: Product meaningfulness has positive effects on the qualitative performance.

Empirical Analysis

To test the above hypotheses, primary data were collected through a mail survey of Japanese manufactures. In total, 791 business-to-consumer manufacturers and 1176 business units in industries involving foods, chemicals, metal products, machinery, and electric appliances were selected from those listed on the stock exchanges in Tokyo. Based on the constructs considered in this study, the survey questionnaire was mailed to each firm's marketing manager. In total, 84 usable responses were obtained. To assess non-response bias, a comparison between early and late respondents was conducted. The results revealed no significant differences in key variables, indicating that non-response bias was probably not a serious issue.

With respect to almost all constructs, this study used existing measures drawn from previous research. The unit of analysis in this study was at the business unit level, not at the firm level. Because accurate business unit level performance measures were difficult to obtain from secondary sources, this study used subjective performance measures. Most items were measured with five-point scales, and all constructs were treated as reflective. Because data were collected from a single respondent, this study tested for common method variance using Harman's single-factor test (Podsakoff and Organ 1986) and marker variable technique (Lindell and Whitney 2001). The results revealed that common method variance was probably not a serious problem.

This study relied on partial least-squares structural equation modeling (PLS-SEM) because one of the goals was to identify the key drivers of responsive and proactive MOs, and the sample size was relatively small. The software used was SmartPLS 3. Based on Hair et al. (2013), this study estimated and assessed the PLS-SEM model in two stages. In the first stage, the measurement model was assessed to establish reliable and valid assessments of the constructs it included. In the second stage, the structural model was tested by assessing the statistical significance of the relationships specified in the model and the predictive ability of the model.

Following Hair et al. (2013), an evaluation of the measurement model was performed. For constructs measured by multiple items, composite reliability (CR) indicated satisfactory internal consistency reliability at the construct level. The outer loadings of the items and average variance extracted (AVE) indicated acceptable convergent validity at the construct level. The cross loadings of the items and the Fornell–Larcker criterion (Fornell and Larcker 1981) showed acceptable discriminant validity. Overall, these results demonstrated that the constructs used had good measurement properties.

Subsequently, an evaluation of the structural model was conducted, and the results supported H1, H2, H3, H10, H11, H13, H14, H20, H21, H22, H23, and H24. Also, the effect of conflict between R&D and sales on proactive MO was negative and significant ($\beta = -0.21$, $p < 0.05$). The effect of employee diversity on proactive MO was negative and marginally significant ($\beta = -0.19$, $p < 0.10$). The effect of responsive MO on product novelty was positive and significant ($\beta = 0.31$, $p < 0.05$). The effect of product novelty on quantitative performance was positive and significant ($\beta = 0.32$, $p < 0.01$). Additionally, the model had moderate predictive accuracy ($R^2 = 0.15\sim 0.52$) and medium predictive relevance ($Q^2 = 0.12\sim 0.35$). Table 1 and Figure 1 present all hypotheses and the results.

The data carried three unexpected implications. First, the results suggested that conflict between R&D and sales departments negatively affects a proactive MO. Although more conflict sparks new ideas, these are not necessarily effectively used to meet hidden consumer needs. Results also showed that product novelty positively affected quantitative indicators of performance. Contrary to expectations, once accepted, a novel product will become popular among customers and improve sales and market share. Finally, although diversity in top management was helpful to a proactive MO, diversity in employees actually impeded a proactive MO. This result may be understood by dividing corporate actions into those that involve the formulation of strategies and those that involve the implementation of strategies. Diversity in top management is important during the phase in which innovative strategies to meet hidden customer needs are formulated. However, diversity in employees can prevent the strategies from being smoothly implemented during the implementation phase, as employees must adhere to certain strategies during this phase.

Conclusions

This study suggested that it is important for companies not only to promote responsive and proactive MOs but also to make products which customers perceive novelty or meaningfulness to increase new product performance. Also, the findings of this study have three important implications. First, employee-related and external factors have strong influences on both responsive and proactive MOs. More importantly, employee self-efficacy

exerts the strongest influence on responsive and proactive MOs, followed by relationships with suppliers. This result suggested that the company should work on appropriate actions that enhance employee self-efficacy to promote responsive and proactive MOs. In addition, in promoting responsive and proactive MOs, it is important to share knowledge with suppliers and to learn products that meet hidden needs. Second, the findings suggest ways to satisfy the hidden needs of the market. Specifically, top management should be characterized by diversity and actively take risks in product development while companies should design and implement programs to promote cooperation between the R&D and sales divisions in the process of product development. Finally, the study found that employee diversity impeded the performance of a proactive MO, whereas diversity in top management promoted it. Thus, companies need diverse top management teams to produce ideas that meet hidden needs, but diversity at the employee level hinders the smooth execution of the projects developed based on such ideas.

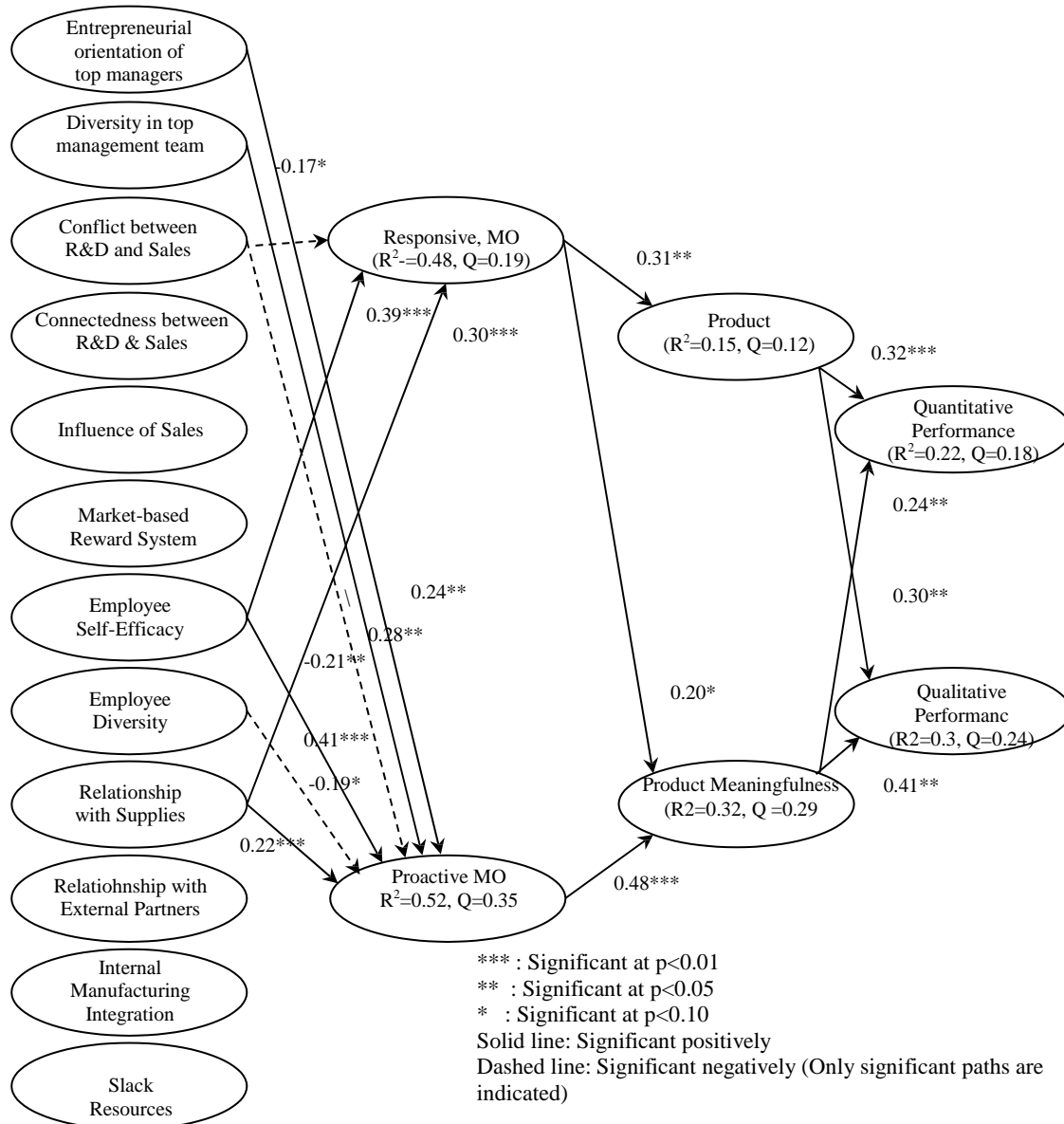
This study has several limitations. First, we received only 84 responses, which is not sufficient to permit us to generalize our findings. Future research should analyze more data obtained from many firms to confirm the generalizability of the findings. Second, we used subjective data gathered from a single set of respondents, which may have led to a biased dataset. Future research is needed to gather information regarding explanatory variables and performance from different respondents to increase the objectivity of the findings. Finally, consideration should be given to improving several of the measurement scales used in this study. We used the responsive and proactive MOs scale proposed by Narver, Slater, and MacLachlan (2004) despite the fact that it is clearly insufficient for measuring all the factors addressed in this study because responsive and proactive MOs showed similarities in relation to certain items. Future research is needed to develop scales that clearly differentiate between responsive and proactive MOs.

Table 1: Hypotheses and Results

	Hypotheses	β	t value	Support
H1	Entrepreneurial orientation of top managers → (+) Proactive MO	0.24	2.53**	Yes
H2	Diversity in top management team → (+) Proactive MO	0.28	2.52**	Yes
H3	Conflict between R&D and sales → (-) Responsive MO	-0.17	1.71*	Yes
H4	Connectedness between R&D and sales → (+) Responsive MO	-0.05	0.54	No
H5	Connectedness between R&D and sales → (+) Proactive MO	-0.03	0.29	No
H6	Influence of sales → (+) Responsive MO	0.06	0.56	No
H7	Influence of sales → (-) Proactive MO	-0.10	1.14	No
H8	Market-based reward system → (+) Responsive MO	0.08	0.91	No
H9	Market-based reward system → (-) Proactive MO	-0.01	0.06	No
H10	Employee self-efficacy → (+) Responsive MO	0.39	3.35***	Yes
H11	Employee self-efficacy → (+) Proactive MO	0.41	4.13***	Yes
H12	Employee diversity → (+) Proactive MO	-0.19	1.66*	No
H13	Relationship with suppliers → (+) Responsive MO	0.30	3.20***	Yes
H14	Relationship with suppliers → (+) Proactive MO	0.22	2.58***	Yes
H15	Relationship with external partners → (+) Proactive MO	0.10	0.84	No
H16	Internal manufacturing integration → (+) Proactive MO	0.00	0.02	No
H17	Slack resources → (+) Proactive MO	0.09	0.98	No
H18	Responsive MO → (-) Product novelty	0.31	2.36**	No
H19	Proactive MO → (+) Product novelty	0.14	0.81	No
H20	Responsive MO → (+) Product meaningfulness	0.20	1.90*	Yes
H21	Proactive MO → (+) Product meaningfulness	0.48	4.04***	Yes
H22	Product meaningfulness → (+) Quantitative performance	0.24	2.20**	Yes
H23	Product novelty → (+) Qualitative performance	0.30	2.01**	Yes
H24	Product meaningfulness → (+) Qualitative performance	0.41	2.54**	Yes

***: Significant at $p < 0.01$, **: Significant at $p < 0.05$, *: Significant at $p < 0.10$

Figure 1: Results



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Summary Brief

Creativity and Innovation: Defining and Distinguishing the Constructs Within Marketing Strategy

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This paper documents the ambiguity between the constructs of creativity and innovation within marketing. It finds that the terms are often used interchangeable, which has bled over into the marketing strategy literature and is detrimental to both academia and business practitioners. In hopes of remedying this gap, the author offers a clear distinction between the two constructs by defining marketing strategy creativity and marketing strategy innovation.

Introduction

Marketing strategies are often used in order to differentiate a company's offerings from those of a competitor, and are therefore an important source of a competitive advantage (Andrew & Smith 1996; Varadarajan & Clark 1994). In differentiating an offering, Porter (1986) notes that those companies who are able to use their resources most effectively are likely to enjoy superior profits, which is especially true in today's high-paced and ever-changing business environment. A key component of successful resource utilization is the ability to create unique solutions to existing business problems, which often requires the use of innovation and creativity (Andrew & Smith 1996; Atuahene-Gima 2005; Han, Kim & Srivastava 1998). Scholars have documented the importance of creativity and innovation as key components of a competitive advantage (Im & Workman, 2004; Sethi, Smith & Park, 2001) however, a review of literature reveals that the constructs are not well defined within the marketing strategy domain. In hopes of illuminating this problem, the present study examines the creativity and innovation constructs and documents inconsistencies within the academic literature in the way these terms are utilized. At a general level, the paper proposes that there is a link between creativity and innovation, however these two are not equivalent. Ambiguity appears to have stemmed from the interchangeable use of the terms, which has bled into the marketing strategy domain (Goldenberg & Mazursky 2010; Menon et al. 1999) making further research in the area difficult and often unfruitful. This conceptual paper adds to the debate by exploring the use of both terms and then it offers a clear distinction between the constructs within marketing strategy.

Results and Conclusion

First, a wide assortment of articles and definitions pertaining to creativity and innovation (between the years of 1965-2014) were examined in an attempt to see how the constructs were diffused into marketing strategy. At just over 36 definitions, saturation was reached where any further articles added inconsequential finding and therefore, in-depth investigation of the terms was then undertaken. It quickly became evident that creativity and innovation share similarities. For example, creativity generally refers to new products, ideas, and actions and includes the following components: usefulness, novelty, new, and different. On the other hand, innovation generally refers to new products, ideas or processes and consists of the following components: implementation, new and novel. Because of the overlap between the terms, it becomes somewhat confusing delineating between creativity and innovation when they appear almost identical in nature.

Findings also revealed that while the majority of scholars and practitioners acknowledge the importance of creativity within the business domain, empirical results linking creativity to firm performance are mixed. Some scholars find a positive link between creativity and performance (Andrew & Smith 1996; Menon et al. 1999; Sethi, Smith & Park 2001), others mixed results (Henard & Szymanski 2001), and some a non-significant impact on performance (Im & Workman 2004). In contrast, innovation has been proven countless times to increase firm performance and profits (i.e. Han, and Srivastava 1998).

But how do creativity and innovation relate to strategy? The process of strategy making consists of two central components: planning and implementation (Slater, Hult & Olson 2010). Scholars often regard the planning phase as an art or "craft", given the intangible nature of developing new ideas, goals and objectives. Thus, creativity is considered a central component in the planning stage (Menon et al. 1999; Mintzberg 1994). Therefore, this paper proposes the following definition: marketing strategy creativity is one that encourages and fosters the development of novel and useful ideas, goals, and objectives in the planning stage. In contrast, the implementation stage takes the intangible ideas formulated during the planning stage and turns them into reality, often manifesting as new products

(Morgan 2010). Scholars contend that an organization needs a balanced approach and fluent execution of both components because a creative marketing strategy alone will not lead to innovation (Hurley & Holt 1998; Sethi, Smith & Park 2001). Accordingly, an innovation marketing strategy encompasses a creative marketing strategy in that it takes the ideas generated during the planning phase and effectively turns them into reality. More formally, this paper defines marketing strategy innovation as the successful creation and implementation of ideas generated during the marketing planning stage that are manifested as tangible goods (products) or intangible goods (technology and services).

In conclusion, this paper documents inconsistencies in the way that creativity and innovation are operationalized and defined within marketing strategy. In hopes of remedying this gap, the manuscript offers a clear distinction between the two constructs by defining marketing strategy creativity and marketing strategy innovation. Overall, the author asserts that a clear distinction between the two constructs is necessary in order to conduct focused research that will allow for normative suggestions and composite frameworks.

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Summary Brief

Trade Show Networks and Organizational Learning

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The focus of previous trade show (exhibition marketing) research is dominated by analysis of external benefits such as generation of sales leads, promotions, and the influence of trade shows on personal selling. This paper looks at internal benefits of trade shows, utilizing a network perspective to analyze the impact of trade show networks on organizational learning. Incorporating social exchange, resource, interdependence and organizational learning theory, this conceptual manuscript ties various trade show relations into two network types, micro and macro. Based on the level of trust, or lack thereof, these networks exhibit adaptive, generative, or transformative learning capabilities. The primary organizational learning type for micro trade show networks is adaptive, while the primary organizational learning type for macro trade show networks is generative. However, high levels of trust among network members can result in transformative learning for both micro and macro trade show networks.

Introduction

Trade show, or exhibition marketing events represent a temporary coming-together of multiple organizations to discuss new industry trends, find new customers, reconnect with current or former customers, and investigate the competition (Reychav 2009). These events occur on a frequent and regular basis, often annually. On the surface, trade show relationships may be viewed as transient in nature; however, there is usually a historical perspective to the relationships among various trade show participants (Li 2006). Consequently, the short term nature of the trade show event often belies the long term relationships that begin, or are strengthened as a result of trade show attendance. Trade show relationships frequently reflect what Thorelli (1986) refers to as the “network paradigm,” where each trade show participant represents a node or position within the network, while interactions between trade show participants are analogous to network links.

Moller and Rajala, (2007) contend that networks are replacing traditional markets and vertically integrated companies, primarily due to the superior information-processing capability of networks, enabling them to better adapt to knowledge-rich environments. This trend would tend to favor the trade show format, which thrives in large part as a result of the acquisition and dissemination of critical new product, industry, and competitive information shared in a network environment (Reychav 2009). Moller and Rajala (2007) make a distinction between “organically evolved networks,” versus those that are intentionally created. Organic networks are less manageable in the sense that no single organization controls the behavior of network members (Moller and Rajala 2007). On the other hand, intentionally created networks, also referred to as “strategic networks” are formed deliberately, with network rules of behavior that all members of the network are expected to adhere to (Dyer 1996; Dyer and Nobeoka 2000). This distinction between types of networks opens the question, what kinds of networks are represented at trade show events? In fact, do trade show events actually lead to the development of specific network types?

The tremendous amount of new information that is acquired and shared among network member firms at trade shows provides fertile ground for organizational learning to occur. Organizational learning is defined as “...the process of gaining knowledge or insights that can potentially influence the behavior of an organization...” (Hunt and Lambe 2000, p. 26). Other researchers refer to the organizational learning process as “single loop” versus “double loop” learning (Argyris 1983); “higher” versus “lower” level learning (Fiol and Lyles 1985); “generative” versus “adaptive” (Senge 1990); and “strategic” versus “tactical.” Consequently, the following research questions are addressed:

- 1) What determines which trade show firms are members of an organic or strategic network?
- 2) Why are some trade show networks more effective as learning organizations?

Theoretical Development

This research is set in the social exchange, resource, interdependence and organizational learning theoretical frameworks (Cropanzano and Mitchell 2005; Foa and Foa 1974). Social exchange theory has several different interpretations; one common view of this theory involves a series of interactions that result in obligations for the participating members (Cropanzano and Mitchell 2005). Resource theory (Fao and Fao, 1974) incorporates information as one of six types of exchange resources. Interdependence theory is interpreted by Gallucci and Perugini (2003) as when "... an actor transforms a given situation according to her or his motives, and then acts upon the subjective view the transformation process provides" (p. 474). Organizational learning theory applies new knowledge designed to enhance organizational performance (Peltier, Zahay and Lehmann 2012).

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Summary Brief

ACA Sign Ups: It's About Time

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While some 14 million Americans now have health insurance thanks to the Affordable Care Act, approximately 10% of the U.S. population is still uninsured. We suggest that ACA marketers may not be reaching one specific target audience that needs coverage: those with a highly present temporal orientation: people who do not consider future outcomes as a matter of course in decision making. Temporal orientation is a much studied concept, describing stable individual differences, that impacts attitudes, information processing and behaviors. This research looks at health, psychology and communications literature, and measures both attitudes about health and temporal orientation. Based on previous research and these new findings, we suggest potential applications for public policy messaging to help increase enrollment in the ACA among a potentially neglected group.

Introduction

At its core, the ACA focuses on reducing the number of the uninsured and on preventative care. However, for the ACA to be successful, an underlying premise is that Americans must care about their health and participate in available programs. The purpose of this exploratory research is to help determine whether people are, indeed, concerned about their health and likely to take advantage of the benefits the ACA now affords to them. Based on concepts from T.O. and involvement theory, this research seeks to investigate clues for more effective marketing of and greater participation in the ACA.

Research on temporal orientation (T.O.) of interest to marketers began with the work of Graham (1981) who postulated that consumer behavior is affected by individual difference in perception of time. For the Anglo or Western time style studied here, perceptions are largely either present or future. A past focus is not embodied widely by Americans (Gonzalez and Zimbardo 1985) but is more like agrarian cultures where events depend on a cyclical pattern such as the cycles of the moon or seasons. Simply stated, people with a future orientation tend to routinely consider the future consequences of their decisions and are motivated by future benefits; those with a present orientation do not consider the future in their decision making and are motivated by current benefits. Decades of research present a typology of traits associated with each group. As to the importance of T.O. to what is often seen as poor or irrational personal choices, researchers explain, "It is important to emphasize that temporal factors...may figure prominently in all instances of self-defeating behavior," (Hall and Fong 2007, p. 43).

In 2010, Kees, Burton and Tangari introduced temporal framing and health into marketing literature, reporting on message strategies impacting obesity and weight management. Their conclusions mirror earlier findings from the social sciences: individual differences in T.O. can influence consumer attitudes. They also suggest that consumers aligned with a present orientation evaluated messages framed with near term benefits more positively than if the message promoted distant benefits. In this landmark study, the researchers conclude that when there is a fit between consumers' T.O., and the framing of an advertisement (near or long term benefits), the ad is evaluated more positively, and respondents report higher behavioral intent to comply with the advertising message..

From extensive literature, we learned that future oriented individuals place high value in the future consequences of their decisions. Their consumer behavior is more aligned with owning their decisions, and they are action oriented. They also see themselves as crafting their own futures. Conversely, present oriented people are more likely to consider immediate benefits in their decision making. They are reactive rather than proactive, believing that fate controls their destiny. When they act, it is often on impulse. From a health perspective, they do not see themselves as susceptible to disease (as least to hypertension and lung cancer). Based on this and other prior knowledge, we predict a difference between T.O., with the present oriented being less proactive and worried about their health. We examine the following research questions:

RQ1: Will there be a difference in general attitudes about health (i.e., perception and concern) between highly present and future oriented groups?

RQ2: Will there be a difference in general healthy behaviors (i.e., exercise and doctor visits) between highly present and future oriented groups?

Methodology, Analysis and Results

Respondents completed a questionnaire concerning attitudes about their health, time style, and demographic information. For the analysis, a median split distinguished respondents with low versus high levels of the two primary orientations. The multivariate test for main effects indicated a difference between T.O. and attitudes about health ($F = 2.81, p = .028$). The significance was only among the present oriented (see Tables 3 and 4); future orientation was not significant and, thus, not further analyzed. Between subject effects showed two areas of significance for present focus: perception of health and number of doctor visits. Specifically, those most likely to not consider the future consequences of their behavior (high present) had significantly higher means ($M = 4.07$) than those with a low present orientation ($M = 3.63$) in the perception of their health. As for the number of visits to a doctor in the past year, those who were highly present reported a significantly lower mean ($M = 1.68$) for doctor visits than did the low present group ($M = 1.92$) (see Table 2). As the analysis indicates, neither temporal group reported significantly different amounts of exercise or concern for health either within or between groups.

Discussion, Application, and Conclusion

One of the least promising findings for the ACA from this research, we believe, concerns the lack of concern that the highly present report about their health. In fact, the highest mean resulting from this study was the perception of health of the highly present group ($M = 4.07$). We think it does not bode well for sign ups by the present focused for the ACA. Those who remain uninsured are likely to be among the highly present group. It stands to reason that to sign up for health care, one would be concerned about one's health; the highly present are not. The act of signing up for the health exchanges also requires the present oriented to be proactive. Previous research has found this not to be the case. With this former research as a guide, this suggests they will not sign up for health care now because they feel themselves to be healthy; they will wait for a need (e.g., accident, pain) and react to that need.

Research to date offers puzzle pieces, amassed over three decades that may present a strategy to improve ACA sign-ups among the highly present group. Graham (1981) found it is the information, not the need that stimulates a purchase for people with a present perspective. A broad based mass media will likely be needed to get their attention. A low involvement, overt message strategy will be most effective. We know that the highly present respond best to near term benefits. The benefits of better health and peace of mind have been communicated with perhaps weak results. By teaming up with corporate sponsors, the ACA could benefit from a cause-related marketing campaign. When there is a fit between consumers' T.O. and the CRM benefits offered, an advertisement is evaluated more positively, and respondents report higher behavioral intent to comply with the advertising message. A CRM campaign seems like a potentially win-win strategy for public policy, for health care and for corporate sponsors who step up to help make it happen.

While the current results are exploratory for the ACA, the T.O. concept is well established and deserves further study in this context. Five years after the Affordable Care Act began, those Americans with a highly present orientation are likely among the last to sign up for the new benefits. Public policy makers must find a way to make the "product" of interest to them with a message that catches their attention and then offers immediate benefits. That a considerable percentage of Americans are still without health insurance is likely not due to policy issues or malfunctioning websites. It could be that part of the market does not feel a need for the product and sees no immediate benefit to offset that. Further signups could result from a change in public policy messaging that targets the highly present with a message that attracts them.

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Summary Brief

Metaphors in Prescription Drug Advertising: Analysis of Message Transfer and Consumer Imagination

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This research examines the influence of metaphors and the moderating role of consumers' propensity to imagine in direct-to-consumer prescription drug advertising. Two studies demonstrate that metaphors provoke more intended message transfer than non-metaphors and consumers' propensity to imagine moderates responses to synthesis and juxtaposition metaphorical visuals.

Introduction

The use of metaphors in direct-to-consumer prescription drug advertising (DTCA) is common in modern times as a part of a popular culture. In the research that follows we explore the effects of these metaphors in terms of advertising intentions. We also lay a foundation and explore additional consumer outcomes these advertising images may incur.

Background

Despite potentially increasing a variety of consumer costs related to medication, DTCA has been shown to be a positive component in guiding consumers to make responsible treatment decisions with the help of physicians (Myers, Royne, and Deitz 2011). In the current study, we explore the ways in which metaphors combine with explicit written benefit and risk information to have an effect on consumer comprehension of advertising. There is a gap in research explaining the important notion of how these techniques may affect key issues for policy makers. Specifically, the purpose of our research is to understand how the use of metaphors may affect consumers' understanding of traditional measures such as attitude toward the ad and brand as well as drug benefit and risk information that is subject to regulation.

To this day there is ambiguity about the separation of visual pictorial and verbal written communication when consumers process messages. Modern research studies have focused on determining the ways in which knowledge is transferred among the various mechanisms of communication. Written, verbal, visual, and auditory, communications have been examined while incorporating knowledge transfer methods such as basic memory response to stimuli or deep cognitive thought process (e.g. Salomon and Perkins 1989). Research involving the concept of combined visual and verbal communications has resulted in a somewhat ambiguous conclusion.

Research Objectives

Our research objective is to explore the complex process of how concepts gleaned from previous metaphor advertising research may have an effect on information processing in the important context of DTCA. Specifically, we examine whether the addition of metaphorical images to text advertisements may communicate drug benefit and risk information in addition to the written information stated in print. Secondly, we strive to add to existing visual metaphor and DTCA literature with analysis involving how consumers process synthesis and juxtaposed metaphors in DTCA based on individual imaginative qualities resulting in varying outcomes measured in terms of traditional advertising variables.

Study 1

In line with our theoretical foundation, dual coding theory (Clark and Paivio 1991) generally implies that mental images play an important role in cognitive processing. Accordingly, it is logical that when distinct images are included in advertising that they would constitute a large portion of cognitive processing for consumers. So we assume that pictures in advertising provide meaning to consumers in ways independent from written text. Since

metaphors are common images used in DTCA, we examine their presence (absence) in print advertisements in relation to messages they might convey. We feature a hypothetical depression treatment as the subject of a print advertisement that is enhanced by a metaphor that is intended to evoke the conveyance of drug benefits of increased energy or perspective and vantage point.

Three different advertisements were designed featuring synthesized metaphorical objects (a man and a rocket are synthesized together), juxtaposed metaphorical objects (a man and a rocket are juxtaposed), or no metaphor (a picture of a man). Participants viewed one of the ads. Each ad has an identical headline and participants in all conditions read the same information about depression. We measured deviation from reality and synthesis metaphor visuals were found to be more unrealistic than juxtaposed metaphor visuals. We also assessed participants' mood and familiarity with and knowledge about depression as well as message transfer of the metaphor. Synthesis metaphor visuals provoked higher intended message transfer than no metaphor visual while there was no difference in message transfer between synthesized metaphor visuals and juxtaposed metaphor visuals. None of those effects were significant. We combined synthesized metaphor and juxtaposed metaphor conditions to form the presence of metaphor condition and results concluded that metaphor visuals provoked higher intended message transfer than no metaphor visual. Study 1 showed that metaphors provoked higher intended message transfer than no metaphor. Synthesis metaphor visuals were more unrealistic than juxtaposed metaphor visuals and no metaphor visuals.

Study 2

In Study 2, the goal is to understand consumers' propensity to elaborate in terms of imagination while exposed to these specific types of metaphors. Therefore, we employ the independent variable of ease of imagination (Huang and Mitchell 2014). In terms of elaboration, different types of metaphors would evoke greater elaboration than others. Specifically, synthesis metaphors are more complex and therefore would likely take more imagination to comprehend. We used a paradigm similar to that of Gkiouzepas and Hogg (2011) in examining the differences in ads that synthesize versus juxtapose objects. Participants indicated their evaluations after viewing an ad from stimuli identical to that of Study 1.

Using multiple regression procedures recommended by Aiken and West (1991) and Hayes (2013), we regressed the mean-centered propensity to imagine measure, the metaphorical objects' mode of presentation, and their interaction on consumers' evaluations. As predicted, the results revealed a significant interaction between the objects' mode of presentation and propensity to imagine. Results from Study 2 showed that propensity to imagine influenced how consumers evaluate synthesis visuals versus juxtaposition visuals.

Discussion

We found that when a metaphor is present in an advertisement the result on consumer information processing can be that of supplemental message transfer in addition to the written information in the advertisement. This application is especially important for policymakers. Prescription drug advertisers should be aware of this finding that the images in the form of metaphors are effective communicators of information, regardless of the advertising text. Additionally, pharmaceutical advertising developers should ensure that the images be consistent with the approved benefit and risk information that is guided by the Food and Drug Administration. Our research also advances the general advertising literature involving metaphors by including an additional individual variable, propensity to imagine, that is crucial in consumers' processing of synthesis metaphors. Depending on consumer characteristics, advertisers may be able to convey a message more clearly using a less complex metaphor.

Future Research

Future research should examine how additional consumer characteristics interact with metaphorical objects' mode of representation to jointly influence the persuasiveness of prescription drug advertising. Varying messages and types of drugs in the research would provide a more thorough understanding of these important concepts and relationships.

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Summary Brief

The Effects of Materialism, Personal Control, and Expectations on Well-being of Vulnerable Consumers During Major Life Transitions

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A substantial amount of literature has addressed that consumption plays a positive role in stress management. Using survey data, this research examines the link between materialism and well-being for people who may be vulnerable as they experience major life transitions. Additionally, existing research is advanced by uncovering the mediating role that perceived personal control plays on materialism and well-being. Finally, the authors examine how a priori expectations of the transition only significantly alter perceived personal control for materialistic consumers. Consumer welfare implications for these findings are also discussed.

Introduction

Prior literature has demonstrated that life transition events often provide an opportunity for marketers to gain consumer share of wallet. For instance, Andreassen (1984) finds that consumers in transition often change their company patronage and brand loyalties. Mathur, Moschis, and Lee (1999) find that going through a life transition increases stress, and consumers often change their preferences for specific brands as a means of coping. Schewe and Balazs (1992) suggest that people going through major life transitions represent a marketing opportunity. This then, raises the question – if liminal consumers are vulnerable, should policy look into further protecting liminal consumers from being exploited in the marketplace? In this study, we explore the role of materialism on well-being during major life transitions to better understand the needs of consumers going through major life transitions.

Conceptualization

Our conceptualization is grounded in four distinct, yet related constructs: materialism, well-being, personal control, and transition expectations. We define materialism as a characteristic of individuals who cope with life's challenges through consumption of material goods. Many behavioral psychologists have also shown that materialism can lower well-being and can inhibit a fulfilling life (e.g., Maslow 1954). We believe that the same relationship will exist for major life transitions. Therefore, we propose:

H1: For people going through a life transition, those who display higher levels of materialism will have lower perceived well-being.

We also add personal control and examine the mediated role of personal control on materialism and well-being. Kashdan and Breen (2007) find that people who rely on possessions for their happiness often feel less personal control of their lives. Therefore, we propose that the relationship between materialism and well-being will be mediated by perceived personal control over a transition event. Specifically:

H2: For people going through a life transition, the relationship between materialism and well-being will be mediated by perceived personal control of the transition.

We define expectations as how positive the consumer perceived their transition prior to going through it. Marks, Richardson and Graham (1986) find a relationship between expectations and control when it comes to beliefs about cancer treatments. For example, when expectations were low, patients perceived less control and therefore were more depressed about having cancer. Following a similar logic, we too anticipate that an expectation plays a moderating role on transitions. That is, for people going through a major life transition, expectations will moderate feelings of personal control on materialism and well-being. Specifically, we predict that:

H3: For people going through a life transition, the mediated relationship of personal control on materialism and well-being will be moderated by expectations; that is, moderated mediation exists.

Method and Results

An online survey of U.S. consumers was conducted using the Amazon Mechanical Turk (mTurk) panel. Respondents (n=272) were first asked which (if any) major life transition they had gone through within the last year. Respondents were then asked to base the rest of their answers on the transition they selected in Question 1. A regression analysis with materialism as the independent variable and individual well-being as the dependent variable shows that, for transitioning individuals, high materialism leads to decreased well-being ($p < .001$). Therefore, hypothesis 1 is supported. Hayes' PROCESS model 4 was used to test hypothesis 2. Using a bootstrap sample of 10,000, we see that the 95% confidence interval for the indirect effect of X on Y does not contain 0 (ranges from [-.0954 to -.0116]) indicating significance; Therefore, hypothesis 2 is supported.

To test hypothesis 3, Hayes' PROCESS model 8 was used. Materialism, expectations, and the interaction effect between both are significant on feelings of personal control. For this type of conditional mediation analysis, the interaction effect is most relevant ($p = .0401$). This suggests moderation exists with personal control as the outcome variable. When looking at the model as a whole, the interaction is no longer significant ($p = .8549$), but personal control is significant ($p = .0048$). This demonstrates conditional mediation for the interaction effect, which suggests that moderated mediation exists.

Discussion

Given our results, we suggest that there should be some policy changes to help protect potentially vulnerable consumers. Materialistic consumers should be discouraged from shopping to help cope with their transitions, and arguably should not be the target of marketers hoping to increase purchases by this group. Advertisements for products or services helping consumers to cope with stress during times of liminality should be regulated closely. Based on our findings with the role of expectations, helping to set realistic transition expectations may help with the vulnerability consumers face during liminal times. Advertising and news stories that portray motherhood, marriage, and other transitions as easy and low stress may lead to unrealistic expectations and make consumers more vulnerable within the marketplace. On the other hand, public service announcements or stories that show empathy towards consumers going through these transitions may lead to less stress and more positive post-transition well-being.

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Summary Brief

Do Males and Females Differ? Understanding Gender Differences in Graphic Cigarette Warnings Effect on Young Adult Smokers' Thoughts of Quitting

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Nearly all lifelong smokers initiate smoking before the age of 26, and the consequences associated with this behavior are severe. Graphic pictorial health warnings on cigarette packages are one method that may be used in attempts to reduce smoking rates among young consumers. Previous research has examined the paths through which the perceived graphicness of these warnings influence thoughts of quitting for young adults. However, prior research does not account for gender differences, which have been found to influence beliefs and intentions related to smoking. Thus, the purpose of this paper is to examine how these paths from perceived graphicness to thoughts of quitting differ between male and female young adult smokers. The results from a longitudinal study reveal that gender differences are evident in paths from graphicness to thoughts of quitting. These findings support the effectiveness of highly graphic cigarette package warnings, but show that gender should be considered to improve our understanding of the process by which young adult smokers' thoughts of quitting are influenced.

Introduction

Over five and a half million of today's youth will ultimately die from smoking (USHHS 2014a), and 99 percent of these smokers begin smoking by the age of 26 (USDHHS 2012). Once smoking is initiated, it becomes extremely difficult to stop, especially if initiated at a young age. In fact, the younger the age of smokers when they first start smoking, the less likely they are to stop (USDHHS 2014b). For this reason, the use of communication interventions for reducing smoking rates among young people is imperative (USDHHS 2012).

Because of the likelihood of young smokers to become lifelong smokers, Andrews et al. (2014) developed and tested a model examining the pathways through which perceived graphicness of graphic pictorial warning labels lead to thoughts of quitting among adolescents and young adults. Among young adults, perceived graphicness was positively related to evoked fear, while smoking frequency was negatively related to evoked fear. In addition, evoked fear was positively related to thoughts of quitting, but not negative health beliefs. Perceived graphicness, evoked fear, and negative health beliefs were positively related to thoughts of quitting. However, smoking frequency was found to reduce the positive effect of graphicness on thoughts of quitting.

Although the findings of Andrews et al. (2014) provide much needed insight into the development of effective smoking cessation intervention programs for different segments based on either evoked fear or health beliefs, young smokers could be further segmented in an attempt to better understand the outcomes of exposure to graphic cigarette warnings. For example, could this model differ across gender? That is, could the hypothesized paths from perceived graphicness to thoughts of quitting vary across male and female smokers? The findings presented in this study address this research question.

Method

One-hundred and fifty-eight male and seventy female young adult cigarette smokers were recruited to participate through a national online subject pool. To collect a sample of young adults, participants were required to be 19 years of age or older, but under the age of 31 ($M_{Age} = 24.8$, $SD = 4.1$). This was a longitudinal study in which data were collected at Time 1 (T1) and Time 2 (T2). There was a one week time lapse between T1 and T2. At T1, participants were randomly assigned to view one of nine cigarette packages with a pictorial warning and its accompanying verbal warning. Three verbal warning statements were used: "Cigarettes are addictive," "Cigarettes cause fatal lung disease," and "Tobacco smoke can harm your children." Based on pilot testing, three pictorial warnings were used for each of the three verbal warning statements. Other

package information was held constant. Following exposure to a stimulus, participants responded to measures of smoking frequency, perceived graphicness, evoked fear, and demographic information. At T2, participants responded to measures to assess their thoughts of quitting and their negative health beliefs toward cigarettes. Smoking frequency, perceived graphicness, evoked fear, thoughts of quitting, and negative health beliefs were all assessed using the measures reported by Andrews et al. (2014).

Results

Path analysis was used to address the focal research question. Prior to model estimation, measurement invariance was established across warnings and gender. Composites of all variables were created by averaging their items. Exogenous variables were mean-centered, and a product term was created for the perceived graphicness-smoking frequency interaction. To test whether gender was moderating the relationships, two models were estimated: (1) an unconstrained model and (2) a model in which all paths were constrained to be equal across gender. The difference in the models ($p = .08$) suggests that coefficients were marginally different across genders.

For both males and females, perceived graphicness was found to be positively related to evoked fear ($ps < .001$), and evoked fear was positively related to thoughts of quitting ($ps < .05$). Interestingly, evoked fear was positively related to negative health beliefs for females ($p < .05$), but not for males ($p = .11$). Negative health beliefs were positively related to thoughts of quitting for males ($p < .01$), but not for females ($p > .05$). In addition, perceived graphicness had a positive, direct influence on thoughts of quitting for females ($p < .05$), but not for males ($p > .10$). Gender was found to moderate the path from the smoking frequency-perceived graphicness interaction to thoughts of quitting ($p < .05$). Specifically, smoking frequency was found to moderate the relationship between graphicness and thoughts of quitting smoking for males ($p < .01$), but not females ($p = .29$). For males who smoke frequently (1 SD above the mean), there is a positive relationship between graphicness and thoughts of quitting. For females, the results mirror the findings of Andrews et al. (2014).

Finally, the indirect effects on thoughts of quitting were examined. Bootstrapping with a maximum likelihood estimator was performed using 5,000 bootstrap samples. For males and females, perceived graphicness of the warning had a positive total indirect effect and total effect on thoughts of quitting (CIs did not contain '0').

Discussion

Based on these results, gender should be considered when developing smoking communication interventions and graphic warnings on cigarette packages. The interaction and mediation results provide encouraging evidence that support the effectiveness of highly graphic cigarette warnings. Specifically, graphicness has a direct and positive influence on thoughts of quitting for males that smoke frequently and for all females. In addition, indirectly, graphicness leads to increased thoughts of quitting among both males and females. These results should be encouraging for policy makers and provide useful insight into the process through which graphic warnings impact thoughts of quitting among male and female young adult smokers.

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SMA Teaching Moments II

Assignment Ideas to Engage Graduate Students

Melissa N. Clark, Coastal Carolina University, USA

In my experience, graduate students tend to enjoy and benefit more from assignments that give them a choice in content. Some examples I have used are as follows:

1. Create course packs on different topics in marketing such as branding, services, sales, social media, relationship marketing, etc. Each course pack has several types of assignments such as a book review, article summaries and a customized personal project. Let the students choose 3 out of the 5 course packs to complete based on their needs and interests.
2. Ask the graduate students to interview a marketer and let them choose the marketer and write the questions.
3. Require a book review but ask the students to choose their own book based on their goals.
4. Give the students a variety of cases to choose from for their analysis.

A Demonstration of the Absurdity of Funeral Home Specialty Promotional Items

Gary L. Geissler, University of Arkansas at Little Rock, USA

There are numerous consumer and business product categories. Sometimes, students have difficulty keeping them all straight. For example, students may confuse specialty products with specialty promotional items. Using some “props” is very helpful when discussing the various product categories. The unsought products category includes new products with little or no awareness among potential customers and regularly unsought products that people need at some point, but rarely seek them out (e.g., cemetery plots, life insurance). Both types of unsought products need promotion. Funeral homes use various forms of advertising media, such as billboards, television, and radio. The messages are typically respectful and caring. However, do funeral homes really need to carry specialty promotional items to promote their brand? Examples include jackets, calendars, pens, note pads, key chains, and letter openers, emblazoned with the funeral home name and/or logo. Would you be “caught dead” wearing a funeral home windbreaker?

Millennials and the Elevator Pitch: Strategies for Reducing the Fear!

J. Michael Weber, Mercer University, USA

How do we help millennials cope with the fear and anxiety associated with the elevator pitch? Millennials can be defined as being born between 1981 – 1997, ages 18-34, with a total population of 75.3 million, making them the largest generation, and certainly represent the majority of our college aged students. They have often been referred to as the “net generation” or “digital natives”, and spend an average of 17.8 hours a day with some type of digital media, including 5.4 hours on social media, and check their smartphones 43 times a day. They share, like, follow and snap. They are most comfortable communicating in a casual, digital environment, and often lack the skills needed for one on one communications. The concept of the elevator pitch is important because it represents brief conversations or presentations that are critical for college students in the job market or in their entrepreneurial ventures. Several strategies include creating a video of their elevator pitch for self-evaluation, peer evaluation of elevator pitch, mock networking, and speed dating (interviewing). In any case, it requires practice, which builds confidence.

Disco Balls and Pulsing Lights Aren't Just for the Dance Floor!

Suzanne Benet, Grand Valley State University, USA

I teach a class on creativity, in which the focus is how to get the most out of your team when looking for creative ideas. A large part of the course discussion centers on the impact the environment has on creative thinking. To emphasize the impact a change in environment can have, I start a brainstorming session on designing a new restaurant, and the ideas the students start with are fairly unoriginal. Then, I kill some lights and turn on the disco ball, a pulsing light, or a colored light. The ideas for the restaurant are much more original after that.

Moving from Bags of Marbles to Brachiosaurs: Making Statistics Relevant

Josh Coleman, The University of Memphis, USA

A wise professor recently said, "For the longest time, I thought a population was a bag of marbles." Statistics courses have traditionally involved antiquated examples, such as bags of marbles, which serve to teach students concepts they typically are only learning to receive their required course credit. An alternative approach that will make statistics more relevant to students is to give them a brief, superfluous, survey on the first night of class and use their own responses as in-class illustrations. One example includes the question, "What's your favorite dinosaur?" The responses to this question can be used to learn the differences between samples and populations, organization and visualization of data, and even simple probabilities. More than that, though, students will learn about statistics in relation to a Tyrannosaurus Rex and some Brachiosaurs instead of ambiguous bags of marbles.

Buggin' Out--Setting a Level Playing Field for Student Teams' First Assignment

James Mark Mayer, Indiana University, USA

The "Buggin' Out" assignment consists of a mini-project where teams, after viewing an approximately 18 and ½ minute TED talk by Marcel Dicke entitled "Why Not Eat Insects?", are challenged to develop a plan related to increasing insect consumption in the market of the university or college where the class is taught. As insect consumption is relatively uncommon (in America), and few undergraduate students have extensive backgrounds in entomology, the project tends to work well as an icebreaker as students all start off on unfamiliar footing. The project allows students to demonstrate previously learned business fundamentals (e.g., segmenting-targeting-positioning) as well as creative expression (e.g., branding the insect offering). This assignment has been used in different classes at two universities and received very strong student feedback, and in the author's experience offers an interesting, flexible, challenging first-day assignment.

Value Equation

David Altounian, St. Edward's University, USA

A simple framework will be presented which can be used in both traditional and digital marketing principles classes at either the graduate and undergraduate level. This framework is termed the 'Value Equation' and it presents a conceptual view of what is meant by Value Creation and Value Capture as referenced in both the AMA mission and textbooks by marketing leaders such as Kotler and Keller in a simple one line concept. This framework explains the roles throughout the marketing chain and their impact on value creation and value capture. It provides a conceptual model with which other frameworks such as funnels, five forces analysis, SWOT analysis, digital channels, can be presented as components in the marketing process. It also provides a lens with which students can

view both traditional and digital marketing channels, tools, and methods and understand how they contribute to value enhancement.

New Product Idea Development on the 1st Day of Marketing Class

David Rylander, Texas Woman's University, USA

One of the best things you can do is get students involved and active on the first day of class. That sets a tone, breaks them out of their shells, and leads to greater involvement the rest of the course. My favorite way to do this in a marketing course is to break them into groups and give each group a new product idea. Each group evaluates the idea, possible target markets, and ideas for how to price, promote and distribute the product. I look for interesting new product ideas that stimulate thinking and discussion. Groups then briefly present their ideas, and the whole class is discussing marketing strategy on the first day! You can extend the thought process by asking them which product they would invest in if they had to pick one. Then they have to examine them realistically in terms of potential markets and marketability.

Mandatory Instructor-Student Interaction: How to Do It

Arturo Z. Vasquez-Parraga, The University of Texas-Pan American, USA

A dilemma emerges when instructors are able to motivate students on a class topic but unable to secure class participation for all students. Some students will often collaborate even when they are not highly motivated, and do it again and again in most classes. The problem rests with the students needing greater motivation to collaborate and, more importantly, a clear opportunity to interact with the instructor and their peers. Such opportunity depends on an assertive teaching strategy such as the one I use in face-to-face classes to make sure every student participates. The strategy involves three steps: 1) students come prepared to discuss the assigned topics, 2) students first discuss such topics in groups, 3) the instructor interacts with each member of each group on a rotating basis until everybody got his/her chance to speak and collaborate. Both participation and above all learning can be greatly enhanced by the strategy.

Summary Brief

Enhancing Job Outcomes in a Trade Show: Interactive Effects of Management Support

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Despite the widespread use of tradeshow and exhibitions, there is a paucity of research in this research domain, especially in emerging markets. In addition, past research has mainly focused on understanding the visitors' behavior in a tradeshow. Hence, the current study examines the interactive effects of management support on job outcomes from exhibitors' perspective. The results of the data collected from the employees of the exhibitors in B2B exhibitions in an emerging market shows that service leadership positively moderates the effect of technology support on customer orientation and job satisfaction. Also, there is a positive three way interaction effects of service leadership, technology support and empowerment on customer orientation and job satisfaction. In addition, customer orientation fully mediates the interactive effects of management support on job satisfaction.

Introduction

As a B2B marketing tool, trade shows continue to exhibit strong growth. Trade shows usage in the United States has continued to increase in recent years and has demonstrated consistent growth in all metrics including net square feet, number of exhibitors, number of attendees, and real revenue (Cain 2014). The direct expenditures exceeding \$263 billion in the U.S. for 2009 exemplify the economic significance of this B2B communication channel (PWC 2011). Similarly, research in European context contends the use of tradeshow as a platform for promoting products and services in the B2B domain is not just limited to the US (Hansen 2004; Smith, Gopalakrishna, and Smith 2004). Additionally firms in other parts of the world are also increasingly using trade shows as a means to effectively market their goods and services, as well as to break into new markets (Askariadz and Babakhani 2015).

Despite the surging focus on the use of trade shows, researchers have noted that there is a void in the knowledge on this topic and there is a dearth of empirical evidences that explicate the effect of management support on employees' job outcome in the context of trade shows. Limited past research has shown that employees in trade shows can perform a number of functions that include conducting market research, identifying prospects, solidifying relationships with existing customers, acting as a testing ground for customer attitudes towards new products, and providing a venue for assessing distribution alternatives (Geigenmuller and Bettis-Outland 2012). Hence, providing adequate management support to enhance employees' job outcomes is critical for the success in a tradeshow. Exhibitors' employees represent the face of an organization to visitors. They play a pivotal role in the provision of superior service to visitors. They too have the capability, for returning aggrieved visitors to a state of satisfaction. Not only so, satisfied employees breed satisfied visitors who, in turn, have a positive impact on organizational outcomes in a tradeshow (Veloutsou, Daskou, and Daskou 2004).

Given that participation in a trade show is costly and employees play, arguably, the most critical role in the attainment of desirable tradeshow outcomes for the organization, it becomes of paramount importance to provide management support adequately. Grounded in this backdrop, by relying on the tenets of the resource based view of the firm, this study develops a parsimonious model and examines the effects of management support (i.e., service leadership, technology support and empowerment) on employee's satisfaction, mediated by customer orientation. In accomplishing our purpose, a survey of the employees in a tradeshow held in one of the emerging markets serves as the study setting. Emerging markets context is particular important for this investigation as these markets offer considerable growth and opportunity while posing potential challenges to the prevailing wisdom of the marketing discipline due to heterogeneity, sociopolitical governance, chronic shortage of resources, unbranded competition, and inadequate infrastructure (Sheth 2011).

Data Collection and Analysis

To test the hypotheses, data was collected using a structured questionnaire from the employees deployed in a very large and famous trade fair in India. 270 exhibitors, primarily from packaging industry, were present to showcase their products for two days. On the first day of the trade fair, the questionnaire was pre-tested among some of the visitors but no changes were deemed necessary. The data for the main study was collected on the second day of trade fair. Male graduate students from a major university collected the data. Ten graduate students collected data on the first day while a hundred students were used on the second day. A total of 289 employees voluntarily participated in the study. Of the 289 usable surveys, 270 were used for data analysis after a list-wise deletion. About 95% of the employees were male. Almost 50% of the employees were above the age of 35 years. A majority of the respondents were decision makers for their firm. Almost 85% of the employees had experience of ten or more years in their firms. We tested the proposed model, including the proposed direct, indirect, interaction and relative relationships, using AMOS 20.0. To test the hypothesized moderating role of SL, requires the creation of an interaction variable, a product variable was created by multiplying SL, TS, and EMP. Prior to multiplication, all variables were centered in order to reduce multicollinearity. Age, employee experience, and number of employee in a firm were used as control variables as they might have influenced the findings.

Discussion

This study contributes to the trade show literature by illuminating the interactive effects of management support (i.e., service leadership, technology support and empowerment) on job satisfaction through customer orientation. Further, this study shows that service leadership positively moderates the effect of technology support on customer orientation. We show that service leadership negatively interacts with empowerment to affect the customer orientation. However, three way interactions among service leadership, technology support and empowerment have positive significant impact on customer orientation. Finally, we show a significant positive mediating effect for customer orientation, suggesting that the effects of service leadership, technology support and empowerment upon job satisfaction are not direct. The robustness of our results is bolstered by a favorable comparison to a model featuring non-significant direct effects of management support on job satisfaction keeping the mediator intact in the model. On a broader front, our results show the relevance and applicability of the resource based view of the firm to an understanding and explanation of the mechanism through which organizational resources are related to job satisfaction in a tradeshow.

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Summary Brief

Salespeople as Ombudsmen: The Critical Role of Salespeople to Secure Customers' Payment

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This research investigates the role of the sales force in the collection of customers' late payment. Specifically, salespeople's behavior may affect the firm's accounting figures, such as days' sales outstanding (average number of days a company takes to collect revenue from customers after a sale). Multiple sources provide data from 549 business customers, which reveal that salespeople's manifest influence, the quality of their relationship with buyers as well as their effort to collect late payment relate positively to customers' accountants' invoice evaluation and accelerate payments, when we control for financial difficulties and invoice correctness. Theoretical and managerial implications are derived from these interesting new findings for both marketing/sales and finance/accounting communities.

Introduction

Among the most pressing issues Chief Financial Officers face, accelerating customers' payment and reducing days' sales outstanding (DSO), or the average number of days a company takes to collect revenue from business customers after a sale, represents a top priority (Collins 2003). DSO represents a critical accounting and financial matter, not only because it indicates how quickly a company can secure its incoming cash flow but also because its proper management facilitates sound resource allocations and opens windows for new investments (Bragg 2005). Thus, efficient accounts receivable management—that is, money owed by customers to their suppliers in exchange for goods or services bought or delivered—is of key importance to manage companies' cash flows and working capital, help them avoid bankruptcy and create value for shareholders (Barth, Cram, and Nelson 2001).

Salespeople enjoy an important role in developing and securing companies' business and revenues. In line with efforts to collect outstanding receivables properly, the sales force's responsibility in managing financial aspects of customers' accounts has increased (Colletti and Fiss 2006). Yet research on sales skills that favor customers' payment velocity is scarce. Because salespeople represent a critical link with customers that influence the buying and paying process, an investigation of their role in the cash conversion chain is welcomed (Rust et al., 2004). To the best of our knowledge, the potential role of the sales force in the collection of late payment has yet to be studied. Therefore, this research examines salespeople's skills that may influence customers' past due payment and reduce DSO.

Theoretical Background

There are multiple reasons for customers' late payments. The sales organization's responsibility emerges principally when trade credit is granted and in case of payment overdue (Dennis 2000). According to Dennis (2000), salespeople carry a significant responsibility in the management of trade credits as they are of valuable help when appraising solvent customers, clarifying disputes issues, or intervening as ombudsmen to reduce late payments. Companies already empower salespeople regarding payment collection facilitation, integrating such responsibilities among their objectives, encouraging them to follow-up with customers when invoices are sent, or compensating them for their ability to quicken payments (Leibundguth 2008).

We develop a model that incorporates potential variables that may influence customers' late payments from a sales organization perspective (i.e., relevant to the scope of salespeople's skills and responsibilities). We focus on the impact salespeople may have on customers' accounting departments when payments are already overdue. The proposed model includes a formal accounting approach of customers' late payment, accountants invoice evaluation, as well as salespeople's manifest influence, the quality of their relationship with customers, and their collection effort. In addition, because payment overdue may be caused by customers' temporary financial difficulties or invoice incorrectness, we control for such influence.

Findings and Contributions

This research offers interesting contributions to the sales and management literature. First, results show that salespeople can handle payment collection efforts if they possess the right skills. Second, salespeople's ability to accelerate customers' payment contribute significantly to firms' financial stability helping them save on borrowing costs. Third, this research opens interesting opportunities for additional studies at the interface of sales and finance. Additional research is needed to uncover and understand the other factors that might explain customers' late payment. Similarly, scholars should investigate if penalties imposed on late payers affect customer relationships and future sales. A positive response would lead to contradictory managerial considerations. Indeed, marketers and sellers would not want to jeopardize channel relationships, whereas accountants would not tolerate risky accounts receivable management.

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Summary Brief

Sales Effort and Performance: Moderating Role of Customer Product Knowledge

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Given the need to allocate their effort across a portfolio of customers, salespeople often make trade-offs in their level of effort while managing customers with various levels of product knowledge, i.e., high versus low. This research proposes that higher levels of customer product knowledge will attenuate the positive impact of effort on performance. Empirical results using a sample of 185 automobile salespeople find support for the main effects of effort and customer product knowledge, and the proposed interaction.

Introduction

As traditionally passive role of customers is giving way to a more involved, and consultative one, impact of customer product knowledge warrants systematic research attention. Can customer product knowledge undermine salesperson performance? Should there be a significant difference in salespersons' approaches in managing customers with high versus low product knowledge? Under this backdrop, this paper investigates how customer product knowledge attenuates the effect of salesperson effort on performance. In contrast with traditional thought, we show a distinct dark side of customer product knowledge. That is, higher level of customer product knowledge has the potential to compromise salesperson performance. By investigating the moderating role of customer product knowledge, this research also extends the existing effort-performance paradigm.

Theoretical Development

Effort is conceptualized as the amount of energy expended by salespeople on both the physical and cognitive demands of performing the sales task (e.g., Brown and Peterson 1994). Superior sales performance is associated with salespeople's willingness to put forth effort into their jobs (e.g., Brown and Peterson 1994). Salespeople assume the primary role of developing solutions and communicating the inherent value of these solutions, thereby, forging a long-lasting buyer-seller relationships (Palmatier, Scheer, and Steenkamp 2007). Customer product knowledge is defined as the amount of domain-specific knowledge about a product category that is stored in customer memory (e.g., Brucks 1985). Customers with a higher level of product knowledge possess extensive general knowledge about the product category, the attributes of different models and brands, and how the attributes might affect product performance (e.g., Hong and Sternthal 2010). Accordingly, with customers possessing superior product knowledge, a salesperson can save considerable time and effort, which can be redirected to generating and qualifying more leads, thereby, potentially leading to superior salesperson performance.

While customer characteristics can impact the salesperson performance (e.g., Homburg, Müller, and Klarmann 2011), we postulate that higher customer product knowledge will attenuate the positive impact of effort on performance. Prior research has alluded to the phenomenon of "knowledge redundancy" where the degree of similarity in partner capabilities and skills may create inefficiency (e.g., Anderson and Jap 2005). We propose that a combination of high sales effort and high product knowledge of customers will present a similar situation and as such, higher salesperson effort may not be required for strengthening relationships with high product knowledge customers. In addition, customers with superior product knowledge might perceive sales effort as opportunistic overture (Wathne and Heide 2000), where actions of one party (i.e., salesperson) transgress specific relational norms and directly harm the interests of the other (i.e., customer). Based on this, higher effort extended by a salesperson may backfire with high product knowledge customers. Following relationships are hypothesized based on the previous conceptual development:

H1: Sales effort is positively associated with sales performance.

H2: Customer product knowledge is positively associated with sales performance.

H3: Customer product knowledge negatively moderates the relationship between sales effort and sales performance. The positive effect of sales effort is weaker (stronger) for customers with high (low) product knowledge.

Methodology

Sample, Measures and Data Collection

The sample was drawn from 27 different automobile dealerships located in four cities/towns within 100 miles of each other in southern United States. Our data collection efforts yielded a total of 185 questionnaires (Response rate of 61.6%). We developed a self-administered cross-sectional survey to measure all variables at the individual level.

Data Analysis and Results

The model was estimated using ordinary least squares (OLS) regression (Table 1). Consistent with H1 and H2, both the main effects were significant ($b_1 = .12, p < 0.05$; $b_2 = .13, p < 0.05$). The interaction of sales effort and customer product knowledge was significant in predicted direction ($b_3 = -.11, p < 0.05$). Results bring support to the notion that effort-performance is weakened by high manager support. Thus, we find support for H3 as well.

Table 1: Regression Results

H		Estimate (t-value)	Sig.
A. Sales Effort	H1	.12 (1.78)	0.05
B. Customer Product. Knowledge	H2	.13 (2.46)	0.05
A x B	H3	-.11 (2.37)	0.05

Model R2 .08, Model Adj. R2 .06, Model F 5.12 (Sig. 001)

Discussions

We illustrate that the positive impact of sales effort on performance dissipates when customers possess high product knowledge. High product knowledge customers tend to depend less on salespersons. In contrast, customers with low product knowledge will require more intervention from the salesperson, and hence, salespeople will have to put in a relatively greater amount of effort to effectively communicate value to them

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Full Paper

Brick vs. Click: A Resource Based View of Community Engagement

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With the increasing share of retail sales conducted online, local retailers are being squeezed by customers switching to online purchases and by the growing pressure they face when trying to compete with online retail giants (e.g., Amazon.com). Our research addresses this issue by investigating community resources available to local retailers and their impact on performance. We find that community engagement, shared values, and the economic value proposition increase the retailer's share of customer and the likelihood the consumer will engage in positive word of mouth. We also find that shared values enhances the positive impact of community engagement resources on commitment. Our findings contribute to the retailing and resource based theory literatures and provide managerial direction to help local retailers more effectively compete with online retailers.

Introduction

Local retailers are experiencing increasing pressure from online retailers that have economic competitive advantages based on economies of scale and scope. According to the U.S. Census Bureau, e-commerce was 5.2 percent of total retail sales in 2012, up 14.7 percent over 2011. Over the same period, total retail sales grew by only 5.1 percent, highlighting the growing trend of consumers choosing to purchase from online retailers (U.S. Census Bureau 2012). The annual growth rate of online retail averaged 10.3% between 2009 and 2014 and is expected to continue to grow by an average of 5.9% through 2019. The rapid growth of business-to-consumer (B2C) online sales is expected to continue as technology makes buying easier and safer and as Generation X and Millennials reach middle age, earn more disposable income and are more comfortable buying online. That B2C online sales account for a large and rapidly growing share of all retail sales is recognized by most. Not as well recognized are the impacts of the shifting sources of retail products from local communities to distant online sellers who have no personnel or assets in many of their markets. For example, research conducted in 2009 regarding the economic impact of this trend estimated the sales tax losses associated with online purchases nationally to exceed \$12.6 billion by 2012 (Bruce, Fox, and Luna 2009). These losses are largely due to online retailers avoiding the collection and payment of local sales taxes. U.S. Supreme Court rulings prohibit states and local communities from compelling out of state sellers who lack nexus from collecting and remitting applicable sales taxes (see *Complete Auto Transit, Inc. v. Brady* 1977; and *Quill Corporation v. North Dakota* 1992). Nexus refers to the existence of company owned assets and/or personnel located within the state. This enables those sellers to avoid collecting and paying sales taxes and has been a point of significant cost savings for online retailers since they can reduce net prices and attract customers by avoiding the costs of sales taxes.

Others have reported that states and local communities lose much more than sales taxes when out-of-state sellers without nexus divert sales from merchants with nexus (Robicheaux 2014). Out of state sales cause states and communities to lose retail jobs, household income, income tax revenues and the multiplier effects of the job and income losses. Less measurable but still meaningful are community losses of community leaders, volunteers and donations to local groups that historically have flowed from local retail merchants. Local and regional retailers are struggling to survive with the increased price-based competition from online retailers.

Given the continued growth of online retail commerce, locally owned retailers are suffering great losses. Unquestionably, local and regional retailers need to develop an online presence to attract customers' eyes as they conduct online searches. However, out of state sellers enjoy economic advantages due to economies of scale and scope, as well as the sales tax advantages already discussed. This situation is the motivation for our research. Specifically, we ask how can local retailers compete more effectively against online retailers? We argue, based on resource-based theory, that local retailers have opportunities to develop resources that are not available to pure online retailers. That is their ability through proactive community engagement to establish and build relationships

with individuals, households and community groups that helps create a sustainable competitive advantage and thus lessens the impact of online retailers' price-based competitive advantage. We investigate three different strategic resources: (1) community engagement; (2) shared values; and (3) economic value proposition; that can be used by retailers to build stronger relationships within their community and improve retailer performance.

Conceptual Development

Because our research focuses on strategies retailers can employ to build stronger and more valuable relationships with consumers, we first look to the relationship marketing literature. Morgan and Hunt (1994) developed their commitment-trust (or key-mediating variable) theory describing how different strategic relational inputs (e.g., relationship benefits) lead to trust and/or commitment, and how these key relational mediators impact relationship performance. Consistent with literature focusing on strategic relationship development (for a summary see Palmatier, Dant, Grewal, and Evans 2006), we adopt Morgan and Hunt's (1994) framework as the theoretical basis for this research and retain commitment, defined as the consumer's belief that an ongoing relationship with the retailer is important (Morgan and Hunt 1994), and trust, defined as having confidence in an exchange partner's reliability and integrity (Doney and Cannon 1997), as mediating variables in the relationship development process.

Our motivation for this research is that strategies exist which locally owned retailers can employ, and large online retailers cannot, which allow local retailers to be more competitive. Specifically, we investigate strategies that do not focus on price, as locally owned retailers will not be able to compete with online retailers on price alone. One potential source for strategic advantage is the retailer's proximity and access to the local community. In fact, arguments based on both stakeholder theory and corporate social responsibility position the local community as an important resource for retailers. Stakeholder theory proposes that an organization's behavior is influenced by its different stakeholders, the norms distinguishing right or wrong adopted by the stakeholders, and the stakeholders' influence on organizational decision-making (Maignan and Ferrell 2004). The community or communities in which a business operates is one of the main categories of a retailer's key stakeholders. Local residents and special interest groups, among others, are key members of these communities (Henriques and Sadorsky 1999).

Corporate social responsibility (CSR) refers to an organization's moral, ethical, and social obligations beyond its own economic interests (Ailawadi, Neslin, Luan, and Taylor 2014). CSR can also be defined as a company's practices and reputation regarding its perceived obligations to society at large and its stakeholders (Luo and Bhattacharya 2006). Companies engage in a variety of CSR programs and activities (e.g., environmental sustainability, community support, cause-related marketing) to strengthen relationships with employees, customers, investors, and the broader community (Ailawadi, et al. 2014; Groza, Pronschinske, and Walker 2011). Researchers have found that companies that engage in consistent, well-planned socially responsible behavior earn higher financial returns in the long-run than companies that do not (Brammer and Millington 2008), and that stakeholder attitudes are more positive when companies practice CSR proactively (rather than reactively) (Groza, et al. 2011).

Based on these perspectives, we focus on resources developed between the retailer and the local community as potential sources of competitive advantage. Resource-based theory (RBT) is widely used in the marketing field as a means to interpret an organization's competitive advantages based on the resources available to the organization (Kozlenkova, Samaha, and Palmatier 2014). According to RBT, specific resources within an organization are what really impacts and drives its profits (Wernerfelt 1984). Some examples of resources include patented technology, brands, efficient procedures, skilled employees, and strategic alliances (Wernerfelt 1984). RBT is based on two assumptions that explain a firm's achievement of sustained competitive advantage (SCA). First, resource heterogeneity supports the fact that some firms own different resources that when deployed strategically result in SCA (Peteraf and Barney 2003). Second, resource immobility contributes to SCA since some resources are difficult to adopt across firms and tend to stay within an organization over time (Peteraf and Barney 2003).

According to RBT, an organization's resources have the potential to generate SCA if they are valuable, rare, imperfectly imitable, and the organization (VRIO) is able to use them to their full potential (Barney and Hesterly 2012; Kozlenkova, et al. 2014). We focus on two specific resources that are more viable for the local retailer given their proximity to their stakeholder customers: the retailer's engagement in the local community as well as consumer perceptions of their own shared values with the retailer. While our focus is on strategies other than price, we also investigate consumer perceptions of the retailer's economic value proposition as a strategic resource. Our conceptual model is illustrated in Figure 1, after which we develop hypotheses.

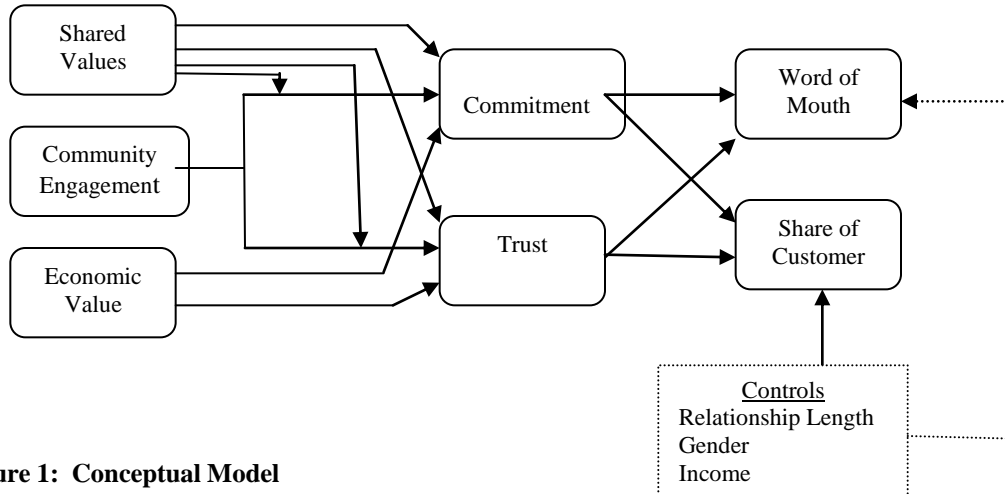


Figure 1: Conceptual Model

Community Engagement

Community engagement is the set of strategies, activities, and noncommercial interactions conducted by a retailer to become involved with and ultimately benefit the communities in which it operates. Retailers proactively engage in these strategies not only to benefit the community, but also to obtain beneficial returns (Close, Finney, Lacey, and Sneath 2006) for the retailer. Community engagement activities range from donations to civic groups, employee volunteerism, scholarship grants, and sponsorship of community events, among others (Dean 2002). To some degree, businesses must serve and represent the interests of the diverse group of stakeholders living within the communities in which they operate (Liu, Eng, and Ko 2013). At a minimum, businesses must represent these stakeholders by offering mutually beneficial financial transactions; however, many exceed this baseline by becoming more engaged with their stakeholders' non-financial interests. Although community engagement has been studied in the business ethics literature (e.g., Bowen, Newenham-Kahindi, and Herremans 2010), the marketing literature is largely devoid of empirical examinations of community engagement strategies.

The apparent intent of an organization implementing community engagement strategies, such as the sponsorship of a charitable event, is to fulfill a societal obligation to the community from which the organization attracts customers, employees, and investors, while generating goodwill and enhancing the image of the business (Dean 2002). One example of community engagement is Lowe's commitment to Habitat for Humanity. Lowe's has donated nearly \$40 million to this organization and has helped build and renovate thousands of homes (Creel 2012). These efforts are aimed at building Lowe's brand image by demonstrating its commitment to give back to the communities in which it operates. From the social responsibility literature, we see that when strategies are enacted that benefit the community, the final outcome is the establishment of retailer legitimacy and financial benefits in the long-term (Bowen, et al. 2010; Brammer and Millington 2008). Additionally, consumers are more loyal to, more supportive of, and more likely to recommend a company's products and services when the firm implements strategies that benefit the community than when it does not (Du, Bhattacharya, and Sen 2007).

Community engagement is considered a resource under the VRIO framework as it is valuable, rare, imperfectly imitable, and the retailer is able to benefit from the resource (Kozlenkova et al. 2014). We argue that retailers build stronger relationships (commitment and trust) with their customer stakeholders as a result of being more engaged in the local community. Formally, we expect that:

H1: Community engagement will positively impact (a) commitment and (b) trust.

Economic Value Proposition

The economic value proposition refers to consumer perceptions of the economic value offered by a product or service offering, and is a function of price and the customer's quality perceptions of the retailer's products or services (Smith and Nagle 2005). The economic value proposition is similar to relationship termination costs proposed by Morgan and Hunt (1994), but is more general in that it focuses on the overall value a retailer offers rather than only the benefits that would be lost if the relationship is terminated. Customers' willingness to pay a specific price for a product or service depends on the level of quality they search for or expect to receive (Rintamäki,

Kuusela, and Mitronen 2007). A firm's specific economic value proposition is a valuable resource since it allows a firm to adapt its product and service offering to customers' price and quality demands, while also developing barriers to customer switching. The economic value proposition is also rare and imperfectly imitable given that each retailer has the ability to develop a unique and distinctive proposition. We expect that the economic value proposition perceived by consumers will positively impact both commitment and trust and therefore hypothesize:

H2: Economic value proposition will positively impact (a) commitment and (b) trust.

Shared Values

Shared values refers to customer perceptions regarding the degree of agreement between consumers and retailers regarding the ethical and moral standards that should govern the organization's behavior (Morgan and Hunt 1994). Shared values is one of the antecedent resources proposed by Morgan and Hunt (1994) and shown to enhance customers' commitment and trust. Shared values can be considered rare and imperfectly imitable since it is a resource that each retailer can develop in a unique way, specific to the inherent characteristics of that retailer and their stakeholders. While the relationship between shared values and the key-mediators of commitment and trust has already been shown by Morgan and Hunt (1994), we hypothesize that:

H3: Shared values will positively impact (a) commitment and (b) trust.

Interaction of Community Engagement and Shared Values

While resources are a source of value for a firm, RBT argues that in order to obtain a sustained competitive advantage, the implementation of multiple VRIO resources is advantageous. VRIO resources that are jointly implemented with other VRIO resources, or combined with the right capabilities, enhance SCA (Barney and Hesterly 2012 ; Peteraf and Barney 2003). Specifically, an organization's dynamic capabilities will enable the firm to integrate and capitalize on its different resources, adapt to the ever-changing competitive environment, and build and maintain its SCA (Kozlenkova, et al. 2014; Teece, Pisano, and Shuen 1997). For example, brand management resources achieve positive results and growth rates for a firm only when used in combination with customer relationship management (Kozlenkova, et al. 2014; Morgan, Slotegraaf, and Vorhies 2009). In particular, we believe that as consumers perceive a greater degree of shared values with a retailer, the effectiveness of community engagement strategies enacted by that retailer will be enhanced. This is likely as a more positive alignment of values between a consumer and a retailer would likely cause the retailer to adopt community engagement strategies that more directly align with the consumer's priorities. Therefore we expect that:

H4: Shared values will enhance the positive impact of community engagement on (a) commitment and (b) trust.

Trust and Commitment

While not a focus of our research, we include the impact of trust on commitment in our framework (Morgan and Hunt 1994; Doney and Cannon 1997) and hypothesize:

H5: Trust will positively impact commitment.

Relationship Outcomes

Researchers have examined a number of performance indicators as outcomes of the relationship development process including objective seller performance (Reynolds and Beatty 1999; Sigauw, Simpson, and Baker 1998), customer loyalty (De Wulf, Odekerken-Schröder, and Iacobucci 2001; Sirdeshmukh, Singh, and Sabol 2002), and cooperation (Anderson and Narus 1990). We utilize two outcomes as indicators of relationship success. First, following prior research, we investigate the likelihood the consumer will engage in positive word of mouth regarding the local retailer (Hennig-Thurau, Gwinner, and Gremler 2002; Reynolds and Beatty 1999). We also investigate share of customer as an outcome of commitment and trust. Share of customer is defined as the percentage of purchases the customer makes from this retailer out of all possible purchases the customer could make from this retailer. This is an especially appropriate metric for this research as we are specifically interested in strategies that can help local retailers maintain (or even build) market share when faced with online competition. Research in a services retailing context has shown that commitment increases share of customer over time (Verhoef 2003). Stated formally, we expect that:

H6: Commitment will positively impact (a) word of mouth and (b) share of customer.

H7: Trust will positively impact (a) word of mouth and (b) share of customer.

We also include gender, income and relationship length between the customer and retailer as control variables in our framework.

Method

A sample of adult consumers was drawn from a state in the Southeast of the United States using a reputable market research firm that adheres to the ESOMAR International Code on Market and Social Research. Potential respondents were invited to participate in the survey via an email that included a brief description of the study, a promise of anonymity, and a web link to access the survey. In total, 2052 adult consumers agreed to take the survey, 295 responses were dropped due to missing data, leaving 1757 responses for analysis (85.6% of the total responses). The average age of the respondents was roughly 44 years old, 94% had at least some college education, the average annual household income was \$62,500, and our sample was skewed towards female respondents (57.6%).

Survey and Measures

Respondents were asked to choose a local retailer that they had previously purchased from and are most familiar with within the community in which they do most of their shopping. Respondents were presented with an extensive list of retailers operating within their shopping community. If they had no experience with the retailers provided in the survey, they were asked to choose a different locally-owned retailer and input the name of that retailer in the survey. Throughout the remainder of the survey, the name of the selected retailer was used in survey questions to help keep the respondents focused on that retailer.

When possible, measures were adapted from existing literature. All multi-item latent constructs were measured on a 7-point agree-disagree scale ranging from strongly disagree (1) to strongly agree (7). The extent of shared values was captured with 4 items adapted from Morgan and Hunt (1994). Economic value was captured with 3 items adapted from Urbany et al. (1988). Community engagement was measured with 6 items developed for this research. Commitment and trust were measured with 3 items each, and adapted from Morgan and Hunt (1994). Word of mouth was captured with 3 items adapted from Gremler and Gwinner (2000). Share of customer was captured with one item that asked respondents to select the percentage (in increments of 10%) of total purchases from the selected retailer out of all purchases from retailers who sell similar products. Measures for all the study variables are available from the authors upon request. We also captured 3 control variables: gender; income; and length of relationship with the local retailer.

Prior to model estimation, we conducted a confirmatory factor analysis (CFA) to validate the factor structure of the multi-item latent variables. We accounted for common method bias in the measurement model following Podsakoff et al. (2003) by modeling each focal item to load on a common method factor to partial out the shared variance potentially attributable to common method bias. We included additional multi-item latent constructs in the CFA as is recommended for proper estimation of common variance (Podsakoff et al. 2003). The measurement model with common method factor fit the data well. The chi-square was significant ($\chi^2=1853.28$, d.f. = 396, $p < .01$), however, this is not surprising given the large sample size (Bagozzi and Yi 1988). The normed fit index was .98, the comparative fit index was .98, and the root mean square error of approximation was .04, all suggesting a good fit of the data to the model (Hu and Bentler 1999). Reliability was assessed by examining factor loadings and measures of composite reliability. All items loaded significantly ($p < .01$) on their hypothesized factors and all standardized factor loadings were greater than .80, exceeding thresholds established in the literature (Bagozzi and Yi 1988). Composite reliabilities were all above .90. Discriminant validity was assessed by comparing the average variance extracted to the shared variances, and by examining a series of CFAs in which the correlations between each pair of latent constructs were constrained to unity. In all cases, the average variance extracted ($>.83$) were greater than the shared variance ($<.50$), and the CFAs with constrained variance were significantly different than the unconstrained model providing support for discriminant validity (Anderson and Gerbing 1988; Fornell and Larcker 1981). Additionally, we tested the unidimensionality of the model by estimating a CFA in which the correlation between all latent constructs was constrained to unity. The hypothesized model provided a better fit than the constrained model ($\Delta\chi^2 = 479.4$, Δ d.f. = 15, $p < .01$). Descriptive statistics and correlations for all study variables can be found in Table 1.

Table 1: Descriptive Statistics and Correlations

Constructs	M	SD	AVE	1	2	3	4	5	6	7
1. Community Engagement	4.77	1.10	0.87	0.98						
2. Economic Value	5.29	1.15	0.93	0.47 *	0.97					
3. Shared Values	4.95	1.14	0.89	0.69 *	0.55 *	0.97				
4. Commitment	4.68	1.26	0.90	0.60 *	0.62 *	0.70 *	0.96			
5. Trust	5.50	1.10	0.88	0.60 *	0.63 *	0.70 *	0.67 *	0.96		
6. Word of Mouth	5.16	1.21	0.84	0.52 *	0.64 *	0.63 *	0.71 *	0.69 *	0.94	
7. Share of Customer	5.03	3.20	NA	0.21 *	0.38 *	0.26 *	0.39 *	0.33 *	0.46 *	NA

* $p < .01$; The diagonal reports composite reliability.

Results

Because of the hypothesized interaction between exogenous latent constructs, the analysis was conducted with structural equation modeling using Mplus (v. 7.2) software. This approach has the advantage of allowing the simultaneous estimation of both the structural and measurement models including the hypothesized interactions between latent constructs (Muthen and Muthen 1998-2012). Because typical fit indexes are not provided by the integration procedure used in Mplus to estimate a structural model with latent interactions, we estimated a series of models to compare to the hypothesized model and used a log-likelihood difference test ($-2 \times \Delta$ in log-likelihoods $\sim \chi^2$, d.f. = number of freed paths) to compare the fit of nested models, and Akaike's information criterion (AIC) and Bayesian information criterion (BIC) to compare non-nested models. First, we estimated a model with no interactions (nested within the hypothesized model). The log-likelihood difference test confirmed that the inclusion of the interaction term provides a stronger fit to the data ($\chi^2 = 80.58$, d.f. = 2, $p < .01$). Next, we tested a model without mediation by eliminating the paths to and from the mediators (commitment and trust) while retaining those constructs in the model. The results of this non-mediated model supported positive impacts of economic value on word of mouth ($\beta = .47$, $p < .01$) and share of customer ($\beta = .99$, $p < .01$), shared values on word of mouth ($\beta = .38$, $p < .01$) and share of customer ($\beta = .21$, $p < .05$), and approached significance for a positive impact of community engagement on word of mouth ($\beta = .05$, $p < .10$). These results provide initial conditions for our mediating structure (e.g., antecedent variables have a significant impact on outcomes without the mediator) (Baron and Kenny 1986). Model comparison supports the inclusion of mediators as the mediated model (AIC = 79195.73; BIC = 79693.62) fit the data better than the model with no mediators (AIC = 79435.18; BIC = 79927.60). Finally, we tested a partial mediation model that included direct effects from antecedents to outcomes in addition to our hypothesized model. The log-likelihood difference test (hypothesized model is nested within the partial-mediation model) suggests that the partial-mediation model provides the best fit to our data ($\chi^2 = 154.22$, d.f. = 6, $p < .01$), and thus hypotheses tests are based on that model.

Community engagement has a positive impact on commitment ($\beta = .14$, $p < .01$) and trust ($\beta = .18$, $p < .01$) in support of H1a and H1b respectively. We also find that economic value has positive impacts on commitment ($\beta = .29$, $p < .01$) and trust ($\beta = .30$, $p < .01$) in support of H2a and H2b. Our results also support H3a and H3b as shared values positively impacts both commitment ($\beta = .37$, $p < .01$) and trust ($\beta = .40$, $p < .01$). Hypothesis four argues that shared values will enhance the impact of community engagement and while we find support for this interaction on commitment (H4a: $\beta = .06$, $p < .01$), the results do not support H4b as the interaction is negative and significant ($\beta = -.08$, $p < .01$). Trust has a positive impact on commitment ($\beta = .25$, $p < .01$) in support of H5. The effects of commitment on word of mouth ($\beta = .26$, $p < .01$) and share of customer ($\beta = .71$, $p < .01$) are both positive and significant in support of H6a and H6b respectively. And finally, trust positively impacts word of mouth ($\beta = .39$, $p < .01$) and share of customer ($\beta = .27$, $p < .05$) in support of H7a and H7b. The results for all hypothesized paths are presented in Figure 2.

Of the direct effects added in the partial-mediation model, we find that economic value and shared values have significant positive effects on word of mouth ($\beta_{ev} = .25$, $p < .01$; $\beta_{sv} = .09$, $p < .01$), however the impact of community engagement on word of mouth failed to reach significant levels ($p > .05$). The additional direct effects between the antecedents and share of customer were a little surprising as community engagement ($\beta = -.23$, $p < .05$) and shared values ($\beta = -.25$, $p < .05$) both had negative significant effects, while economic value had a positive effect ($\beta = .64$, $p < .01$) on share of customer as would be expected. Of the control variables, females were more likely to engage in word of mouth ($\beta = .15$, $p < .01$) and had lower share of customer ($\beta = -.32$, $p < .05$). We also find that relationship length has a positive impact on share of customer ($\beta = .18$, $p < .01$).

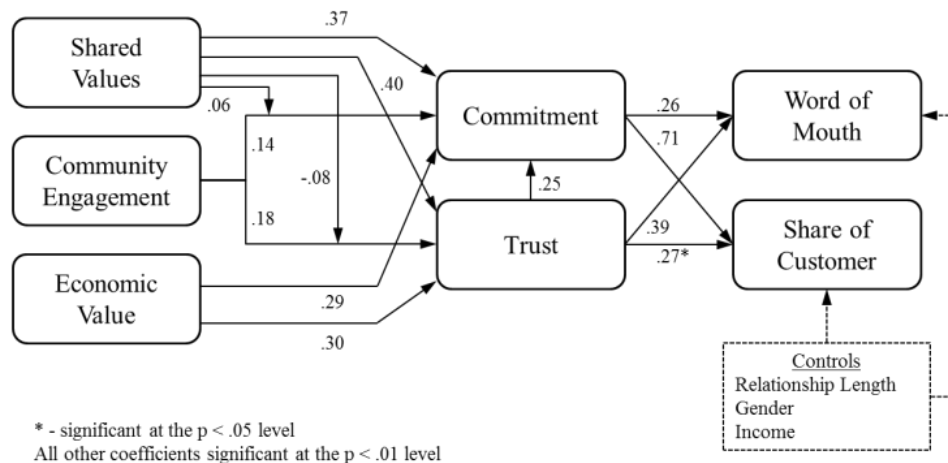


Figure 2: Analysis Results

Discussion

The motivation for this research was the identification of strategies local retailers can employ to combat their economic disadvantage versus the increasing share of online retailers. Our findings provide a better understanding for retail managers to do exactly that. Developing resources that are largely unavailable to online retailers (community engagement and shared values) provides local retailers with a basis for building stronger relationships with their customers, and ultimately creating value for the local retailer through increased word of mouth and share of customer. This is especially valuable to local retailers as community engagement strategies are typically low cost, but can leverage other resources to create a greater impact than with only non-personal marketing strategies such as advertising. Community engagement strategies such as donations to civic groups, employee volunteerism, scholarship grants, and sponsorship of community events are inexpensive initiatives that can have a big impact in the minds of consumers (Dean 2002).

Our research also makes contributions to existing theory. First, we contribute to the retailing literature by investigating community engagement, a retail strategy that has been largely overlooked in the marketing literature. While there has been research regarding similar strategies (e.g., social responsibility), this is the first research in marketing that we are aware of conceptualizing community engagement strategies as resources available to retailers in the relationship development process. Our findings regarding the impact of community engagement on the consumer relationship development process contributes to both retailing and relationship marketing literatures. Further research is needed to determine differential effects of various community engagement strategies (e.g., event vs. organizational sponsorship), as well as what other positive effects community engagement may have when combined with different retailer resources.

Second, our research addresses multiple calls to clarify the application of resource-based theory in marketing (Kozlenkova, et al. 2014). First, we use logical arguments to validate the VRIO criteria of the three retailer resources examined. While we do not empirically validate the VRIO criteria (an opportunity for future research), we do present arguments that these three resources are valuable, rare, imperfectly imitable and are supported by organizational processes. Second, we answer the call to integrate RBT with other theoretical perspectives. Our application of these resources to the commitment-trust theory of marketing helps identify how retailer resources help build stronger relationships and create value for the firm. Finally, we include multiple VRIO resources to examine the relative, as well as synergistic, effects on the relationship development process. Future research should look at how other combinations of resources may impact the ability of a company to achieve sustained competitive advantage.

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Summary Brief

Should I Buy it in the Store or with the App?

Implications of Retailer Mobile App Strategies

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This research investigates critical outcomes of click-and-mortar retailers' mobile app strategies - primarily with respect to customers' purchasing behavior. In two studies, we illustrate how the perceived ease of use of a retailer's app influences consumers' app-related purchases and purchase channel preferences. Measuring actual purchasing behavior facilitates more comprehensive conclusions about the impact of app ease of use on these outcomes. Overall, we find support for consumer self-app connection as a facilitating mechanism through which app ease of use impacts these outcomes. We also identify usage frequency of the retailer's app as an important moderator of these mediating effects.

Introduction

Many traditional retailers are implementing mobile application (app) strategies to solidify or regain competitive market positions amidst the looming threat of large-scale online retailers such as Amazon. While prior research provides some initial guidance with respect to app adoption (Nysveen et al. 2005; Lee et al. 2012), consumers' actual use of retailers' mobile apps remains largely unexplored in the existing academic literature. The following sections present findings from two studies that highlight the importance of ease of use as a driver of customer app outcomes through self-app connection (Study 1), particularly among high-frequency users (Study 2).

Study 1 Conceptualization, Analysis, and Results

Respondents were recruited from Amazon Turk (mTurk) to answer survey questions based on their most recent experience with a retailer's app. They were screened to ensure that: 1) the retailer had a physical store, and 2) a purchase could be made with the app, if desired. Respondents were asked to base their answers on their most recent experience using the retailer's app. This resulted in a final sample of 277 adults; the median household income was \$40,000-\$49,999, approximately 56% were female, and ages ranged from 18 to 75. Two items were used to measure intentions to recommend the app ($r = .95$, $p < .001$), make purchases with the app ($r = .97$; $p < .001$; modified from Newman, Howlett, and Burton 2014), and to make purchases at the retailer's physical store ($r = .94$; $p < .001$; modified from Newman, Howlett, and Burton 2014). Perceived app ease of use ($r = .78$; $p < .001$; modified from Davis 1989) and app connection ($r = .86$, $p < .001$; modified from Park et al. 2010) were also assessed using two items each. All constructs were measured using seven point scales and coded so that higher values indicate more favorable responses.

Regression results indicated a significant positive relationship between perceived app ease of use and respondents' (1) intentions to make future purchases with the app ($t = 8.89$, $p < .001$) and (2) intentions to recommend the app to others ($t = 8.27$, $p < .001$). Also, a significant positive relationship emerged between perceived ease of use and app connection ($t = 2.78$, $p < .01$). These findings suggest that consumers are more likely to become connected to an app—and to make purchases with it and recommend it to others – as their perceptions of how easy it is to use increase. Next, we conducted mediation analyses using PROCESS Model 4 with 1,000 bootstrap samples and 95% confidence intervals (CIs) (Hayes 2013) to determine if app connection underlies respondents' behavioral intentions. Results revealed a significant positive indirect effect (IE) through the “app ease of use → app connection → intentions to make purchase with app in future” mediational path (IE=.06; CI [.0228, .1125]), (i.e., the CI did not contain zero). Similarly, a positive IE on respondents' intentions to recommend the app to others emerged through the same mediational path (IE=.03; CI [.0104, .0559]). Finally, results revealed the presence of a negative IE through the “app ease of use → app connection → intentions to make purchase at physical store in future” mediational path (IE= -.03; CI [-.0806, -.0050]).

Study 2 Conceptualization, Analysis, and Results

Study 2 further illuminates the process of customer app experience on purchase outcomes by considering the moderating impact of app usage frequency on the indirect effects of app ease of use. Also different from Study 1, we measured respondents' actual purchasing behavior with apps and their relative purchase channel preferences (app vs. in-store). Sample recruitment and screening was identical to the first study, leading to a sample of 212 adult respondents. The median household income was \$30,000-\$39,999, 58% were female, and ages ranged from 18 to Respondent app purchasing behavior was measured with a binary yes/no item. Respondents' usage frequency of the app (modified from Reichhart 2014) and relative future purchase intentions were each measured by one item on seven point scales. The same measures from Study 1 were again used to assess app ease of use ($r=.77$, $p<.001$) and app connection ($r=.88$, $p<.001$).

We used PROCESS Model 8 with 1,000 bootstrap samples and 95% CIs (Hayes 2013) to formally test for moderated (i.e., conditional) mediation. The reported IE's are for values one SD above and below the mean for app usage frequency (indicating higher and lower frequency users, respectively). The IE associated with the app ease of use X app usage frequency interaction through app connection was significant for the likelihood that respondents made a purchase with the app (IE=.04; CI [.0042, .1104]), as well as for their intentions to make a purchase with the app instead of at the physical store in the future (IE=.03; CI [.0029, .0660]). More specifically, results revealed a significant positive IE of ease of use on the likelihood that a purchase with the app among higher frequency users of the retailer's app (IE=.1266; CI [.0057, .3361]) but not among low frequency users (IE= -.0064; CI [-.0804, .0587]). A significant positive IE of ease of use also emerged on future intentions to purchase with the app instead of at the store future for higher frequency users (IE=.0995; CI [.0044, .2019]), but not lower frequency users (IE=.0003; CI [-.0400, .0446]).

Discussion

Mobile apps present a number of growing opportunities for retailers and consumers, alike. However, research on mobile shopping is still in its infancy, and retailers require a better understanding of the role that mobile apps play alongside the physical store. Also, very little is known to this point about consumers' app usage or the downstream behavioral outcomes that stem from it. The present research therefore moved beyond app adoption to instead examine if, and how, consumers' actual experiences with retailer apps (i.e., how easy or difficult they were to use) affects their purchase-related decisions and future behavioral intentions. Our findings build on the existing academic literature and inform retailers' mobile commerce and app strategies in several important ways.

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Summary Brief

The Influence of Consumers' Use of Self-Service Technologies (SST) in the Customer-Employee Dyad

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This research represents an initial investigation into the influence of SST on customer and employee evaluations of the service encounter. Further, the authors aim to identify whether SST usage acts as a bridge or barrier for customer relationships when embedded in traditional, relationally-based service encounters. Additionally, mandated SST will be studied across a number of service occasions and contexts. Finally, the authors aim to explore the dynamic between SST usage and business interface by developing a framework which analyzes SST given the changing technological environment and customer demands.

Introduction

The Marketing Science Institute (MSI) identifies the further exploration of how digital technology usage changes ultimate purchase behavior as a Tier 1 research priority for 2014 through 2016 (MSI 2014). As such, this study answers this and additional calls for research that will further our understanding of the nature of SST and frontline employee-customer encounters (Giebelhausen et al. 2014). Meuter et al. (2000) defines self-service technologies (SST) as “technological interfaces that enable customers to produce a service independent of direct service employee involvement” (p. 50). The utilization of a SST might include such things as providing customers with a tablet to use at a cosmetics counter instead of talking to a salesperson or the using a tablet at a restaurant to order food, drinks, and settle the bill.

In the current services arena, SST usage is widespread across many industries (e.g., banking and hospitality). With the rapid introduction of SSTs by firms, customers have grown more and more accustomed to SST infusion in their daily lives – from the use of kiosks, ATMs, and vending machines to placing orders and paying bills via mobile technologies in restaurants. Importantly, SSTs have allowed firms to reduce costs while increasing the effectiveness, overall efficiency, and service quality perceptions of the service offering (Chowdhury et al. 2014).

In spite of these efficiencies, it is possible that there is a temporal or cost element which might impact service evaluations. In shorter, routinized or transaction-based interactions, customers may be more likely to want decreased interpersonal exchanges with employees. However, in more relational situations (e.g., high value purchases), it is possible that the SST will function as a barrier to positive service quality evaluations, inhibiting both consumers' willingness to interact with and employees acceptance of the SST. In addition to identifying the nature of the service (e.g., transactional versus relational), the context (e.g. a retail sales counter such as cosmetics vs restaurant), and the occasion of (e.g., birthday vs family dinner vs dining alone) as well as the expectations regarding employee and customer roles in the encounter are potentially important factors to consider.

A previous study by Bitner, Booms, and Mohr (1994) suggests that the majority of satisfying employee-customer encounters develop from responsive and accommodating employees addressing consumer requests. Yet, as SST usage implies limited contact between consumers and employees, SST may act as a barrier to interpersonal interactions with service providers (Giebelhausen et al. 2014). As such, there are also potentially detrimental effects of SST. Further, consumers' use of SSTs may also negatively impact employees' perceptions of and role in the service encounter. With the advent of mass SST implementation, employees may feel they are being replaced with automated or self-service devices, resulting in role ambiguity. Corresponding feelings of relinquishing control or power may also increase employees' role stress. Moreover, feelings of emotional labor from regulating their emotions throughout service encounters may increase employee burnout as well as decrease performance and job satisfaction (Chan et al. 2010). Thus, there are potentially positive and negative effects of SST usage, which influence evaluations of the service encounter from both parties in the customer-employee dyad.

Role and script theories (Giebelhausen et al. 2014) form the theoretical underpinnings for the present research. Traditionally, consumers and employees have a well-defined role in service encounters resulting in routinized scripts (i.e., structures for expected sequence of behaviors). When either party is unfamiliar with their role, service scripts may be disrupted and subsequent service evaluations altered (Bitner et al. 1994). The authors conducted a pilot study to get a better understanding of customers' attitudes towards, expectations regarding, and experiences with SSTs. This study should help to establish perceptions of customers' role in SST provision.

Methods and Discussion

Four hundred and eighty-five respondents participated in an open-ended online survey. Respondents were asked several questions relating to their experiences with SST. Approximately 85% of the respondents reported that they had previously used a SST. Additionally, they had used SST in a variety of settings, including retail stores (e.g., Walmart, Lowe's, Home Depot, and Best Buy) and restaurants (e.g., Chili's, Buffalo Wild Wings, and Subway). Reasons for using SSTs included ease of use, shorter lines, and avoiding human interaction. However, there were many instances where respondents reported they were forced to use SST because there were no other options available. Many respondents reported that they always use SST if it is available, but a large number of respondents indicated that they do not prefer SST. These exploratory results show that SST is widely available and used by consumers. The next steps in this research will be to determine the following.

1. How does SST influence customer and employee expectations regarding the overall service experience, and, in what settings does SST produce optimal evaluations of service provision (e.g., store type, service occasion, relational versus transactional setting)?
2. What are the effects of SST availability and forced SST on important retail outcomes?
3. What are the effects of SST implementation on employee attitudes (e.g., job satisfaction, role stress, ambiguity, etc.)?

This study explores the evolving dynamic between SST usage by customers, their resulting service quality perceptions, and its effects on important employee-related outcomes. As technology is becoming increasingly integrated within the business-customer interface, the importance of this research is highlighted. Regarding employees, SSTs likely have the ability to impact job satisfaction, organization of the sales force, and employee morale (e.g., emotional labor, role stress, role ambiguity). For customers, SSTs are expected to influence levels of customer engagement, as well as a firm's impression management strategy and service design. Consequently, we aim to extend our knowledge of role and script theories, and to provide managers with practical guidelines related to SST implementation and usage in order to improve overall firm performance.

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Summary Brief

Actual and Ideal-Self Congruence and Dual Brand Passion

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A surge in global demand for consumer goods makes the creation of meaningful consumer-brand relationships one of the biggest challenges marketers face. Despite a growing body of research that examines predictors of brand passion; existing studies fail to consider the dual nature of brand passion. This paper reports the results of a two-sample study (a consumer sample recruited from Amazon's Mechanical Turk (N = 296) and a nationally representative consumer sample recruited by Qualtrics Inc. (N = 500) of the relationships between actual and ideal self-congruence and harmonious and obsessive brand passion. Our findings indicate that, whereas actual-self congruence influences both harmonious and obsessive brand passion, ideal-self congruence only affects obsessive brand passion. Furthermore, we found that while hedonic brand value does not moderate the relationship between actual-self congruence and harmonious brand passion, the influence of ideal-self congruence on obsessive passion appeared to be stronger for brands that provide higher hedonic benefits to the consumer.

Introduction

To date, research concerning the relationships between actual and ideal self-congruence and brand passion presents mixed findings. Huber, Vollhardt, Matthes, and Vogel (2010) suggest that both actual and ideal self-congruence levels positively influence consumer passion for the brand, whereas a more recent study by Malär et al. (2011) reveals that only high levels of actual self-congruence generate consumer brand passion. Perhaps this inconsistency is due to the application of a unidimensional measure of brand passion that does not differentiate between brand passion types. Different motives that underline actual and ideal self-congruence may create different motivational states leading to different consumer affective responses (Malär et al., 2011). On the one hand, a drive for self-verification, which underlines actual self-congruence, results in one's positive reinforcement and positive feelings about the brand, thus motivating affective responses consistent with Harmonious Brand Passion (HBP). On the other hand, a self-enhancement motive that drives ideal self-congruence tends to encourage people to seek ways of boosting their sense of self-worth and relatedness to others (Malär et al., 2011), thus contributing to Obsessive Brand Passion (OBP). Furthermore, because "consumer's love" is greater for brands in product categories perceived as "symbolic" or hedonic (Carroll & Ahuvia, 2006, p. 79), it is important to understand whether hedonic brand characteristic may condition the relationships between self-congruence and each type of brand passion. Thus our study has three objectives: (1) to understand the implications and the relative impact of consumers' actual versus ideal self-congruence on the two types of consumer brand passion; (2) to gain insight into how an important product-related context variable, the hedonic nature of the product, can moderate these relationships; and (3) to further augment the nomological network of the dual brand passion concept in the brand consumer context.

Discussion

Theoretical Implications

The first important contribution of our study is the suggestion that a more fine-grained approach in measuring consumer emotional attachment may explain previous conflicting findings and provide a better understanding of the effectiveness of aspirational branding. Our empirical findings suggest that different types of self-congruity influence different types of consumer passion for the brand. Specifically, a fit between brand personality and one's true self helps develop a passion for the brand that is self-affirming to one's authentic identity, is stable, and is in harmony with other facets of the consumer's life. Swimberghe et al. (2014) refer to this type of consumer passion for the brand as HBP. Findings also show that a fit between brand personality and one's ideal (aspirational) self leads to consumer passion for the brand of a different type. Increased ideal self-congruence results in an increased liking for the brand and desire to obtain or purchase the brand because of the enhanced self-esteem associated with it and/or the feeling of social acceptance by aspiration group members. Because the relationship with

the brand is beyond the individual's control, the possession of the brand may eventually dominate the consumer's identity and destroy balance with other facets of the consumer's life. Swimberghe et al. (2014) refer to this type of consumer passion for the brand as OBP

The second contribution focuses on the moderating role of a consumer's assessment of the hedonic benefits of a brand. Interestingly, the results of our study show that the perceived hedonic value of a brand does not moderate the relationship between actual-self congruence and HBP. While contrary to our hypothesis, it is not entirely surprising. The self-verification motive which underlies the relationship between actual-self congruence and HBP implies that individuals from a very young age expend extensive cognitive effort developing stable self-views (Swann, 2011).

Managerial Implications

Our study also has important implications for marketing managers. First, ideal and actual self-congruence are key drivers of consumer passion for the brand. Our results highlight the importance for firms to ensure that the personality of their brands aligns with the knowledge they have acquired regarding their targeted customers' perceptions of their actual and ideal selves. All marketing activities should contribute to the creation and maintenance of a well-positioned, well-defined brand personality that fits the targeted segment's actual or desired self-concept. An example of these types of activities is the creation of brand communities, often accompanied with opportunities for consumers to participate in community events, leading to enhanced consumer identification with the brand and identification with other brand users, which leads to greater self-congruence and a greater passion for the brand.

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Summary Brief

Managing Luxury Brands in Recessions

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Despite the impact of recessions on sales of luxury brands, limited research is directed towards luxury branding strategies to overcome recession. This working paper develops a conceptual model that examines the various strategies that can be employed by luxury brand managers to sustain and/or improve using. Theoretical and managerial implications are discussed.

Introduction

Poor performances of luxury brands are often considered to be the herald for poor economic conditions. The last economic recession (2008-2009) saw an unprecedented collapse of the global economic system. Luxury brand managers reacted in several ways including price discounting, limiting new product launch, halting expansion plans, and cutting back on supplementary services (Reyneke, Sorokáčová, and Pitt 2012). Although these measures were successful in controlling costs, the brand performance itself did not improve. There is a paucity of literature on managing luxury brands during recessions (Reyneke, Sorokáčová, and Pitt 2012). Given the far reaching impact of recessions and their influence on brand performances, the authors aim to develop a conceptual model for managing luxury brands using the Resource Based View (Barney 1991).

Today, brands are considered to be intangible resources capable of extracting higher rents or prices from customers (Keller and Lehmann 2006). This view is consistent with the Resource-Based View (Barney 1991), which maintains that resources are key to sustainable competitive advantage. Merz, He, and Vargo (2009) echo this sentiment in their service-dominant perspective on brand logic. In summary, brands are assets for firms, managed partially by customers that are capable of creating superior customer value for a firm.

Background Literature

Recession can be viewed as a period of two consecutive quarterly declines in Gross Domestic Product (Reyneke, Sorokáčová, and Pitt 2012). During recessions, companies focus on reducing losses, and tend to pursue a more conservative business strategy by limiting their expenses. Companies are intent on increasing cost efficiency through cutting costs, reducing marketing expenses, postponing new launches, and downsizing. These strategies are effective for non-luxury brands (Lilien and Srinivasan 2010). However, luxury brands require a different approach.

Luxury brands differ from non-luxury brands in several ways. Luxury brands compete on the basis of evoking exclusivity, brand identity, perceived quality, and customer loyalty (Kapferer and Bastien 2009). Thus, it becomes necessary for luxury brands to safeguard the exclusivity and offset issues from counterfeiting, brand overextensions and adoptions by inappropriate subcultures (Kapferer and Bastien 2009). Luxury branding is complex and counter intuitive to traditional marketing. The differences between luxury and non-luxury brands warrant the need for a different branding and marketing strategy for luxury brands, especially during a recession.

Luxury Branding Strategies

Reyneke, Sorokáčová, and Pitt (2012) find that during recessions, several luxury brands reduce advertising spend, engage in promotional schemes, modify pricing strategies and delay new product launches. This poses several long-term problems to the luxury brand equity. First, the brand image is affected by restricted advertising, reduced prices, or promotional schemes. Second, a luxury brand may turn away loyal customers by diluting its image (Kapferer and Bastien 2009). Third, continuing the same product lines increases the risk of counterfeits, which again impacts luxury brand equity. We look at extant works of proactive marketing during recessions to develop a conceptual framework to address luxury brand performance during turbulent times. Consistent with this logic, luxury brands should engage in marketing activities that can enhance their brand equity.

Recessions are an opportune time to better manage distribution. Luxury brands can re-look at their distribution channels, reduce channels that are not providing the level of brand experience and focus attention on the pruned list of distributors/retailers. Reducing distribution channels provides the exclusivity craved by customers, enables better utilization of finances, and possibly enhances brand experience for customers. Further, recessions allow luxury brands to expand internationally. Several emerging economies are spurred by internal growth and constitute a large proportion of aspirational consumers, even during recessions. Both Louis Vuitton and Gucci managed higher than average returns due to their sales in emerging markets, especially China. This also enables the creation or enhancement of brand image to consumers of these countries.

Most luxury brands reduced their prices or engaged in promotional schemes (Reyneke, Sorokáčová, and Pitt 2012). Price cutting may influence brand perceptions and consumer price expectations in a negative manner (Kapferer and Bastian 2009). Performances of the luxury brands during recessions may improve using promotions, their long term equity may be affected. Keeping the prices of current product portfolio at status quo or increasing them would signal exclusivity, further enhancing the brand image. Additionally, recessions requires revised segmentation and targeting strategies keeping in mind the changing customer needs. Luxury consumption in recessions may become more inconspicuous (Reyneke, Sorokáčová, and Pitt 2012). Introducing higher priced variants would help luxury brands protect their brand equity.

Although recessions mandates a more parsimonious approach to advertising, luxury brands should sustain or enhance their advertising activities. Advertising in luxury branding is different from conventional products, as the main purpose is to spread brand awareness. Extant literature also establishes that advertising positively influences brand performance during recession (Lilien and Srinivasan 2010).

Conclusion

The importance of this study is highlighted by the fact that most luxury brands' performances are impacted during recession and the lack of application of conventional marketing strategies. This paper aims at identifying some of the determinants to sustaining and enhancing luxury brand performances during recession. Few studies look into luxury brand management during recession and this paper addresses this theoretical gap. From a managerial perspective, this study provides implications to follow an alternative strategic route to improve luxury brand performances and gain a competitive advantage.

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Summary Brief

The Rainbow Connection: Exploring the Impact of Emotional Congruency of Color and Category

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Color is unquestionably one of the most important cues consumers use to recognize, evaluate and delineate brands and products. Beyond their aesthetic implications, colors have emotional properties. Drawing on prior research which establishes the extent to which congruence or fit between product associations leads to more favorable evaluations, the authors empirically demonstrate that when the emotions elicited by a package color are consistent with those associated with a product category, the brand is judged more favorably. The authors also find preliminary evidence suggesting this effect is mediated by the perceived fit between the package color and category.

Introduction

Color choice is an integral component of products, services, packaging, and logos used by brand managers, advertising executives and creative directors as a universal marketing tool to build brands, introduce products, and develop consistent and impactful communications (Madden, Hewett, and Roth 2000). This paper explores how managers can use the deeper, more emotional properties of color to heighten consumer experience and improve product preference. We investigate the properties of color not from an aesthetic, but rather an emotional standpoint and examine how congruency between emotions associated with color and those associated with products can influence consumers' brand evaluations.

Hypotheses

At the most basic level, warm colors (e.g., red) are understood to be arousing, while cool colors (e.g., blue) are associated with calming effects (Madden, Hewett, and Roth 2000). Color has been shown to have an impact on a vast number of marketing metrics ranging from product-related dimensions to experiential factors. Consumers exhibit higher positive attitudes towards buying a product displayed on a blue versus red background (Middlestadt 1990). Researchers also find evidence that consumers use package color to form expectations regarding product performance. For instance, a recent study by Gattia, Bordegonia, and Spence (2014) finds that perceived anticipated efficacy of soap is significantly influenced by the color saturation of the product's package.

Sensory congruence is a specific type of congruence or fit, which has a positive impact on a multitude of consumer evaluation dimensions (Krishna 2012). Spangenberg, Grohmann, and Sprott (2005) find that congruence between holiday music and scent in a simulated retail store leads to more favorable evaluations and higher intentions to visit the shop. Extending prior research in the domain of sensory congruence and sensory-product congruence, this paper examines congruency between emotions elicited by a sensory input (e.g., visual color) and the emotions associated with a product category. The emotional responses of color have been addressed, and we therefore contribute by examining the means by which consumers develop emotional associations for product categories.

Products often play an experiential role in the everyday lives of consumers by providing enjoyment, emotional arousal and even feelings of security, warmth and comfort (Fournier 1991). Consequently, emotional congruency has been shown to have a positive impact on consumer evaluations, in the same fashion as other forms of "fit." Ruth (2001) demonstrates that congruity between the emotions represented by a brand and the emotions associated with the category improve brand evaluations. It is this emotional component of the product schema which we propose, when congruent with the emotional association of package or product color, will significantly influence consumer brand perceptions. In this study we aim to demonstrate that products that are considered energizing will be preferred in red versus blue packaging given the arousing properties associated with red hue.

H1A: Consumers will have a higher degree of brand affect for an energizing product when it is presented in a red versus blue packaging.

H1B: Perceived fit between package design and product category will be higher for the red energy product versus the blue energy product.

H1C: Perceived fit between package design and product category will mediate the effect of package color on brand affect.

Method & Results

To test our hypotheses we selected coffee as the product category given consumers associate coffee with caffeine, and thus attribute energy-inducing properties to this product. Seventy MTurk panelists (44.30% female, average age =35.45) participated in a single-factor, between-subjects design (product packaging color: blue versus red). To avoid potential confounds, the stimuli for this study were created by varying only the hue of the product, and holding saturation and luminosity constant. We used a lesser-known coffee brand, Eight O'Clock, which is currently available in both blue and red colors. Participants were randomly presented with either a blue or red coffee package and then asked to complete the study measures.

First, we ran an ANOVA with color condition as the independent variable, and brand affect as a dependent variable. We controlled for the time each participant spent looking over the stimuli, which served as a proxy for involvement with the task. We also controlled for brand familiarity given that Eight O'Clock coffee is a lesser-known, but still available, brand in the market. As expected, the results revealed a main effect of color ($F(1, 64) = 3.85, p=.05$). Confirming H1a, the coffee presented in the red packaging led to higher levels of affect for the brand ($M=4.62$) than the coffee with the blue packaging ($M = 4.00$). Also, further analysis indicated that participants in the red coffee condition rated perceived fit as higher than participants in the blue coffee condition, thus confirming H1b ($M_{red} = 5.44, M_{blue} = 4.55, F(1, 64) = 9.39, p < .01$). A follow up mediation analysis using PROCESS revealed that perceived fit mediates the indirect effect of package color on brand affect (95% CI [-1.24, -.27]).

Discussion & Conclusions

The findings of this study confirm that congruency between emotions elicited by the product package color and the emotions associated with the product category lead to more favorable brand evaluations. These results also provide evidence for our theorizing that perceived fit between the package design and product category is higher for an energy-inducing beverage when the color of the package is red versus blue. Follow up studies will explore whether and how color congruency affects brand evaluations for calming product categories such as herbal tea.

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Summary Brief

Sponsorship, Partisanship, and Prior Political Knowledge: An Elaboration Likelihood Model of Negative Political Advertising

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Negative political advertising is a double-edged sword. It sometimes does reduce the evaluation of the targeted candidate as intended, but at other times it unexpectedly lowers the evaluation of the sponsoring candidate and even improves that of the targeted candidate. The purpose of this study is to investigate the impact of sponsorship on negative political advertising across different levels of partisanship and prior political knowledge in the framework of the elaboration likelihood model. While independent sponsorship is found to outperform candidate sponsorship in enhancing source credibility, implementing the intended effect against the targeted candidate, and reducing the backlash effect against the supported candidate, the superiority of independent sponsorship only applies to voters of low prior political knowledge and non-partisans.

Introduction

Some early research suggests that negative advertising, which refers to aggressive attack on an opponent's weaknesses, is a double-edged sword. It sometimes does reduce the evaluation of the targeted candidate as intended, but at other times it unexpectedly lowers the evaluation of the sponsoring candidate and even improves that of the targeted candidate (Garramone 1985). Compared to candidate sponsorship, independent sponsorship in theory has quite a few natural advantages to reduce the backlash effect of negative advertising, but empirical evidence is rather inconclusive (Meirick and Nisbett 2011). The purpose of this study is to address this gap in the literature, and the investigation is to be conducted in the framework of the elaboration likelihood model (ELM) (Petty and Cacioppo 1986).

Results

Candidate Evaluation

There was a significant main effect of partisanship, with more pronounced increase of candidate evaluation among partisans ($M = .14$) than among non-partisans ($M = -.15$; $F(1, 208) = 11.11, p < .01$). This main effect was qualified by a significant interaction with sponsorship, $F(1, 208) = 4.46, p < .05$. For partisans, the increase of candidate evaluation was the same regardless of sponsorship ($M_{independent} = .12$; $M_{candidate} = .17$; $t(74) = -.36, p = .72$). For non-partisans, however, the difference between sponsorship was significant ($M_{independent} = .01$; $M_{candidate} = -.32$; $t(142) = 2.75, p < .01$) indicating a much less backlash effect against the supported/sponsored candidate in response to independent sponsorship than in response to candidate sponsorship.

Change of Opponent Evaluation

There was a significant main effect of partisanship, with more reduction of opponent evaluation among partisans ($M = -.35$) than among non-partisans ($M = -.02$; $F(1, 208) = 12.68, p < .01$). There was also a significant main effect of sponsorship, with more reduction of opponent evaluation in response to independent sponsorship ($M = -.33$) than in response to candidate sponsorship ($M = .02$; $F(1, 208) = 12.83, p < .01$). More importantly, the main effect of sponsorship was qualified by a significant interaction with prior political knowledge, $F(1, 208) = 11.23, p < .01$. For low-knowledge participants, independent sponsorship reduced opponent evaluation ($M = -.54$) whereas candidate sponsorship in fact increased opponent evaluation ($M = .10$; $t(113) = -4.55, p < .01$), indicating a significant difference between the two sponsorship conditions and a backlash effect of candidate sponsorship. For high-knowledge participants, the reduction of opponent evaluation was the same regardless of sponsorship ($M_{independent} = -.10$; $M_{candidate} = -.07$; $t(99) = -.19, p = .85$).

Discussion and Managerial Implications

The main contribution of this study is that it created an ELM-based research program that compared the impact of independent/candidate sponsorship across different levels of partisanship and prior political knowledge. While independent sponsorship was found to outperform candidate sponsorship in implementing the intended effect against the targeted candidate, the superiority of independent sponsorship only applied to low knowledge participants. These results are in line with the ELM proposition that individuals of low prior knowledge are more influenced by peripheral cues than are individuals of high prior knowledge (Petty and Cacioppo 1986). The findings reported in this study have significant managerial implications as well. Independent sponsorship helps enhance the persuasiveness of negative advertising, and this is not because an independent sponsor is regarded as possessing more expertise than a candidate sponsor but because the former is regarded as more trustworthy than the latter. The perceived high trustworthiness of independent sponsorship is particularly effective for negative advertising to avoid the backlash effect among non-partisans and exert the intended effect among low-knowledge voters. Campaign managers should therefore target non-partisans of low-knowledge to maximize the impact of independent group-sponsored negative advertising. Studies elsewhere suggest that low-knowledge citizens tend to be last-minute undecided voters (Stone, Blodgett, Nkonge, and Cort 2013), and running negative advertising near the end of a campaign would therefore be a good strategy to influence these voters' decision-making. Furthermore, to implement such a strategy, it is extremely important for campaign managers to apply measures of prior political knowledge, similar to those employed in this study, to determine the population size of voters, particularly last-minute undecided voters, in high- and low-political knowledge categories.

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Summary Brief

“Entertech Era:” The Effects of Level of Engagement on Consumer’s Attitude Towards Ads, Brand and Purchase Intention

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Watching TV has changed from passive to interactive watching. In this study, we are examining the effect of watching media on traditional TV vs. Smartphone/tablet on customers flow state. We argue that watching video streaming on mobile devices increase customers’ flow state which increases their attitude towards the program they are watching. The finding of our study shows that users who accept innovative technologies have a positive attitude more than users who do not or watch the same content on mature technologies (i.e. TV).

Introduction

It is seven o’clock, and the show is about to start, and everyone at home is trying to watch “Seinfeld”. People set their clock to be at home to watch their favorite shows. Also, there are festivals and holidays that have certain time and location. For example, the storyteller has a location and a time for his stories. However, today you do not have to watch “American Idol” in your living room T.V. at the time that being broadcast. You can watch it at your tablet or Smartphone at your convenient time. Consumers have many options to watch the program at their convince time. For example, they might have a digital video recorder (DVR) and record the show and watch it later at night or watch the show at the network channel website (i.e. NBC.com). Many networks offer to watch their channels in Smartphone and tablet for free such as Time Warner (Kerr, 2013). Moreover, people today might have less free time than ever before. They live a competitive life that requires working harder. People work more hours and jobs to afford good living conditions. They entertain themselves in the go and they use innovative technologies to achieve the highest entertainment experience.

In what follows, we examine engagement in mobile TV in more detail. We then present the results of the experiment to determine which factors occur more often in watching video content. We find support that technology engagement affect consumers’ flow state and that affect their attitude towards ad, brand, and purchase intention. The article concludes with a discussion of the theoretical and practical relevance of engagement during watching video content in innovative technology.

Background Literature

The optimal level of experience while watching a video stream is defined as a flow. If the people enter the flow state, this means that he/she is focused on watching the video with no other distraction (Choi, Kim, & Kim, 2000). People report feeling flow in a variety of daily activities such as playing sport, gaming, dancing, writing, shopping, and watching television. This research has emphasized flow in consumer engagement, specifically in watching videos (Hoffman & Novak, 1996, 2009). Thus, the theory provides a theoretical framework for consumers’ engagement that associated with using technology in entertainment. The flow state refers to the mental state which a person is fully engaged a feeling, full involvement. The theory suggests this is a state in which people are so involved in an activity that nothing else seems to matter (Czikszentmihalyi, 1990).

Flow theory can best explain the consumers’ optimal experience (Delespaul, Reis, & deVries, 2004). Moreover, the flow concept not only comes from intrinsic motivations but also can come from extrinsic motivations such as the design of the playground. Moreover, flow state is one of the main reasons for people to watch TV (Greenberg, 1979). A technology user has to get to that level of extremely rewarding experience while being engaged in the activity. Some scholars defined flow and engagement in similar ways (Schaufeli & Salanova, 2005, 2007; Shernoff, Csikszentmihalyi, Shneider, & Shernoff, 2003). According to Shernoff et al. (2003) flow can be an antecedent of engagement. However, Schaufeli & Salanova (2005) describe flow as the ultimate experience of engagement, demonstrating that engagement causes flow. Many scholars emphasize the importance of engagement

experience in the virtual environment (Hoffman & Novak, 2009; Sherry, 2004; Shin, 2006; Wasko & Faraj, 2005). The new and fast technologies encourage people to learn how to use these technologies. People could learn new technologies by engaging with these technologies. Also, engagement is defined in relation to the user repeated interactions (Sedley, 2010), knowledge co-creation (Sawhney, Verona, & Prandelli, 2005), and activity participation (Vivek, Beatty, & Morgan, 2012). According to Sharafi et al. (2006) there are five levels of engagements (Enjoying/Acceptance, Ambition/Curiosity, Avoidance/Hesitation, Frustration/Anxiety, and Efficiency/Productivity) which characterize in three dimensions (evaluation of object, locus of control between subject and object, and intrinsic or extrinsic focus of motivation) (Sharafi et al., 2006). The engagement dimensions will make it difficult to assess the effect of engagement on technology. The enjoying/ acceptance level refers to how users perceive their ability to enjoy the technology that they are using. Also, the avoidance construct refers to whether users are trying to avoid technology and whether they are afraid of using it. The third level of engagement is frustration with technology. Frustration would measure user his/her technology capability. The last level of engagement is productivity which refers to the users' efficiency and effectiveness with technology. We measured the engagement mode to assess the level of people engagement in watching their favorite shows.

Discussion

This investigation examined how different levels of engagement (acceptance, avoidance, frustration, productivity) play a crucial role in determining the user flow state. The result of the study indicates the flowing: first, users who accept technology have high flow state than users who do not accept technology (i.e., video streaming). Our results are supported by the concept of technology acceptance model (TAM) (Venkatesh & Davis, 2000) that users who accept technology reach the optimum experience level. Our results provide evidence that these users when they are highly engaged, they will have a higher attitude towards what they are watching.

Not all users accept new technology. There are users who avoid technology and others who are frustrated about it. These users will not reach the optimum experience and they will not positively evaluate the show they are watching. We found no significance in our results regarding these users. We think that is because most of the participants in our experiment are young students who use technologies in everyday activities. In future research, we should include participants from older generation to measure their frustration. Also, Cho and Cheon (2004) suggested that the main antecedents of advertising avoidance online were task interruption, perceived clutter on internet sites and previous negative experiences on the internet. Therefore, we should control for these factors to make the result more robust.

The highest level of engagement here is productivity which users feel efficient and effective in using technology. At this level, users reach the optimal experience with their phone and tablet. Also, they may not be aware of their surroundings while engaging in these activities. Norman (1999) suggested that people who use technology expect to be productive and efficient. For example, we can see the phenomenon in public places while riding a train, bus and other public places. We see people, especially teenagers, are so engaged in their phone that they do not feel what is going on around them.

The major contribution of this study is that we add to the flow theory. Innovative technology to watch video streaming (i.e., Netflix and Hulu) were boundary to flow state. Moreover, new innovations are conducive to the flow state because they produce more proactive relationship between the users and the content. On the other hand, a mature technology such as TV slows the flow state because users are passive when they use them. This contributes to our understanding about how engagement affects people's flow state and how that would affect people's attitude towards an object. People reach that state in activity that is so interesting to them. We shed light on the concept of engagement with technology especially personal technology and mobile devices. Also, innovation technologies play an important role in our lives, and many people want to reach to flow state where they can be efficient and effective.

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Summary Brief

Knowledge is Power: The Effect of Compensation Disclosures, and Product Knowledge on Readers' Perceptions of the Endorser, and Product

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Online product reviews are an influential source of information that impacts the purchase decisions of consumers. In 2009 the Federal Trade Commission (FTC) made it compulsory to disclose any material or financial compensation that an endorser received and in March 2013 the FTC mandated that disclosures should be clear and conspicuous. In this paper we investigate the effects of compensation disclosures, and personal characteristics (i.e., product knowledge, susceptibility to online social influence) on consumers' perceptions of the reviewer and the products themselves. Using the Theory of Reasoned Action we explore the competing impact of different types of disclosure messages, personal characteristics, and their effects on consumers' perceptions about the credibility of blogger/reviewer, and reviewed product. An experiment revealed that blog aspects and personal aspects interact. These findings have important implications for consumers, endorsers/reviewers, and online rating/product review sites.

Introduction

The Federal Trade Commission (FTC) in 2009 defined an endorsement as “any advertising message (including verbal statements, demonstrations, or depictions of the name, signature, likeness, or other identifying personal characteristics of an individual or the name or seal of an organization) that consumers are likely to believe reflects the opinions, beliefs, findings, or experiences of a party other than the sponsoring advertiser, even if the views expressed by that party are identical to those of the sponsoring advertiser” (FTC 2013 §255.0 b). The reasoning behind the need for disclosures was that consumers might question the endorser’s credibility if they knew the endorser received some form of compensation for talking or writing about a product/service.

Some limited research on the effect of disclosure have suggested that compensation disclosures have a negative impact on the overall blogger credibility (Jensen 2011; Van Pelt, Mukherjee, and Jensen 2014). But some obvious questions are: will the impact of compensation disclosures be same among all individuals? How will disclosures influence consumers with differing levels of product knowledge? Will individuals’ susceptibility to online social influence (SOSI) moderate the effect of compensation disclosure?

Consumers desire better internet transparency and security which, in turn, increases the credibility of the website as well as the author. On the flip side, research has shown that compensation disclosures and online product review decreased the credibility of the blog/review site although the presence of any consensus cues (i.e., consistent ratings versus variable ratings) mitigated the effect of disclosures (Jensen 2011). Disclosure of any compensation has the potential to increase the saliency of a possible conflict of interest on the part of the product reviewer and reduce the level of credibility of the reviewer, especially for those consumers high in product knowledge. Individuals high in product knowledge will be more sensitive to cues such as compensation since they can judge the content of the endorsement and/or do not need the information. However, individuals low in product knowledge may not focus and be impacted upon the possible conflict of interest due to their principle purpose is gaining product information. People who are highly susceptible to the online environment are influenced by what they see and read. In the context of an endorsement, they will be focused more on the content of the review rather than other cues (i.e., disclosure). On the other hand people who are not as susceptible to the online environment will actually try to evaluate multiple possible cues including the content of the review and any other cues (e.g., disclosure) Hence, the presence or absence of compensation disclosure will affect their evaluation of the blogger/reviewer. Based on the theory of reasoned actions (Fishbein 1979), once a reader forms certain beliefs and attitudes toward the reviewer/blogger, those attitudinal perceptions will impact behavioral intentions of the reader. Hence, in the present

context, individuals' beliefs and attitudes toward the blogger will influence their attitude toward the product and, subsequently, purchase intentions.

Data Collection and Analysis

A 2 (Compensation Disclosure: Absent vs. Present) between-subjects experiment addressing effects of compensation disclosure, SOSI and product knowledge for an online review of a Jawbone JAMBOX. Participants completed a 9-item SOSI scale measuring their susceptibility to online influence and a 4-item product knowledge scale. One hundred fifty-seven adult U.S. Amazon m-Turk participants were solicited to read the blog and complete the survey. The participants had a median household income of \$40,000–\$49,999, 54.5% were females, and the mean age was 38.8.

Four dependent measures were gathered: blogger trustworthiness, attitude toward blogger, attitude toward product, and purchase intention. Five seven-point semantic differential scale items were utilized to measure blogger trustworthiness ($\alpha = .93$). Attitude toward blogger (ATB) was measured by a 5-item scale ($\alpha = .95$). A five-item scale was utilized in measuring attitude toward the product (ATP; $\alpha = .94$). Three seven-point scale items were used to measure purchase intentions ($\alpha = .97$). Discriminant validity was assessed and supported for the four dependent variable measures. Given the moderating effects predictions, multiple regressions were to test them. Consistent with previous literature (Mukherjee and Jensen 2014; Van Pelt, Mukherjee, and Jensen 2014) there was a positive main effect of SOSI on both trustworthiness ($B = .51$, $t = 2.75$, $p = .007$) and ATB ($B = .36$; $t = 2.05$, $p = 0.04$). Product knowledge moderates the effect of disclosure ($B = -2.15$, $t = -2.57$, $p < .01$) on trustworthiness as well as on ATB ($B = -1.47$, $t = -2.11$, $p = .03$). Planned contrasts revealed that in presence of compensation disclosure, consumers having less product knowledge perceived the blogger/reviewer as more trustworthy ($M = 5.5$) compared to high product knowledge consumers ($M = 4.7$; $t = -3.01$, $p = .003$). There was a significant 3-way interaction between SOSI, compensation disclosure, and product knowledge ($B = .38$, $t = 2.37$, $p = .02$) on trustworthiness as well as on ATB ($B = .27$, $t = 1.99$, $p < .05$). Low-SOSI individuals low on product knowledge and exposed to the compensation disclosure viewed the blogger as more trustworthy ($M = 5.4$) relative to those with higher product knowledge ($M = 3.8$, $t = -3.3$, $p < .01$). Conversely, individuals who were higher on SOSI reported comparable attitudes across the disclosure and product knowledge conditions (p 's $> .05$). There was a significant positive sequential mediation effect of disclosure, SOSI, and product knowledge interaction on purchase intention through the proposed mediators perceived risk and value toward deal (Indirect effect (IE) = .12, bias-corrected 95% bootstrap confidence interval (CI) [.02, .32]).

Discussion

Given the use of product/service reviews on blogs, social networks, company sites, and other resources, it is important to understand how consumers utilize that information and how compensation disclosures, financial or material (e.g., in kind products), impacts consumers. This study found that aspects of a product review blog (i.e., compensation disclosure) and personal characteristics (i.e., product knowledge, susceptibility to online social influence) impact readers' perceptions of the blogger (i.e., trustworthiness, attitudes toward the blogger). Importantly, these blog aspects and personal aspects interact. The key, as shown in the serial conditional mediation effects, is that product knowledge impacts differentially on perceptions of blogger trustworthiness only for those individuals with certain personal characteristics (i.e., susceptibility to online social influence). Subsequently, perceptions of trustworthiness impact upon attitudes toward the blogger which in turn impacts about attitudes toward the product. Both attitudes toward the blogger and product impact upon purchase intentions.

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Summary Brief

Self-service Technologies (SST) or Personal Interaction

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This conceptual paper identifies four situational variables influencing customer's intention to choose either self-service technology (SST) or personal interaction with service encounters: perceived crowdedness, time pressure, companion's effect, and other customers' helping behaviors.

Introduction

Advances in technology seem to influence the way customer services are developed and delivered to the customers (Meuter et al. 2005). Technology trend may change the type of interaction between service firms and customers (Gelderman et al. 2011). One of these service technologies is self-service technology (SST) (Dabholkar 1996). Meuter et al. (2000) define SST as “technological interfaces that enable customers to produce a service independent of direct service employee involvement” (p.50). Online banking, automated hotel check out (Meuter et al. 2000), self-checkout machine in supermarkets, and kiosks at airports are examples of SST (Wang et al. 2012). SST is beneficial for companies because it reduces labor cost (Dabholkar 1996). SST is also beneficial for customers because it saves them time (Lin and Hsieh 2007) and avoids customer help lines. On the other hand, some customers prefer using personal interaction in service encounters to guarantee a level of quality in the service. Personal interaction refers to a type of interaction between a customer and a service employee (Dabholkar 1996). This study identifies four situational variables affecting a customer's intention to choose either SST or personal interaction: perceived crowdedness (e.g., Gelderman et al. 2011), time pressure (Oyedele and Simpson 2007; Dabholkar and Bagozzi 2002), companion's influence (Wang et al. 2012), and other customers' helping behavior.

Conceptual Development

This study elucidates how time pressure, perceived crowdedness, companion's influence, and other customers' helping behaviors influence customers' intention to choose between SSTs or personal interaction. First, perceived crowdedness may influence customer's intention to choose either SST or personal interaction. Perceived crowdedness is defined as the number of the people who are in the service encounter line to receive a service from the service provider. Customers, who perceive greater crowdedness or waiting time for SSTs are less likely to choose SST (Dabholkar and Bagozzi 2002). Thus, customers with greater perception of crowdedness of service encounter are more likely to use SST. Second, SST may often provide a faster service than the personal interaction with service employees (Meuter et al. 2000). Customers may use SST because of the benefits associated with using it, such as time saving and money saving (Walker et al. 2002). Thus, customers are more likely to choose SST over personal interaction, if they would like to save time and/or money. Third, a companion's influence refers to “the influence of others (e.g. family or friends) with whom a customer shops” (Wang et al. 2012, p.64). Customers may use SST because of their friends, peers, and families who are familiar with technology consumption (Wang et al. 2012). Finally, other customers' helping behavior refers to the extent to which other customers provide a helping hand to other customers during service delivery (Yi, Gong and Lee 2013). Based on interpersonal influence theory, the study is based on the observation of other customers and the information from other customers influencing customer's behavior (e.g., Hoffmann and Broekhuizen 2009).

Conclusion and Managerial Implications

This conceptual paper offers an insight as to how some situational variables influence customers' intention toward using SST versus personal interaction. The study has some managerial implications. First, it may help managers decide if SST can be used to attract more customers and hence to increase sales. Second, managers can allocate their resources, in particular service personnel and/or SST taking into account the role played by time pressure, perceived crowdedness, customer's companion, and other customers' helping behavior in customer's decisions.

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Summary Brief

How Do Customers Decide Using Augmented Reality When Shopping? The Impact of Customer Readiness on Customer's Willingness to Use Augmented Reality

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As technology of augmented reality advances, it becomes indispensable we know more about how customers use this technology, in particular their preparedness to do it. Unlike prior research, this study focuses on the role of customer readiness in customers' willingness to use augmented reality. Consequently, it develops a conceptual framework regarding how customer's individual characteristics facilitate customers becoming ready to use augmented reality. Drawing on diffusion of innovation theory and intrinsic motivation theory, this study proposes that customer readiness is a recipient of various antecedents including personal innovativeness, previous experience, desire for control, need for interaction, need for touch, and perceived risk. In turn, customer readiness influences customers' willingness to use augmented reality.

Summary Brief

New Directions in Evolutionary Consumer Behavior

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In an effort to further reconcile the historically divided research paradigms of the social and natural sciences, two papers are presented to interpret and explain phenomena occurring in consumer behavior through evolutionary theory. The first paper discusses the changing landscape of women's social roles and how women may pursue resource acquisition via self-focused or others-focused strategies. The second paper addresses the evolutionary reasons underlying the phenomena of heritage signaling in male product branding and implications therein on the modern mating environment.

Introduction

While research in consumer behavior has exploded over the past several decades, it (along with research in other realms of the social sciences) has typically been conducted from a paradigm that is foundationally separate than that of the natural sciences (Tooby and Cosmides 1992; Williams and Poehlman 2015). In an effort to integrate the conceptual frameworks that have historically been distinct between the social and natural sciences, we seek to explain phenomena witnessed in consumer behavior research with theoretical underpinnings consistent with findings in evolutionary biology, chemistry, and other scientific disciplines.

By viewing consumptive action through the lens of humans' fundamental motives (Griskevicius and Kenrick 2013), we can begin to uncover and articulate the distal causes of human behavior: for instance, why vintage objects can elicit sentimental social roles in women or the preponderance of heritage signaling in product branding for men. While each of these topics has distinct implications for marketers, the observed phenomena maintains logical coherence with each other and, more importantly, with evolutionary theory.

Social Roles and Resource Acquisition

Resource acquisition is a fundamental goal in all humans and solving the problem of resource acquisition posed different problems for men and women in the evolutionary environment (Buss 1989). Humans live their entire lives figuring out ways to acquire resources for themselves, and it is interesting to note that society has implicated different methods of this acquisition for males versus females throughout time. In particular, female gender roles have changed enormously in the last 30 years and women now make up the majority of the labor force and college attendants—domains once seen as male-dominated (England 2006). This shift has seen women's primary social role change from being 'homemaker' to 'breadwinner' and women are perceived as becoming more agentic in society all the time (Diekman and Eagly 2000).

However, men's roles are generally not seen as modified and society does not expect an opposing move from men into lower-earning, lower-status, feminine roles in the future (Diekman et al. 2004). Together, these attitude shifts allow the possibility that, for women, vintage products might elicit social identity cues tied to the era in which they were produced, and that those cues would be distinct from modern era products. Yet, because men's roles have not changed as much, they may be unaffected by behavioral cue differences in vintage and modern-era products.

Heritage Signaling and Mate Acquisition

The historically consistent expectation for men to acquire and have access to resources, however, poses certain challenges to both sexes in the context of modern mating environments. Men can—and do—use purchases to enhance their mate value; and can do so in ways that do not accurately reflect their actual access to resources (Griskevicius et al. 2007). Men can buy things (especially publicly consumed goods) that are more expensive than they can afford in order to increase perceptions of their mate value. Hence, men's ability to conspicuously consume creates obstacles for women trying to make accurate assessments of a prospective male mate's viability.

However, wealth is just one cue to status (albeit a particularly strong one) and female perceptions of mate

value evolved as a dynamic sensing process that not only responds to multiple current cues (signals of social dominance, wealth), but also cues that signal future ability to acquire resources like creative intelligence. Women, then, are looking for more than simply wealthy men—they are generally interested in acquiring mates who possess stable social traits, such as long-term commitment to her and their potential offspring. These non-physical fitness indicators of male mate value necessitate that men behave and consume in authentic ways in order to signal their true value as a partner to high-status women.

In a mating environment that can be difficult for women to traverse, one prevalent manifestation of men seeking to signal authenticity is through dress. The product landscape for men has erupted with brands that signal heritage, legacy, and behavioral trait stability. Significantly, one pilot study displayed that heritage signaling has become so ubiquitous for men that study participants nonconsciously associated heritage branding (i.e., brands that evoke a sense of timelessness, legacy, and trait contagion) almost exclusively with male consumers.

Conclusion

In both projects, behavioral trait stability plays a prominent role—for women, by adopting either others-focused or self-focused strategies for acquiring resources, possessing specific traits within each respective social role is paramount in accessing resources. Similarly, conveying stable social traits is an integral aspect of the human mating environment for men: in order to mate with high-status women, men must signal authenticity regarding their own status to serve as an accurate proxy for their non-physical fitness characteristics.

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SMA Teaching Moments III

Class Participation

Karen H. Smith, Texas State University, USA

To encourage discussion during lecture and to prepare students for speaking up in business meetings, I implemented graded participation worth 10% of the overall grade. Students prepare each day by reading the assigned material and answering homework questions (HW) posted on our course management system. Students print out their HW or access it via laptop/iPad for class. Students participate on a voluntary basis or when called upon. The day before each class, I email students who will be called on during the next class so they can be prepared. High quality class participation is thoughtful and includes comments that add to understanding of a concept. Students receive 10 points for each answer of sufficient quality, for a total maximum grade of 100. A seating chart with students' names and pictures is used to record participation. Student benefits include enhanced test preparation and reduced anxiety about public speaking.

Pathways for 21st Century Learners: Integrating Industry- Based Certifications into the Curriculum

Deborah Goldring, Stetson University, USA

MKTG 441 Digital Marketing Strategy is an elective course open to all undergraduate business students. The classroom instruction emphasizes concepts, frameworks, and best practices for digital marketing. As a course enhancement, online certifications are required. These certifications recognize students for their achievement in learning about tools and techniques that meet the continuously changing requirements of the workplace.

Experiential Learning for NextGen

Lou E. Pelton, University of North Texas, USA

This requires an active, rather than passive, engagement in each scheduled class session. This exercises attempts to harness collective experiences to build enduring learning outcomes. Often contrasted with didactic learning, experiential learning is not just an agglomeration of facts. Often referred to as “auto-didacticism challenges you to actively reflect on everyday experiences. A challenge of experiential learning is separating marketing myths from realities in an ever-changing marketplace. David Ogilvy asserted marketing executives’ reluctance to use judgment, relying on too much data; “they are coming to rely too much on research, and they use it as a drunkard uses a lamp post for support, rather than for illumination.” In this 3-minute presentation, I will show discuss an exercise, assessed and is awarded in a NextGen course titled Culture and Consumption.

Survey Switch: Increasing Quality of Student Work Through the Use of Peer Critiques

Holly Atwood Syrdal, The University of Texas at Arlington, USA

“Survey Switch” is an assignment developed for students working in teams in a marketing research course, conducting survey research for a real-world client. After each team creates an online survey that addresses distinct research objectives, each student is assigned to take two other teams’ surveys. Each student then writes a critique of the two surveys on the appropriate forums created for this purpose on the Blackboard discussion board. Students receive a grade on this assignment based on the quality of the critiques they provide. Teams receive written feedback from their classmates, which aids them in making revisions before submitting their surveys to be graded and launched. The activity results in a number of positive outcomes, including increased engagement with, and comprehension of, topics covered in lectures. This assignment could easily be adapted for team projects in other courses.

Setting Expectations and Reinforcing Your Syllabus with Custom Infographics

Michael Wachter, Penn State Shenango, USA

Many student questions can be answered with three words: Read the syllabus. The cold, harsh reality of teaching is not that students don't read the syllabus. Rather, they won't read the syllabus. Such unwillingness to orient themselves to the course results in several negative consequences for students, such as submitting ill-prepared assignments which do not follow clearly-written instructions and rubrics and being "surprised" by explicitly articulated deadlines, among others. As professors, we repeatedly rehash information written in the syllabus. Capitalizing on students' 140-character attention span, professors can craft visually-pleasing infographics to complement their syllabi. Collateral infographics serve five purposes: (1) emphasize the most important sections of the syllabus, (2) serve as a one-page fact sheet for student reference, (3) establish the professor's expectations of student performance, (4) guide discussion on the first day of class, and (5) politely refer students to the syllabus as their first resource for course questions.

Facebook Reading Group: Teaching Content Curation and Engagement using a Class Facebook Group

Chip Heath, Northern Kentucky University, USA

How can one teacher generate hundreds of articles for the students to read and teach them how to curate content and how to engage with posted content without hundreds of hours of work and dozens of complaining students? The Social Media Facebook Group Assignment! At the beginning of the semester, students are required to join a class FB group as part of their participation grade. All content posted must pertain to Social Media. Points are award for both posts and comments. Students then learn to scour the internet and find articles that are interesting to them (and more likely their fellow students). They learn the curation process and how to professionally comment on the other students posts. This assignment produces on average 400 posts and 250 comments per semester. It removes the need for a course textbook and teaches the material exactly the way practicing social media managers learn.

Some Funky Ideas for Teaching Sales Online?

Suzanne Altobello, University of North Carolina at Pembroke, USA

Teaching sales online often makes it difficult to incorporate interactive activities in the classroom. This session will present specific instructions for two interactive assignments: (1) how to have students do a video infomercial to sell a favorite product, using persuasive elements discussed in the course and (2) how to have the students perform a sales call using online communication tools like Skype. Rubrics for grading these online activities will also be provided.

Using Plumbers and MBAs to Teach Multiple Objective Measures

Melissa Markley-Rountree, DePaul University, USA

Single source measures are often used to make strategic business decisions or develop conclusions about consumer behavior. Variables such as income or job title can mistakenly provide a stereotyped perception as to a consumer's place in the world. One way to educate marketing students to go further can be tricky. In this teaching moment we explore how to use two very different vocations, with similar average salaries but vastly different lifestyle, geographic and psychographic characteristics to exemplify this common marketing issue.

Students Becoming Teachers

Jay Mulki Northeastern University, USA

This Teaching Moment offers two methods to keep students interested and engaged. First, student groups present a WSJ/BusinessWeek article about current developments in marketing. Other students score the presentation for content, explanation of concepts and presentation style. Two positive comments and two comments for improvement are required. This peer evaluation improves the next presentation and keeps non-presenting groups engaged.

Second, research shows that retention rate can be as high as 80% when explaining versus reading a topic. Students also present pricing problems assessment making it an interesting learning experience for everyone.

Summary

Teaching Moments is popular with both presenters and audience. Over the past 4 years Teaching Moments has grown. The inaugural Teaching Moments in 2012 was a single session featuring 13 presenters. This year's Teaching Moments is conducted over 3 sessions with 27 presenters taking the stage. Presenters enjoy the adrenaline raising challenge of presenting important ideas in just 3-minutes before a room filled with colleagues. Attendees are rewarded by dozens of useful classroom-ready teaching innovations delivered in fun, fast-moving sessions. In just one Teaching Moment session, attendees hear 3-times the presenters typically found in a single conference session. Teaching Moments will be offered again in SMA's 2016 Atlanta, GA Conference. Readers are encouraged to join this lively exchange as either a presenter or enthusiastic audience member.

Summary Brief

Addressing Liberatory Postmodern Society Condition by Social Media Use and Its Influences on Globalization

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Unique advancement in many technologies and turning point of transformation in culture (modernism to postmodernism) are two main forces which provide what may be epochal changes in contemporary human history (Firat and Dholakia, 2006). One of these unprecedented developments in many technologies is internet-based social media as a communication technology. Aligned with this perspective scholars argue that continuing cultural transformations increasing assisted and extended by technology-driven electronic methods of communicating (Firat and Dholakia, 2006). So, internet-based social media has got an important role in cultural transformations in this era. The revolutionary advancement of communication in terms of social media opened lots of windows for doing research and try to understand the short and long term effects of them on individual, society, and humanity. Recently, social media became a phenomenon of interest and are increasingly becoming a hot topic in many disciplines (Psychology, Consumer culture, Marketing, Computer information technology ...). The greater interconnectedness of the world, clash of different human subjects with different cultural background, sharing content freely, and especially new concept of “prosumption” (blurring the production and consumption distinction) are processes that have aroused this interest.

We have clash of diverse of people and communities with different cultural background on social media. The clash of diverse culture previously was limited to the direct experience or in person interaction. These days, new communication technology create more clashes of cultural differences in all aspects of life. Social media is accumulation of people with different way of life and interaction of people regardless of place and time. Therefore, as Firat and Dholakia (2006) predicted, social media as a communication technology accelerates the cultural transformation in human history.

Research show that the communication is not unidirectional anymore (modern communication was essentially unidirectional) and needs to be understood as the mutual construction of symbolic meaning in postmodern era (Firat and Dholakia, 2006). Thus, social media in postmodern era as bidirectional communication technology might be the mutual construction of symbolic meaning and culture. Moreover, consumption is part of construction of symbolic meaning and culture (Dholakia and Firat, 2003; Firat, 1995) and part of circulating a consumer culture throughout the world requires the ability to reach diverse markets with effective consumer messages and values (Kellner and Pierce, 2008). The emergence of social media facilitate circulating a consumer culture. Furthermore, communication in postmodernity is beyond and above the consumption of the product; it is cultural experience and the process of constructing and recognizing the self (Firat and Dholakia, 2006).

Since social media have an influential role in construction of symbolic meaning and culture, interconnectedness of the world, circulating a consumption culture, and approaching to diverse markets, therefore understanding the social media through which mechanisms influences globalization is important. Research examined the role of social media on, promotion mix and integration marketing communication tools (Mangold and Faulds, 2009), Worth-of-Month (Blackshaw and Nazzaro, 2004; Dellarocas, 2003; Dellarocas, Gao, and Narayan, 2010).

This study goes beyond those researches that we have so far and seeks to demonstrate the importance and sensibility of social media use in postmodern society and its influences on globalization. Author pursues to provide a better and more comprehensive understanding of why in contemporary human history, people uses social media. By applying liberatory postmodernism conditions, author builds on and extends on liberatory postmodern society tendency to use social media platforms by six mechanisms: liberating, diversifying, connecting, objectification of self, commodification of culture, and prosumption society.

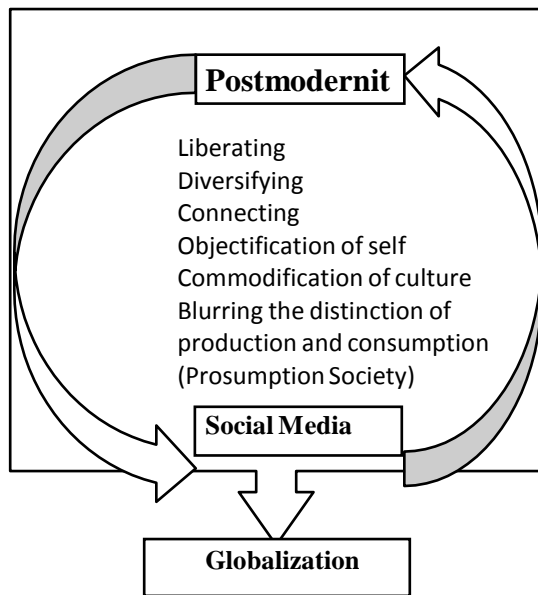


Figure1. Overall conceptual framework of the article

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Summary Brief

The Impact of Employees' Cultural Intelligence on Service Delivery Adaptation in Cross Cultural Encounters

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This study examines when, how, and why service employees may adapt the service encounter to meet the values and expectations of culturally disparate customers and how the perception of the adaptation influences customer outcomes such as reciprocity and engagement. The authors argue that cultural intelligence positively moderates the relationship between perceived cultural differences and out-of-group status to service encounter adaptation. Furthermore, when customers also exhibit high levels of CQ, negative outcomes and risks associated with multicultural service encounters are mitigated and positive outcomes achieved.

Introduction

Several factors have converged in recent years that have led to a dramatic increase in intercultural interactions. Forces of globalization, growing access to the global business community, and increasing workforce mobility necessitate interactions with people who are culturally different on a scale that was previously impossible. This growing cultural diversity and globalization mean that firms must interact with a culturally diverse customer base in a way previously impossible.

The impact of diversity may be particularly strong in the services sector as differing cultural norms and values often lead to misunderstandings at the consumer level and necessitate adjustment of the service process (Bhawuk and Brislin 2000). Customers from dissimilar cultures may have different service experiences, even in a similar service context, and thus reasonably derive different levels of satisfaction with the service encounter (Kong and Jogaratnam 2000).

Johnson and Grier (2013) suggest that cultural differences in the form of perceived out-group status also play a role in cross-cultural consumer-to-consumer interactions (CCI), as cultural differences are perceived to be more salient to these out-group individuals. However, whereas extant literature suggests the importance of cross-cultural sensitivity as a skill that allows employees to effectively manage cross-cultural interactions, we propose that cultural intelligence (CQ) portrays a more comprehensive framework and, subsequently, is a valuable competency for navigating cross-cultural service interactions.

CQ reflects an individual's ability to successfully adapt to new cultural contexts (Early and Ang 2003). Similar to emotional intelligence (EQ), CQ is complementary to cognitive intelligence, in that both are significant predictors of professional and personal success in an increasingly complex and interdependent world (Ang and Inkpen 2008). CQ is composed of four dimensions: meta-cognitive, cognitive, motivational, and behavioral elements. We will focus on the motivational component of CQ as the best predictor of employee intercultural task performance.

This study examines when, how, and why service employees may adapt the service encounter to meet the values and expectations of culturally disparate customers and how the perception of the adaptation influences customer outcomes such as reciprocity and engagement. From the perspective of trait activation theory and distinctiveness theory, the authors argue that CQ positively moderates the relationship between perceived cultural differences and out-group status to service encounter adaptation. Furthermore, when customers also exhibit high levels of CQ, negative outcomes and risks associated with multicultural service encounters are mitigated and positive outcomes achieved.

To summarize, we adopt a dyadic approach, from the customer and service employee perspective, and take an integrative view of the relationship between perceived cultural differences and perceived out-of group status and the willingness of the service employee to adjust the service encounter. We relate an employee's willingness to adjust the service encounter to favorable customer outcomes such as reciprocity and engagement. We develop our model by

establishing motivational CQ of both the employee and customer as a salient driver in this process. Thus, high levels of customers' and employees' motivational CQ might help optimize positive customer outcomes and mitigate perceived cultural differences. We derive the following service employee and customer hypotheses.

Hypothesis 1a: Perceived cultural differences are negatively related to the service employee's willingness to adjust the service encounter.

Hypothesis 1b: Perceived out-group status is positively related to the service employee's willingness to adjust the service encounter.

Hypothesis 2a and 2b: Employee motivational CQ positively moderates the relationship between perceived cultural differences and perceived out-of-group status and service encounter adjustment.

Hypothesis 3: Customer motivational CQ positively moderates the relationship between service encounter adaptation and customer reciprocity.

Figure 1 depicts the proposed hypotheses.

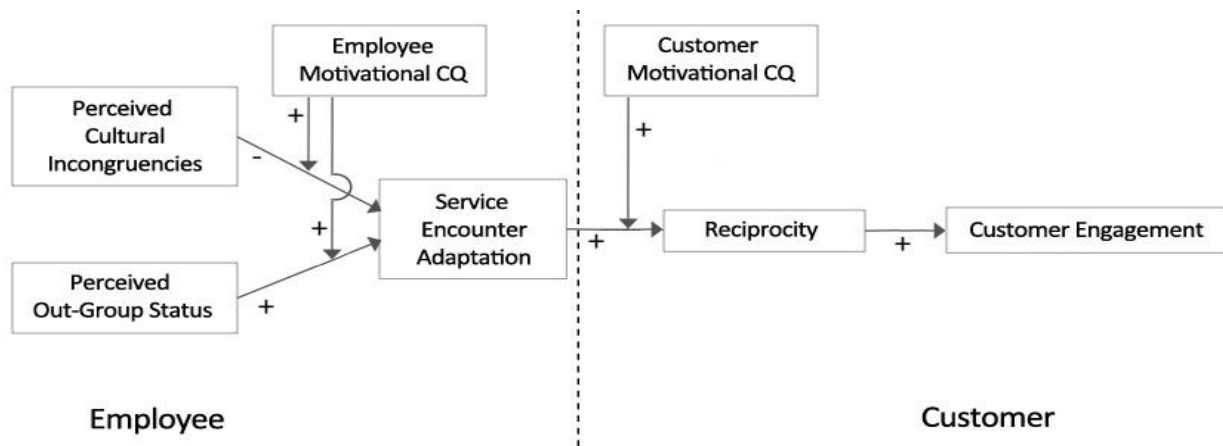


Figure 1: Conceptual Model

The theoretical model presented in Figure 1 will be assessed in 2 studies in which respondents will be asked to put themselves in the role of restaurant service employees and customers. Study 1 will measure service employees' level of adaptation to the service encounter while dealing with culturally similar or different customers. Motivational cultural intelligence will also be measured. In study 2 customers' feelings of reciprocity, customer engagement, and customers' motivational cultural intelligence will be measured.

This study contributes to a better understanding of the influence of cultural diversity on the service encounter, and the valuable role of cultural competencies in services settings. On a micro-level, cultural competencies may result in grateful customers, willing to engage in the service encounter. On a macro-level, firms with capabilities to manage cultural diversity are consequently expected to outperform firms with less cultural intelligence (Ang & Inkpen, 2008).

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Summary Brief

Pressure to Bribe: The Role of Direct and Aspirational Pressures and Opportunity

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In recent years prosecutions under the Foreign Corrupt Practices Act (FCPA) have increased dramatically. Various prior researchers have identified environmental pressure, aspirational pressure and opportunity as potential drivers of illegal corporate behavior. This study combines these perspectives to identify the characteristics of firms that engage in foreign bribery using as a sample all firms that violated the FCPA between 1978 and 2013. The results suggest that pressure affects firm risk-taking behaviors both directly and via aspiration setting. While direct competitive pressure increases the likelihood of an FCPA violation for those faced with low growth opportunities, those in competitive industries and those with weaker R&D investments, aspirational pressure increases the violation likelihood for dominant firms and those with strong performance.

Introduction

Research on illegal corporate behavior has typically viewed challenging environmental characteristics – such as intense industry competition, heterogeneity in the environment or scarcity of resources – as creating pressure to ‘cheat’ to avoid losses (Baucus, 1994). More recently researchers have described how the aspiration levels of top management teams can explain illegal behavior even by high performing firms (Mishina, Dykes, Block and Pollock 2010). This research builds on an established literature that seeks to identify the environmental and firm characteristics that explain illegal corporate behavior (e.g. McKendall and Wagner III 1997) and expands previous findings such as Baucus and Near (1991) and Mishina et al. (2010) by investigating aspirational antecedents to illegal foreign corporate bribery.

Theory & Hypotheses

Porter (1980) argued that the intensity of rivalry and competition in an industry creates pressure for firms to engage in corporate illegality. In some cases bribery may be seen as the only way to enter a particular market or win a particular contract, and firm survival may hang in the balance. Intentions to engage in illegal activities may increase if managers have a limited range of options from which to choose (Powpaka 2002). For example, when compared to a manager selling a product line offering the ‘latest and greatest’ features, a product manager selling a dated, inferior or ‘me too’ product line may experience significantly greater pressure to use unethical means to achieve sales targets. Managers at prominent firms that perform beyond social aspirations may also engage in illegal activities because they experience great pressure to meet internal objectives and external expectations by increasing revenues (Mishina et al. 2010). That is, firms with strong performance relative to their peers appear to experience even greater pressure to maintain or exceed prior performance than firms with weaker performance, and managers in such firms are therefore more willing to undertake the risk of engaging in corporate illegality (Mishina et al. 2010). Because of its visibility as a performance metric, market share is likely to function as an aspirational variable. That is, prior gains should quickly be incorporated into current expectations, and prior ‘success’, as evidenced by a larger market share, should lead to even greater pressure for continued growth (Mishina et al. 2010).

Data and Results

Our data covers all FCPA violation cases convicted by the SEC and the DOJ between January 1, 1978 and June 30, 2013. To test our hypotheses, we employed a logistic regression to predict likelihood of FCPA violation using firm and industry characteristics. Hypothesis 1 predicts that firms with more intense competition are more likely to violate the FCPA. We found that the coefficient on HHI (odds ratio = 1.95) is positive and significant at the 1% level, indicating that a 1% increase in firm performance leads to about 1% higher odds that the firm will violate FCPA. Hypothesis 2 predicts that firms with lower growth opportunities are more likely to violate the FCPA. The estimation results on the market-to-book ratio (odds ratio = 0.92) supported our hypothesis. As a 100% decrease in

the market-to-book ratio increase the odds of violating FCPA by 8%. Hypothesis 3 predicts that firms with lower R&D intensity are more likely to violate the FCPA. The result supports our hypothesis. Specifically, the coefficient on R&D intensity corresponds to an odds ratio of 0.01 suggesting that a 10% decrease in a firm's R&D expenditures increases the odds of violating FCPA by 9.9%. Hypothesis 4 predicts that firms with better performance are more likely to violate the FCPA. We found that the coefficient on ROA (odds ratio = 11.94) is positive and significant at the 1% level, indicating that a 1% increase in firm performance leads to about 12% higher odds that the firm will violate FCPA. Hypothesis 5 predicts that firms with larger market share are more likely to violate FCPA. This hypothesis was supported by the coefficient estimation on market share in our model, which implies an odds ratio of 23.80, indicating that a 1% increase in a firm's market share is associated with 24% higher odds of violating FCPA. Of all of the variables studied, market share has strongest impact on firms' likelihood of conducting bribery in a foreign country.

Discussion

Pressure in many forms permeates corporate life. Our results suggest that both classic pressure, in the form of high industry competition, low growth opportunities and the need to make sales despite lower R&D expenditures, as well as aspirational pressure to maintain strong performance on visible metrics, such as financial performance and market share, increase the propensity of firms to engage in illegal foreign bribery. These results both support and build on recent research on the environmental factors associated with corporate illegality (Baucus 1994; Mishina et al. 2010). This study also provides guidance for government agencies seeking to more efficiently and scientifically identify probable offenders by developing profiles of the characteristics of firms that are more likely to violate the FCPA.

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Summary Brief

Social Media Challenges to Building Brand Equity

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Traditional methods of building brand equity rely on the traditional Integrated Marketing Communications framework. Developments in the Internet have provided new communications processes and have changed the locus of message control from the advertiser to the user. While the changes have been radical, marketers can regain control of the communication process by using social media strategically and astutely. The paper outlines the nature of brand equity, its sources, and social media vehicles that can bring the consumer and marketer together for successful increases in brand equity.

Introduction

Arguably, the ultimate charge of marketing managers is to build brand equity. Higher brand equity is associated with higher sales, profits, and resistance to the inroads of competitors. With the entire marketing mix at their disposal, marketers can focus on target customers and attempt to convince them of the want satisfying characteristics of their offerings. Traditionally, and for decades, they used integrated marketing communications (IMC) to reach and convince their customers. In the early 1990's the Internet initiated changes in the practice of marketing. Challenging marketers to exploit new possibilities for using social media as an element of IMC. As with many new techniques, practitioners need to use them with care, appropriately. The paper briefly discusses the foundation of brand equity, the changes brought by the Internet, and ways marketers can use the Internet to build robust brands.

Brand Equity and the Process of Brand Building

The link between promotion and brand building has been established clearly. Marketing actions, including advertising, drive brand equity (Ailawadi, Lehmann, and Neslin 2003; Srinivasan, et al., 2005). They spur awareness and may stimulate Word of Mouth (WOM).

The Effect of the Internet

Today, social media's ability to connect consumers and provide interactive communications, has supplanted, or at least augmented, much of the promotion mix. The Internet fosters information transfer to the extent that the power relationship between customer and marketer has shifted with user created content the focus of consumer attention. Notably, consumer involvement in user created media positively affects consumer-based brand equity (DeAndrea et al., 2015). It is closely related to WOM, however, it is a new entity which doesn't fit into the traditional model of IMC (Ewing, 2009).

Online Word-of-Mouth (e-WOM)

The Internet has changed WOM by broadening its reach and providing a greater variety of communication modes. It is more properly termed e-WOM to portray its lack of geographic limitations. Marketers can foster e-WOM to build brand equity and sales. Strategically, Aaker (2013) recognizes three stages or ramps in the use of social media to build e-WOM and establish a relationship with consumers. They include:

- Disconnected sponsorship
- Natural association
- Integrated offering
- Before approaching any of the three avenues, there should be the certainty of selectivity. The Internet provides a ready vehicle to target audiences in the form of social media focused on a knowledge area. Online consumer communities represent consumers interested and actively engaged in a knowledge area.

Disconnected Sponsorship

Disconnected sponsorship refers to a brand's lack of natural fit with a customer interest area. The conventional wisdom is that a brand and audience interest should have a close fit since the connection would be more memorable. That is not necessarily true. A prime example is the Avon Walk for Breast Cancer. Avon cosmetics have seemingly little to do with breast cancer. The fit is in interest. The company demonstrates concern over the disease and the effects it has on women. That concern mirrors that of the target audience, people who have the disease or those who love them.

Natural Association

Advertisers discovered online consumer communities early and matched their brands to the interests of community members. Thus, audiophile forums are prime sponsorship candidates for audio equipment and media companies. The natural fit between marketer and audience enhances their connection. If managed well, the effect of sponsorship on brand building may be robust.

Integrated Offering

The most challenging form of sponsorship involves integrating the brand into the community. Online communities are by their nature consumer communities. Members expect to interact with other consumers and brands are welcome only when they have earned their place. Examples like Harley-Davidson represent brands that rate high on adoption and preference and have a natural place in a motorcycle focused community. However, most brands need to be repositioned to support something beyond brand benefits. Otherwise the approach may seem too commercial. Here, genuineness is important. Marketers have to demonstrate a commitment to the shared interest equal to that of the consumers. It takes a long time to earn consumer's acceptance. However, if the online experience is crafted carefully, consumers are more likely to adopt sooner rather than later. The Internet based pathways to building brand equity are slightly more complex than the traditional advertising based model. The sources that foster WOM are more elaborate and can create a level of engagement that enhances e-WOM and is effective in building brand equity.

The changes the Internet has created in the relationship between marketers and target consumers have sapped the power of marketers and enhanced that of consumers. It has given consumers new choices and broadened their expectations of what is possible and what can be expected in satisfying their wants. Marketers who embrace the changes and seek to connect to consumers using the Internet have some chance of increasing their success and gaining a more equal place in the relationship.

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Summary Brief

Consumer Based Brand Equity in the Era of Social Media Marketing: An Empirical Examination

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The recent growth in social media activities is playing a central role in consumer-brand interactions and engagement. With the increased use of social media marketing (SMM) by various brands, it has become highly necessary to quantitatively analyze the effects of the social media. The present research investigates the influence of brand-based social media activities on metrics of consumer based brand equity (CBBE). The results indicate that brand-based SMM activities are positively associated with positive attitudes towards brands and consequently impact various aspects of consumer based brand equity.

Introduction

The introduction and widespread use of social media over the past decade has transformed the media landscape significantly (Bruhn et al. 2012). This has the increased opportunities for consumers to talk to other consumers around the world. As a result, companies are no longer the sole source of brand communications (Foux 2006) and consumer-brand interactions have become more complex (Deighton and Kornfeld 2009). Consequently, scholars have noted the need for research to more fully account for the depth of consumers' interactions with brands (Bowden 2009; Rohm and Milne 2013) and to examine the nature of brand-consumer entertainment brands.

The present research evaluates the role of brand-based social media marketing (SMM) activities in shaping customer attitudes and behavioral intentions (Kim and Ko 2012) by investigating the influence of brand-based SMM activities on metrics of consumer based brand equity (CBBE). Brand equity is regarded as a vital concept in business practice and academic research due to the role of successful brands in gaining competitive advantage (Lassar, Mittal, and Sharma 1995). Generally, brand equity is defined as the marketing effects that are uniquely attributable to the brand. There are two general perspectives for studying brand equity. One is a financially based perspective that estimates the value of a brand more precisely for accounting purposes by focusing on asset valuation for the balance sheet, or for merger, acquisition, or divestiture purposes (Keller 1993). Linking the common elements of CBBE frameworks, Netemeyer et al. (2004) defined CBBE as a multifaceted construct consisting of the primary or core associations of perceived quality, perceived value for the cost, uniqueness, and the willingness to pay a price premium for a brand. The present research follows Netemeyer et al. (2004) conceptualization of CBBE and focuses on younger consumer groups to examine the role of brand-based SMM activities of CBBE. Younger consumer groups are more internet savvy and spend more time on social networking sites. Moreover, the growth of social media usage among these groups have made them the main target of social media marketing efforts for marketers and advertisers (Rohm and Milne 2013).

Method

Data were collected through a paper and pencil survey from students in a Southwestern university. Overall, 173 usable responses were collected (45.7% female). Participants' age ranged between 18 to 40 and the average age was 21. All participants were social media users. However, the intensity of social media usage varied among different participations and social media platform.

Results

The results indicated that there is positive and significant ($p < .05$) correlations between social media activities of brands and all aspects of CBBE. Also, the result of a linear regression analysis with attitude toward SMM activities as independent variable and CBBE as the dependent variable was significant ($b = .22$, $t = 1.97$, $p <$

.05) indicating that positive attitudes toward SMM activities of brands impact the overall knowledge of consumers about the brand in a positive way. The results of the mediation analysis using bootstrapping technique supported a mediation role for attitude toward SMM activities of brands in the relationship between prior social media experience that has influenced a purchase decision and different facets of CBBE except perceived quality.

Conclusion

Marketers are encouraged to invest in building awareness and increasing knowledge of consumers about all four facets of CBBE. Sharing product quality information such as detailed customer reviews, expert reviews, and quality control results could prove useful in influencing consumers' attitudes and perceptions of product quality, and overall knowledge of the brand. Perceived quality may have a higher prestige aspect associated with the brand, whereas perceived value for the cost is associated more with the functional utility of the brand (Netemeyer et al. 2004). In addition, SMM activities could enhance perceptions of the uniqueness of the branded product. Sharing information about unique features of the brand could offer diagnostic information by differentiating the brand from other brands. Finally, willingness to pay a premium price for a branded product is related to brand associations formed from direct experience with the product (Netemeyer et al. 2004). SMM activities, thus, could help reinforce such brand associations by engaging consumers in conversation about brand experience and impacting this dimension of CBBE.

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Full Paper

Customer-Based Online Reputation: A Preliminary Approach

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With the development of the Web 2.0 and the massive arrival of the social networks, managing online corporate reputation is becoming vital. Using the Album Online, an original projective technique, we conducted a study on 12 participants. This exploratory analysis generated 62 items presenting the 2 aspects characterizing the e-reputation: affective and cognitive. This is the first step that enables future research to create a new measurement scale for the e-reputation. The study finds seven new items to be added to the online reputation measurement scale: avant-garde, singularity, exclusivity, savings, return policy, freeness, and speed.

Introduction

Corporate reputation is defined as one of the most important intangible assets (Parkhe 1998; Schwaiger et al. 2009) that plays a primary role in the improvement of customer commitment toward the brand (Bartikowski and Walsh 2011), brand loyalty (Walsh and Beatty 2007), customer satisfaction (Eberl 2010) and word of mouth (Walsh et al. 2009). Many authors suggest that companies with a good reputation have a competitive advantage and a higher chance to attract new customers (Gardberg and Fombrun 2002; Gotsi and Wilsom 2001; Groenland 2002). Thus, companies with a good reputation need to measure it to preserve the reputation.

The subjects of the conceptualization and measurement of the reputation have attracted the attention of marketing and management researchers (Hutton 1986; Fombrun et al, 2000; Schwaiger 2004; Helm 2005; Walsh and Beatty 2007; Ponzi and Gardberg 2011). All existing studies and measures consider the stakeholders of the company; however, a particular emphasis should be given to the customer, who is the most important stakeholder from the marketing point of view. To the best of our knowledge, the customer-based corporate reputation scale proposed by Walsh and Beatty (2007) is the only known scale that takes the customer aspect into consideration. It was developed in an offline context and was successfully tested online.

Literature review shows that there is almost no study that specifically measures the e-corporate reputation from the customer perspective, given that the internet is now the main source providing customers with the information they require, managing the online reputation is currently vital. A corporate reputation can be destroyed in a few minutes by defamatory information broadcasted by an unsatisfied customer or even by a competitor. Hence, there is a necessity to explore and put into perspective the items measure by the e-reputation.

The objective of this paper is to understand the representations associated with the e-corporate reputation and explore the variables that allow measuring it by distributing them into two groups; the first one represents all the variables that reflect a cognitive representation, while the second group reflects the affective representation of the e-reputation. This research is presented in four sections: the first section introduces the literature review, the second discusses the methodology, the third discusses the results, and the fourth section discusses the conclusion.

Literature Review

The Corporate Reputation

In French, the word “reputation” is defined as “the way something is known, is considered by the public (...), a favorable or unfavorable public opinion toward something (...).” Apart from dictionary definitions, this subject has been addressed in many disciplines especially in psychology, sociology, economy, management, and marketing. Fombrun (1996) describes reputation as the total estimation of a company by its stakeholders, which is expressed by their net affective reactions. The reputation also consists of the emotions and knowledge held by people (Hall 1992).

From the customer perspective, a definition was proposed by Walsh and Beatty (2007) and was described as the global evaluation done by the customers of a company based on their reactions to its goods, services, communications activities, interactions with the company, and/or its representatives (employees, administration, or other customers). The reputation is also considered as an intangible asset that can contribute to enhance a firm's competitive advantage in the market (Barney 2002; Dowing 2004). Herbig and Milewicz (1993) describe the corporate reputation as “an aggregate composite of all previous transactions over the life of the entity, a historical notion, and requires consistency of an entity's actions over a prolonged time.”

Very few studies have dealt with the subject of the e-reputation. Paquerot et al. (2011) define it as the general perception that stakeholders have of an object based on all the information available online. Frochot and Molinaro (2008) declare that the e-reputation “(...) is the image that the Internet users build on a company or a person based on the information broadcasted about it online (...).” We define the customer-based online reputation as the assessment done by the online buyers of a company based on their reactions to its products, communication activities, and interactions with its website. To the extent of our knowledge, no study has been conducted to measure the e-reputation of the companies. But, how can we measure this e-reputation?

Corporate Reputation Measurement Scales and Research Objective

The growing number of the measurement scales of the reputation reflects the importance of the research on this subject. In this article, we will focus on the six scales that are most used in marketing: America's Most Admired Companies" index (Hutton 1986), the Reputation Quotient (Fombrun et al. 2000), the formative measure proposed by Schwaiger (2004), the formative measure proposed by Helm (2005), the customer-based reputation scale (Walsh and Beatty 2007), and the Reprtrak Pulse (Ponzi et al. 2011). By analyzing these scales and the literature review, we conclude that these authors suggest that reputation combines two facets: cognitive and affective.

The literature review shows that all the measurement scales of the reputation consider most of the company's stakeholders and particularly neglect the client. The study of Walsh and Beatty (2007) proposed that the only measure of the corporate reputation is that positioned from the customer perspective. Even if this study was tested in an online context with success, our study is designed to deepen the understanding of the e-reputation by analyzing the customers' perception of companies' reputations and the way they decide whether this company has a good or bad reputation.

Method

Our methodology is composed of two main stages. The first stage presents the reasons why we chose the Album Online (AOL) as a method, and the second stage shows the execution of our study.

AOL Approach

In this study, we aim to extend the results of previous studies concerning the corporate reputation measurement scales and explore the items needed to study the e-corporate reputation; besides, when most customers don't know the precise reasons why they decide that a company has a good or bad reputation, we use AOL. The ideas emerge from images (Zaltman 1997), while verbal communication plays an important role in the representation and storage of these ideas (Bickerton 1990). Zaltman (1997) proposed that customers can better express their ideas and representations of their thinking through images. Most of the research tools are based on words, which are centered on the language to collect and analyze the ideas that come from customers. Therefore, it will be useful to use a projective technique that allows us to understand the customers' thoughts that are stocked as images.

AOL is a projective technique proposed by Vernet (2007). Its objective is to identify the representations associated with the consumption experience (Vernet 2007). It mixes the individual reflection with the group reflection while its foundation is based on the work of Heisley and Levy (1991), the ZMET method (Zaltman 1997), and the Delphi method (Dalkey and Brown 1972; Vernet 1994). The technique comprises using photos available on the search engines, the participants comment on these photos, which are then submitted for evaluation by the rest of the group. The AOL method works well since it allows the respondents to indirectly express themselves about the e-reputation by projecting their thoughts and ideas while talking about their own online experiences (Vernet 2007). To participate in this study, volunteers must satisfy two criteria: 1) be a French resident; 2) be an online buyer.

Steps and Implementation

Our study was launched in May 2014 with twelve participants that responded to an announcement shared on social media. The participants were divided into two scenarios. The first group working on an affective scenario was composed of six members who comprised five females and one male; four between twenty and twenty-five years old, while the other two were over thirty years old. The second group working on a cognitive scenario is composed of six members, distributed equally between males and females; five members are between twenty and twenty-eight years old, and the last one is forty- five years old.

The participants of the two groups have to choose an e-commerce website with which they feel comfortable. For the first group (affective), we ask them to think about the feelings that the chosen website evokes (Do you like it? Do you admire it? Do you like to visit it?). Regarding the second group, the scenario is about the cognition (What do you think about the quality of the website and products/services offered? Do you think that this website is attentive to its customers? Do you think that this website is efficient?). These questions were asked to only facilitate their way of thinking; we were not looking to answer them. For the two groups, we asked each participant to create their own album.

This first stage took two weeks. For each group in the second stage, we created a collective album that contains all the photos of the individual albums of the group, and we asked each participant to compare their own photos with the photos of other participants. The participant could change their individual album (either by adding photos or changing their current photos with new ones from the collective album) if they were inspired by the collective album. They could also add some comments to the photos. It took us approximately ten days to have all the responses.

During the third and last stages, which took approximately three weeks, we asked each participant to evaluate and note all the photos of the two collective albums (cognitive and affective) on a scale from one (strongly disagree) to six (strongly agree), so as to determine if they correspond, in their opinion, to the e-reputation of the website.

Data

Traditionally, the objective of the final analysis stage is to structure the images and associated words in a space that represents the associations between the metaphorical images and the evocations. The researcher or analyst usually executes this final stage manually. In this work, we created a matrix that contains the pictures with their associated words for each collective album graded from one to six by each participant. This data set is then analyzed by means of an INDSCAL approach that permits to get a space representing all the distances between the items according to their grading by each respondent. The INDSCAL approach fits the data at hand pretty well, since we have 6 subjects for both scenarios who rated p stimuli. The program takes a set of 6 matrices as input, each of which is a square symmetric matrix (of order p) of similar judgments between the p stimuli. The model explains the differences between the subjects' evaluations by a distance model where the stimuli are thought of as points positioned in a stimulus space. This space is perceived differentially by the subjects such that each of them affords a different salience or weight to each of the dimensions of the space. The stimulus space in other words represents the best consensus between all the individual stimulus spaces. Finally, a hierarchical cluster analysis performed on the items coordinates within that space and allows them to be grouped in terms of shared meaning.



Figure 1: Representation of the Final Album of the Cognitive Group

Results

The interpretation of the ideas initiated by each experiential scenario, stories, and keywords are synthesized by two mappings. We illustrated each mapping image with one word that was considered as the most representative of the meanings given by the participants. The denomination of the mappings axes is based on the images that surround each axis. Globally, the INDSCAL analysis has a good quality since it represents 82% and 89% of the variance² for the mappings of the cognitive and affective nature, respectively. The representations that structure the e-reputation for the cognitive group (Figure 1) is based on two axes. The vertical axis contains the perceived value on one side and perceived risk on the other side. We noticed that the Internet users were afraid of having problems related to the delivery, conformity and complexity of buying a product. They agree that the perceived value affects the e-reputation positively. We observe that customers are mainly looking for a choice diversity and good prices. The horizontal axis illustrates the quality on one side and efficiency on the other side. We can assume that customers are interested in the quality of the website and the offered products at the same time. From the other side, efficiency is a major player of the e-reputation that encompasses the navigation and the offered service on the website.

² The corresponding stress values 0.081 and 0.064 show a good adjustment of the final graphical representation compared with the initial individual distances between the graded stimuli.

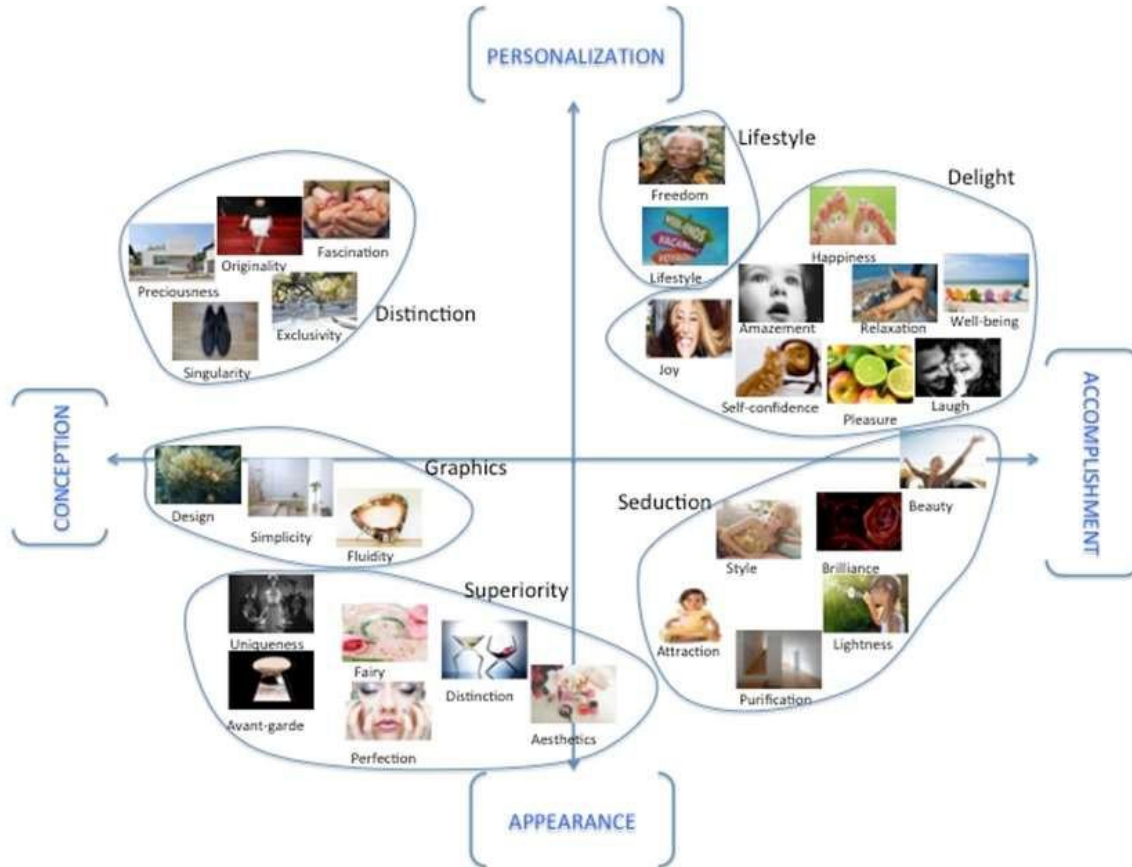


Figure 2: Representation of the Final Album of the Affective Group

Regarding the affective group, we conclude from the analysis of the mapping (figure 2) that the website concept, including the design and simplicity, affects the e-reputation perception. On the other hand, having fun and enjoying their visits to the website and even during the reception and consumption of the product is a major factor of the e-reputation. Regarding the vertical axis, we notice that to have a good reputation we have to treat each customer uniquely, personalize the offers, and always stay in touch with him. Admittedly, the website appearance and their superiority are also important.

Globally, the two maps confirm the existence of some items and add some new ones. In total, the study generates 62 items, of which 41 are new. Table 1 presents the generated items distributed into two groups: affective and cognitive. In each group, the items are distributed into six clusters. The 41 new items are presented in bold text, whereas the existing ones are presented in italics. This table also shows the distribution of items generated in the study between the antecedents (A), the e-reputation (B), and the consequences (C) of the 41 new items. Seven items have to be added to the concept of the e-reputation, which are: avant-garde, singularity, exclusivity, savings, return policy, freeness, and speed.

Table 1: Generated Items

Group	Cluster	Item	Group	Cluster	Item	
Cognitive	Delivery	Frustration (A)	Affective	Lifestyle	Freedom (A)	
		Delay (C)			<i>Lifestyle (A)</i>	
		Return Policy (B)		Delight	Happiness (C)	
		<i>Disappointment (A)</i>			Joy (c)	
	Cause Related Marketing	International (A)			Amazement (C)	
		Freeness (B)			Relaxation (C)	
		Simplicity (A)			Pleasure(C)	
		<i>Ecology (B)</i>			Laugh(C)	
	Navigation/Service	Organization (A)			<i>Well-being(C)</i>	
		Efficiency (A)			<i>Self-confidence(C)</i>	
		Ergonomics (A)			Seduction	Brilliance (A)
		Ease of navigation (A)				Lightness (A)
		Speed (B)		Purification (A)		
		Functionality (A)		Beauty (A)		
		Reliability (A)		Style (A)		
		<i>Diversity (B)</i>		Attraction(C)		
		<i>Customer Service (B)</i>		Superiority		Distinction (A)
		<i>Satisfaction (A)</i>				Aesthetics (A)
	Quality-Price Ratio	Handling (A)				Avant-garde (B)
		Savings (B)				Uniqueness(C)
		<i>Choice (B)</i>			Fairy (A)	
	Ease/Improvement	User-friendliness (A)			<i>Perfection (A)</i>	
		Transparency (A)			Graphics	Design (A)
		Clear (A)				Simplicity(C)
		Practicality (A)			Fluidity (A)	
		<i>Collection (B)</i>			Distinction	Fascination(C)
		<i>Communication (A)</i>		Originality(C)		
		<i>Quality (B)</i>		Preciousness(C)		
	<i>Trend (B)</i>	Singularity (B)				
	Problem/Solution	Complexity (A)		Exclusivity (B)		
		Conformity (C)				
		<i>Displeasure (A)</i>				
		<i>Attentiveness (B)</i>				

Based on the literature review, we classified the generated items between an antecedent, a consequence or part of the concept itself. Concerning the items listed as antecedents, the following examples can be counted as part of the website quality (Loiacono et al. 2007); simplicity, fluidity, design, lightness, clear, ease of navigation, complexity, practicality, efficiency, functionality, handling, user-friendliness, ergonomics, simplicity, and organization. “Disappointment and “displeasure” are related to the “satisfaction” that is demonstrated by Walsh and Beatty (2009) as an antecedent of the reputation.

Regarding the concept, we see that the diversity, trend, collection, choice, customer service, and quality are

all related to the product & service quality, which is also a dimension of the customer-based corporate reputation (Walsh and Beatty 2007). The ecology is part of the corporate social responsibility dimension, and finally regarding the attentiveness, this is related to the customer orientation dimension.

Concerning the consequences, we find that most of the existing items are demonstrated as part of the perceived value or perceived risk (Fombrun and Shanley 1990). In this study, we treat the perceived value as a consequence and not as an antecedent, unlike most previous studies (e.g., Reichheld and Scheffer 2000).

Conclusion

This exploratory research, based on the AOL method, examines how customers perceive the e-corporate reputation. The study was divided into two scenarios, affective and cognitive, to study the two facets of the e-reputation. The results of our study led to the creation of six clusters for each facet. Furthermore, some clusters already existed in the actual concept of the reputation, such as cause-related marketing, service, quality/price ratio, superiority, and problem/solution. However, our research reveals the existence of some additional clusters, delivery, navigation, facility/improvements, distinction, lifestyle, delight, seduction, and graphics, thereby giving us the opportunity to work on a new measurement scale of the e-reputation. However, this research involves some limitations. We couldn't generalize the results of our study; therefore, it is necessary to conduct a larger study of the market. This paper unlocks a future perspective to create a new measurement scale that allows companies to measure their online reputation. It also helps in building a model by integrating its antecedents and consequences.

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Summary Brief

Connecting the Dots in Higher Education Marketing: The Role of Social Media Communications in Building Quality Relationships

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The landscape in consumer marketing is shifting due to the rise in popularity of social media sites. This shift has also affected how higher education institutions communicate with their community of stakeholders. This study will explore how following a university on social media impacts relationship quality between the university and students. Data were collected via an online survey and analyzed using regression, t-test and ANOVA in SPSS. Results indicate that there is a positive association between following a university via social media and the perception of having a higher quality relationship with the university. Additionally, there is a significant difference in relationship quality when the participant follows on three sites as opposed to one or two.

Introduction

Higher education is not just about attracting and educating students, although those activities are certainly a vitally important part of the market. There are other important activities such as engaging current students, faculty and staff and connecting with alumni, community members and trustees. Higher education marketers, like most all marketers, must focus on building high quality relationships with stakeholders in order to ensure continued success. Universities are turning more frequently to social media outlets to communicate with stakeholders. The purpose of this research is to look at the core question, “Does following the university on social media correlate positively with a higher quality relationship?”

Theoretical Development

Social media can have many valuable results for marketers such as increased exposure, increased traffic, improved search-engine rankings, decreased marketing costs and increased sales (Stelzner 2011). It is particularly important when contemplating how to market to online young adults of which 89% participate in social media (pewinternet.org). Multi-platform use is on the rise: 52% of adults now use at least two social media sites; the highest percentage among online adult demographic segments (pewinternet.org). One of the goals of a university looking to remain viable in the long term is to form and maintain high quality relationships with its stakeholders, specifically students. Relationship quality is founded on the commitment-trust theory of relationship marketing (Morgan and Hunt 1994) and incorporates social exchange theory and organizational behavior (Palmatier, 2008). Social media marketing ties into relationship quality because the best social media strategies also include a focus on building trust and communicating a relevant benefit to the consumer (Barwise and Meehan 2010). The following relationships are hypothesized based on the previous conceptual development:

H1: There is a positive relationship between following the university on social media and the perception of having a higher quality relationship with the university.

H2: Students who follow the university on more than one social media site will perceive a higher quality relationship with the university than students who only follow the university on one social media site.

Methodology

Sample, Measures and Data Collection

The data for this study was collected via an online survey of undergraduate and graduate students of a mid-sized 4-year public university in the Eastern United States during the fall of 2014. The convenience sample was solicited by undergraduate and graduate students currently enrolled in marketing courses at the university. The items measuring social media usage were created for this study. The relationship quality items were adapted from

Garbarino and Johnson (1999). Data collection yielded 218 usable surveys. The sample was largely in the 18-25 age segment with approximately 87% of respondents reporting their age in either the 18-22 or 22-25 age segment. The status segments were distributed as follows with approximately 10% freshmen, 19% sophomores, 27% juniors, 31% seniors and 6% graduate students. The students' majors were primarily business (48%) followed by science (22%), humanities and fine arts (18%), education (7%) and university college where interdisciplinary studies is housed (5%). The sample followed the university's social media accounts in varying combinations with the largest percentages coming from: facebook, instagram, twitter (18.2%) and facebook only (18.2%); with twitter only (16.6%); facebook and twitter (11%); and instagram and twitter (10.5%) close behind.

Data Analysis and Results

The data were analyzed using a t-test, regression analysis and oneway ANOVA with SPSS to test the empirical relationships proposed in the hypotheses. The t-test showed a significant difference between those that follow the university on social media and those that do not follow the university on social media when it comes to relationship quality ($<.01$), providing support for hypothesis 1. The regression equation with relationship quality as the dependent variable and number of social media sites used to follow the university as the independent variable was significant ($<.01$) providing support for hypothesis 2. Post hoc analyses show that there was a significant difference between students who follow the university on one or two social media sites and those that follow it on three or more social media sites providing further support for hypothesis 2. Additionally, analyses conducted on the differences between students using different combinations of social media showed that there was a significant difference between those students who use Facebook only to follow the university and those who use Facebook, Instagram and Twitter to follow the university. There was also a significant difference between those students who use Twitter only to follow the university and those who use Facebook, Instagram and Twitter.

Discussion

The results of the data analysis suggest that universities should invest resources in social media communications with their university communities if they intend to form high quality relationships with their stakeholders, especially students. These relationships could lead to beneficial outcomes for the university in the future. Specifically, social media marketers for universities should find ways to encourage students to follow the university on multiple social media sites; at least three.

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Summary Brief

The Impact of Green Brand Positioning on Brand Equity

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The purpose of this study is to demonstrate how different types of green brand positioning strategies influence brand equity, through assessing their effects on attitudes toward advertisement and brand attitudes. The two alternatives of green brand positioning were tested in an experimental online setting. Brand equity is operationalized through its dimensions. Structural equation modeling (SEM) was used to estimate the fit of the data with the proposed model. Results indicate that consumers show a more favorable attitude toward green brands of companies when functional green brand positioning is the employed strategy of a firm. Emotional green brand positioning generally negatively influences attitudes toward green brands, resulting in a less favorable attitudes toward the consumer-based-brand equity (CBBE) of a firm. Theoretical and managerial implications are discussed.

Introduction

It has been about three decades that academic researchers investigate green marketing (Coddington 1993; Fuller 1999; Peattie 1995), but only few studies have focused specifically on brand positioning strategies for green products. Brand positioning is a critical tool for brand implementation (Roozen and Pelsmacker 1998). In order to position brands as environmentally friendly, companies need to communicate the benefits embedded in their green offerings which make them different and superior compared to their non-green alternatives. The problem is that although consumers show more and more concern regarding environmental issues, they still cannot find the real benefit or the value they are looking for in green products. This paper investigates the effectiveness of implementing two alternative brand positioning strategies – functional versus emotional- on consumers' attitudes toward the brand and brand equity. Specifically, the current study sets the functional benefits and emotional attributes of green products against each other and explores their effects on consumer' attitudes toward the company.

Conceptual Framework

Brand positioning includes employing formal and informal communications to emphasize positive perceptions of a firm or a product so that it captures a specific and valued place in the minds of target consumers (Novak and Lyman 1998). The type of benefits to be addressed and the type of segments to be targeted (Hassan and Craft 2012) are among decisions to be made in brand positioning. Interactions of marketing tools, and more specifically marketing communications, shape consumers perceptions which are the basis for brand positioning (Hartmann, Ibanez, and Sainz 2005).

Firms can position their brands in the market based on either functional or emotional needs of target consumers (Park, Jaworski, and MacInnis 1986). Functional needs of consumers are discussed by the "Economic Man Model". In this model consumers are perceived as rational individuals who do their bests to maximize their total benefit. To do so, these rational consumers go through a process in which they decide on the level of importance of a brand's attribute in a product category, collect information about competing brands' attributes in the market, and finally choose the optimal brand based on their judgment rule (Bhat and Reddy 1998). In contrast, emotional needs of consumers are discussed by the "Emotional Model". In this model, consumers are considered as individuals with emotional needs motivated to seek products and services that offer intangible benefits to satisfy these needs (Holbrook and O'Shaughnessy 1984). In emotional model, consumers do not follow the rational information processing approach of decision making for buying a product. Rather, consumers take a personal or subjective approach (i.e. taste, pride, desire for adventure, and desire for expressing the self) in their purchase and consumption decisions (Schiffman and Kanuk 1994).

Firms which produce environmentally friendly products – or ecologically sustainable products as named in some sources- will not be successful in commercializing them if the firm's brand is not perceived as a green brand among target customers (Pickett, Kangun, and Grove 1995). Therefore, firms who claim to be green need to actively communicate and differentiate their brands from their competitors in the market through the environmentally sound attributes of their brands (Hartmann, et al., 2005). This green brand positioning is the key success of firms' green brand strategies (Coddington 1993).

Hypotheses Development

Research shows that consumer attitudes strongly influence brand preference (Bass and Wilkie 1973). Sen et al. (2006) identified that consumers' awareness of the eco-friendly friendly actions of a firm has direct effects on behavioral intentions of the consumers in purchasing the products of the firm. In contrast, if consumers have negative attitudes toward the environmentally-friendly communications of a firm, they will consider the engagement of the firm in social initiatives with more skepticism and as a result the brand equity of the firm will be influenced negatively (Simmons and Becker-Olsen 2006). Therefore, we expect that consumers' attitude toward green brands' advertisements will have a positive influence on brand equity.

Functional and emotional brand associations shape different dimensions of perceptual space when companies adopt a green brand positioning. A functional green brand positioning strategy through functionally detailed advertisements helps consumers perceive the brand as environmentally sound brand in functional dimensions, while an emotional green brand positioning strategy via emotional advertisements leads to emotional dimensions of green brand associations. Specifically, functional benefits outline the current benefits of sustainable products. With the increasing environmental concern, consumers might tend to look at the added functionality provided by green products, thereby, willing to purchase them. This might also be enhanced by the introduction of lower priced green variants like Walmart Great Value's green products. Therefore, in functional positioning, attitude towards ad (AAD) and brand (ABR) would generally tend to have a positive effect on the consumer-based-brand- equity (CBBE). This leads to the following hypothesis:

H1: In the case of functional positioning for green products, a) attitude toward the advertisement, and b) attitude towards the brand will be positively associated with brand equity.

On the other hand, presenting only emotional benefits might not have a desired effect on consumers. Given the current level of "greenwashing", consumers tend to be skeptical about green products. A recent study (Mintel 2010) shows that almost 95% of all products had some degree of greenwashing. Emotional benefits tend to be more abstract and ambiguous. Therefore, consumers cannot easily discern the current or future benefits that can be derived by using the product/service. This would be especially true in categories that have relatively low involvement and are frequent purchases. Extending this logic, consumers would tend to negatively perceive advertisements of green products which highlight emotional benefits.

H2: In the case of emotional positioning for green products, a) attitude toward the advertisement, and b) attitude towards the brand will be negatively associated with brand equity.

When a combination of emotional and functional benefits is presented, consumers would continue to be skeptical of green products. The proliferation of greenwashing has made it extremely stereotypical for companies to present the emotional benefits. The presence of any type of emotional benefits in an advertisement for green products will continue to dampen the consumers' positive associations with the brand. When both emotional and functional benefits are presented together, the skepticism will result in consumers having mixed feelings toward the brand. This leads to our final hypothesis:

H3: In the case of a combination of functional and emotional positioning for green products, a) attitude toward the advertisement, and b) attitude towards the brand will be negatively associated with brand equity.

Methodology

A survey research design was selected to test the hypotheses. A single product category –detergent - which is a low involvement product was selected to control for potentially confounding effects. 426 undergraduate business students at a large public university in the Southwest U.S., who participated in the survey for class credit, were randomly assigned to either functional or emotional green brand positioning groups. Data was collected online. Fifty six percent of respondents were female. Fifty seven percent of them were between 18 to 20 years old, and forty one percent of them indicated that they earn less than \$20,000 a year.

After accepting to participate in the survey, the respondents were exposed to an advertisement of a detergent, consisting of a single static image. The ads were designed specifically for the purpose of this study. In functional positioning case, the advertisement contained several pictures of the product and some functional information of the product which were related to its environmentally-friendly characteristics. In emotional positioning version of the survey, the product ad was a single static image which had a background of a nature landscape with a single sentence about the environmentally-friendly characteristic of the product. Although it is true that a one-time

exposure to an ad is not something which happens normally, several studies in the literature have suggested that advertising effects can be captured with just one time exposure (Kim, Lim, and Bhargava 1998). The brand for both ads was kept the same. After exposure to the ads, participants completed the questionnaire.

Reliability

Attitudes toward ad (Choi and Rifon 2012) and attitudes toward brand (Spears and Singh 2004) were measured using 7-point semantic differential scales. Brand equity was measured using the scales for brand awareness (Yoo and Donthu 2001), brand quality (Netemeyer et al. 2004), brand loyalty (Yoo and Donthu 2001), and brand sustainability (Baalbaki 2012).

Confirmatory factor analysis was conducted using Structural Equation Modeling (LISREL). CR (construct reliability), AVE (average variance extracted), and phi square (ϕ^2) are used to measure the construct validity for the scale items. All the AVE estimates were higher than 0.5, and the square root of all AVEs are higher than the inter-construct correlations (ϕ) while all the CRs were above 0.6. These results provide evidence of acceptable internal consistency, convergent and discriminate validity, and construct validity for the scale items used in this study (Bagozzi and Yi 1988). Following scale purification in the CFA, the measurement model was deemed an adequate fit with the data ($\chi^2=990.88$, $df=221$, $RMSEA=.091$, $CFI=.97$).

Hypotheses Testing

The hypothesized relationships were tested using a structural equation modeling (LISREL). In Functional green brand positioning the effect of AAD on CBBE was positive but not significant (0.11, $p>.001$), showing lack of support for H1a. However, the influence of ABR on CBBE was positive and significant (0.51, $p<.001$). Therefore H1b is supported. In Emotional green brand positioning, the effect of AAD on CBBE was negative but not significant (-.06, $p>.001$), not supporting H2a. However, the effect of ABR on CBBE in was significant and negative (-.54, $p<.001$). So, H2b is supported.

After running the structural models separately for functional versus emotional green brand positioning, we ran the model for the combination of the two positioning strategies. The results show that the model fits the best when the combination of the two brand positioning is employed. The structural model was an acceptable fit with the data ($\chi^2=990.88$, $df=221$, $RMSEA=.091$, $CFI=.97$, $NFI=.96$). In combination scenario, the effect of AAD on CBBE is negative but significant (-0.05, $p>.001$), so H3a is not supported. However, the influence of ABR on CBBE is negative and significant (-.51, $p<.001$), supporting H3b

Table 1: Parameter Estimates and Results of Hypotheses Tests

Hypothesis	Estimate	p-value	Result
H1a Functional green brand positioning:	.11	.12	<i>Not Supported</i>
H1b AAD → CBBE	.51	.000	<i>Supported</i>
H2a ABR → CBBE	-.06	.47	<i>Not supported</i>
H2b Emotional green brand positioning:	-.54	.000	<i>Supported</i>
H3a AAD → CBBE	-.05	.41	<i>Not supported</i>
H3b ABR → CBBE	-.51	.000	<i>Supported</i>
Functional and Emotional green brand positioning:			
AAD → CBBE			
ABR → CBBE			

Discussion and Implications

Current study analyzed attitudinal effects of employing functional versus emotional green brand positioning strategies in advertisements. This study further explored how these attitudes influence the CBBE of a firm. The results showed that when a firm chooses to focus more on functional attributes of its green offering, consumers show more favorable attitudes toward the brand of the company and the consumer based brand equity of the firm is positively influenced. However, when companies choose to target only emotional feelings of their target market and avoid clarifying the functional benefits of their green offerings, consumers show negative attitudes toward the brand of the company which influences the consumer based brand equity of the firm too.

Results of this study show that consumers are still struggling with believing the advertisements of green products. The degree of green skepticism is high among consumers and if they cannot find any added value in the

green products which benefit them in the short run, the green claims of companies will be of no value to them. In fact, if companies purely focus on the future environmental or social benefits of their green products, and try to influence the feeling of their consumers through emotional advertisements, consumers will find the ads deceptive and show negative reactions to them. Specially, when the product is in a low-involvement category and consumers buy the product in a regular basis – such as the product employed in this study – emotional attributes of the product are of no value to consumers.

The combination of both strategies seems to give a better result for companies, but it still depends on the level of product category involvement. Previous studies show that in high product category involvement, consumers show a combined positioning strategy yields to a stronger attitudinal effect rather than employing each strategy on its own (Hartmann, et al. 2005). However, the overall results of the current study show that in low-involvement product category, focusing more on functional benefits of the green products will lead to more favorable attitudes toward the brand of the company.

Limitations and Future Research

One of the limitations of this study is that the level of environmental involvement of consumers is not considered. A future study can measure this construct which is an essential factor in forming consumers' environmental behavior. Another limitation of the current study is that single static pictures of the ads are used in order to measure the attitudes of the consumers toward the ads. Future studies can design and employ different types of ads, using different media channels such as TV, Radio, or social networks, and compare the consumers' attitudes toward these ads to see if still consumers show negative attitudes toward such ads, no matter what media is sending the message. In addition to above mentioned limitations, another weakness of this study is that the price of the green product is not mentioned so that consumers can compare it to its non-green alternatives and see if they find the value in buying this environmentally-friendly product.

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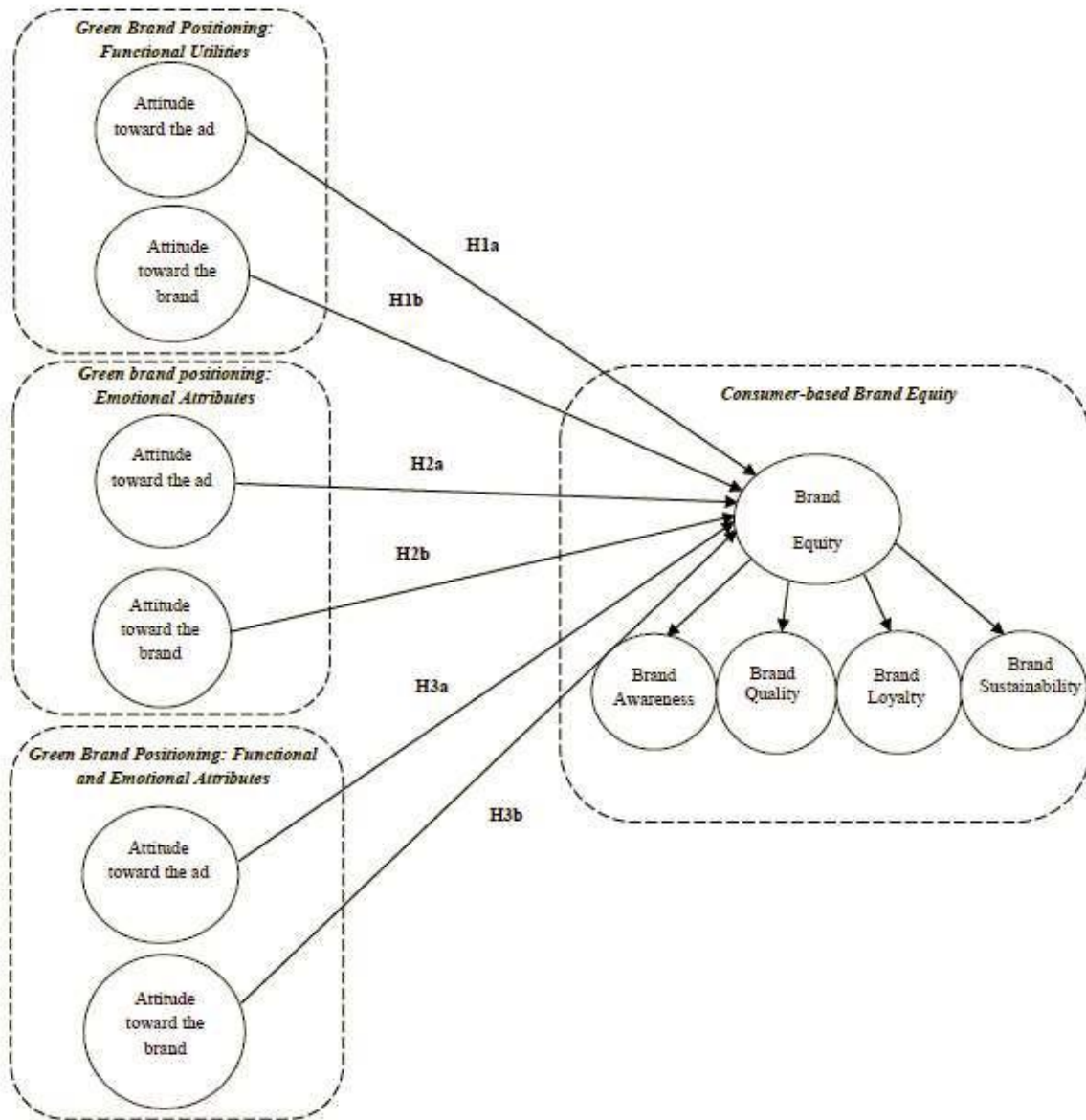
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Appendix 1

Hypothesized Perceptual Effects of Functional and Emotional Green Brand Positioning on Attitude Toward Ad, Attitude Toward Brand, and Brand Equity



Summary Brief

Overcoming the Barrier of Unfamiliarity: Can Unfamiliar Brands Signal Product Quality with Warranty?

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Introduction

Unfamiliar brands face the formidable challenge of effectively signaling the quality of their products to consumers. Past research has shown that a brand can act as a signal of quality and brands can signal quality with product warranties as well, depending on brand reputation. However, these issues do not apply to unfamiliar brands. In this research, we investigate whether unfamiliar brands can viably signal product quality with warranties. Specifically, we investigate the role of product durability and self-assessed product knowledge in determining signaling potency of warranties issued by unknown brands.

Based on the relevant literature, we conceptualize and measure signaling strength in terms of a warranty's ability to affect perceived product quality. In two controlled experiments, we test the effectiveness of warranties of various lengths (low, moderate, and exaggerated). We define exaggerated warranties as those that exceed consumers' prediction of a product's durability and their prediction of how long they or other consumers are likely to use the product. Our market search shows that exaggerated warranties are common among unfamiliar brands.

Findings and Contributions

Our first experiment shows that warranty from an unfamiliar brand is not likely to act as an effective signal of product quality when perceived product durability is low (e.g., phone case) or high (e.g., mattress) but warranty has some degree of effectiveness when the product is of moderate durability (e.g., tires). Particularly, we find that although a moderate warranty might be effective for a product of moderate durability, an exaggerated warranty might not be effective as a signal of quality. Results of a second experiment show that, for a product of moderate durability, consumers' self-assessed knowledge of a product category moderates the effectiveness of exaggerated warranty from an unknown brand. Specifically, presence of such a warranty leads to more favorable perceptions of quality as consumers' self-assessed knowledge increases, although the warranty might not affect perceived quality when knowledge is relatively low. We explain this rather counterintuitive finding by suggesting that low levels of self-assessed product category knowledge make consumers more cautious of how they evaluate offers from unknown brands and high levels of product category knowledge can make consumers overly reliant on their own knowledge when evaluating product quality, leading to heuristic-based processing of warranty information. Overall, our research indicates that consumers do not automatically write off warranties from unfamiliar brands. We find that the signaling potency of warranties from unfamiliar brands depends on conditions.

Full Paper

Automobile as Anthropomorphized Products: An Examination of Possibilities to Customizing Cars' "Faces"

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Recent studies on product design have proposed that consumers most prefer cars with headlights that resemble slanted eyes and a front grille that looks like an upturned mouth. However, these studies have three problems: (1) they only considered 2 (slanted and arched eyes) \times 2 (upturned and downturned mouths) designs, (2) they only considered two dimensions of product images (aggressiveness vs. friendliness), and (3) they neglected heterogeneity in preferences for product designs/images. Thus, we expanded these studies by considering 4 (slanted, arched, squared, and round eyes) \times 3 (upturned, downturned, and horizontal mouths) designs and four dimensions of images (vitality, warmth, intelligence, and uniqueness) as well as congruities between product image and actual/ideal self-image. We contribute to the research field of product design by indicating how firms can fit their anthropomorphized products to their customers and differentiate them from competitors.

Introduction

In recent years, it is getting more difficult for firms to attract consumers' attention through technological innovation alone. Given this background, product design is increasingly being recognized as an important source of competitive advantage by many firms. "Anthropomorphism" is one recent research topic regarding product design. Anthropomorphism refers to seeing human features in non-human objects. Automobiles are a good example of anthropomorphized products. People interpret headlights as human eyes and the front grille as a human mouth. It has been proposed that anthropomorphism can enable firms to convey brand personality to consumers intentionally (Landwehr, McGill, and Herrmann 2011). However, automobile manufacturers have not provided their customers with the chance to change the cars' faces in their customization system. It is possible for customers to choose the 'best' car among various choices with different colors, engines, seats, and wheels; it is not possible to choose favored headlights and front grilles to "build your own car". In this regard, previous research on the anthropomorphism of products has suggested that cars with a particular face—slanted (aggressive) eyes and an upturned (friendly) mouth—are most preferred by consumers (cf. Landwehr, McGill, and Herrmann 2011). Is it really true? Is it necessary for automobile manufacturers to develop a customization system that enables customers to order their cars' faces? In this study, we attempted to develop a consumer evaluation model of anthropomorphized products to address these questions.

Literature

Landwehr, McGill, and Herrmann (2011) used the pleasure-arousal theory of emotions (Russell 1980, 1989) and claimed that consumers prefer cars with "slanted" headlights and an "upturned" grille. This is because perceived "aggressiveness" from the slanted headlights triggers arousal whereas perceived "friendliness" from an upturned grille triggers pleasure. As a result of their experiment, the hypothesis was supported. However, their study has three problems. First, they compared four kinds of car fronts, with a 2 (arched and slanted headlights) \times 2 (upturned and downturned grilles) design. However, some automobiles in the real world may not fall into any of their four faces. Second, they assumed only two personality traits, friendliness and aggressiveness, which are perceived from the front of a car through anthropomorphism. However, some automobiles in the real world may have other kinds of car personality. Third, and most importantly, they neglected heterogeneity in consumer preferences of anthropomorphized products. While they suggested that a car with slanted headlights and an upturned grille is most preferred by consumers, some consumers in actual may prefer cars with other faces.

Assuming heterogeneity in consumer preferences of automobiles, the question remains as to why consumers choose different car faces. This question has not been answered by previous studies on product anthropomorphism.

Study 1: Identification of Personality Dimensions Perceived from the Front of a Car

In Study 1, we investigated twelve (4×3) patterns of car faces with 114 personality traits based on Aaker's brand personality (1997). Respondents were 227 university students; 216 (95.15%) responses were valid. Before answering the questionnaire, they were instructed to think of each car as if it was a person. To identify a set of personality dimensions perceived from car faces, we conducted an exploratory principal factor analysis with a promax rotation. As a result, we identified four personality dimensions—vitality, warmth, intelligence, and uniqueness—whereas previous studies have used only two, aggressiveness and friendliness. It can be said that vitality and warmth correspond to aggressiveness and friendliness, respectively. However, intelligence and uniqueness are two dimensions that have not been considered in previous research. Factor loadings implied that the shape of the headlights strongly affected the levels of the four personality dimensions: arched headlights caused a higher level of “uniqueness”, slanted headlights caused a higher level of “vitality”, rounded headlights caused a higher level of “warmth”, and squared headlights caused a higher level of “intelligence”.

Study 2: Relationship between Congruity and Preference

In Study 2, we assumed heterogeneity in consumer preferences and investigated whether congruity between self-concept and product image (Sirgy, 1985) affected preferences for the product. The questionnaire was designed to measure (1) actual/ideal personalities of their own, (2) personality dimensions of each of the twelve (4×3) patterns of car faces, and (3) preferences among those faces. Respondents were 59 university students; 58 (98.31%) responses were valid. After we collected the data set, self-congruity and ideal congruity were calculated based on Sirgy (1985). The results of regression analysis showed that consumer preferences for the car face are higher, if self-congruity and/or ideal congruity between self-concept and the product images are higher. They also indicated that ideal congruity has a stronger positive effect on consumer preference than self-congruity.

Conclusions

The findings of Study 1 imply that a car with slanted eyes and an upturned mouth is most advantageous in relation to the trait of vitality. However, some other “faces” are advantageous in other personality dimensions. A car with round eyes and an upturned mouth is more advantageous in relation to warmth, a car with squared eyes and a horizontal mouth is more advantageous in relation to intelligence; and a car with arched eyes is advantageous in relation to uniqueness. So, which is the most preferred face? As suggested by previous research, consumers may prefer cars with slanted eyes and an upturned mouth, if they are or want to be, a vital or aggressive person. However, the findings of Study 2 indicated that consumers choose cars that have high congruity with their ideal or actual self-image. Thus, consumers who are or want to be a warm or friendly person prefer cars with round eyes and an upturned mouth, consumers who are or want to be an intelligent person prefer cars with squared eyes and a horizontal mouth, and consumers who are or want to be an unique person prefer cars with arched eyes.

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Special Session

Researching Student Ethics Internationally: Cross-cultural Methodological Issues

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Student ethics has been studied recurrently but predominantly in the U.S. In pursuing a conceptual framework and a fitting methodology to advance research in various countries, symptomatic methodological issues emerged, in particular, conceptual and measurement equivalence problems (as described in Case et al., 2013; Craig and Douglas, 2000; Malhotra et al., 1996; and Vandenberg and Lance, 2000). Additional problems emerged in index construction with formative scales (as described in Diamantopoulos and Winklhofer 2001; Coltman et al. 2008; and Wilcox et al., 2008). This panel will briefly present and thoroughly discuss salient equivalence problems and formative scales in our research of student ethics performed in four countries, U.S., México, Chile and Peru. The panelists will use the actual instruments used, data collected in the four countries, analyses performed, and publications achieved to illustrate and discuss key equivalence issues faced in several samples of cross-cultural research of student ethics. In order of importance, illustrative issues in instrument equivalence, conceptual equivalence and translation equivalence will be examined for two research designs employed, a quasi-experiment and formative measures. Issues in index construction with formative indicators will also be examined.

Equivalence Issues

In a Quasi-experimental Design for Multicultural Samples

Our quasi-experimental design employed scenarios written in English or Spanish, but involved issues beyond translation and back translation. The scenarios involved instrument and conceptual equivalence problems (Case et al. 2013). For instance, the act of cheating or plagiarizing did not mean the same thing across cultures. The forms of cheating in school varied from using simple devices such as a folded small paper, called “torpedoes” in Chile, to more sophisticated means like electronics in the U.S. Similarly, the use of rewards or punishment for unethical acts performed in the classroom varied by country mainly because each country adopted a slightly different system to reward or punish such actions. In addition, the institutions that are destined to apply such procedures (rewards or punishment) differ in structure and mandate.

In Developing Formative Measures for Cheating and Plagiarizing

The formative measures of cheating and plagiarizing consisted of 26 Likert scales, each one signifying a latent student characteristic of cheating or plagiarizing. Several problems in the index construction with formative indicators (Diamantopoulos and Winklhofer 2001) were identified in the development and analysis of the scales in the four countries. For instance, some items did not uniformly load into a construct, cross-loaded or did not get enough loading to be retained in one country, but did it in another country, and so forth. Researchers in each country will show a number of statistical approaches employed to solve such problems in measurement models.

In Translation and Back Translation of the Instruments Designed for Cross-cultural Samples

Besides the conceptual and instrumental issues experienced with the 26 Likert scales in this study, there were linguistic or translation equivalence issues involved due to the cultural differences confronted (Malhotra, Agarwal, and Peterson 1996). The first edition of the scales was developed in English. The statements were then translated into Spanish and back translated into English to secure an acceptable level of translation equivalence. Because the researchers who performed the translation and back translation were experts in both languages, English and Spanish, the problems were substantially reduced but existed. We did not detect problems in the translation of ideas or word-pictures (as mentioned in Case et al. 2013); we did, however, run into few problems when translating idioms. We'll show some illustrative examples.

Conclusions on Equivalence Issues Faced in a Cross-cultural Research of Student Ethics

In summary, our international research of student ethics experienced identifiable cross-cultural methodological issues, in particular measurement equivalence problems and index construction issues with formative scales. Once identified the problems in several replications of the study, those problems were corrected in order to improve the validity and reliability of the student ethics study.

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Summary Brief

The Emergence of Social Media: A Research Narrative Review

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Social media marketing (SMM) has become an increasingly important research topic, mirroring the explosive growth in consumer and organizational adoption. Despite the growing body of research, minimal effort has been given to understanding the contribution that this literature has made to our understanding of effective marketing practices. To that end, the aim of this systematic narrative analysis research is to first frame our understanding of pervasive themes, concepts, and terminologies within the literature from an organizational capabilities perspective. Then a rigorous classification system will be constructed to catalogue the capabilities, and roles of social media marketing along with the creation of a more structured future research agenda.

Introduction

There is no question that the inception of, and corresponding adoption of social media platforms, has significantly impacted organizational marketing practices. Consumers play increasingly important, active roles in transforming traditional and SMM models into a complicated dialogue (Baird and Parasnis, 2011). This has forced organizations to try and develop a deeper understanding of these rapidly changing platforms, and how they can be used to communicate with, and evaluate the overall effectiveness of creating relationships (Botha, Farshid, and Pitt, 2011).

In an attempt to understand this disruptive technology and the impacts this shift in power has caused on the business landscape (Romano, Gerber, and Andrews, 2010), academic research relating to social media technologies has exploded over the last decade. Unfortunately, this research is relatively disorganized in approaches and direction encompassing a broad-range of topics and inconsistently applying terminology (Weinberg and Pehlivan, 2011). Terminology used to describe social conversations and relationships developed between consumers and organizations are similarly disjointed to include social technology (Klososky, 2012), consumer generated content (Hardey, 2011), and the ubiquitous social media amongst many others present in the literature. Current attempts to create a deeper understanding of social media marketing research have been narrowly focused, on either specific sub-disciplines or defined applications within the broad range of social media capabilities (King, Racherla, and Bush, 2014; Perez-Latre, Portilla, and Blanco, 2011). By focusing on the organizational capabilities as the fundamental construct to conduct a comprehensive analysis of the social media marketing literature, the objectives of this study are:

- (1) Identify the prevalent themes, research methodologies, concepts and terminologies used in the SMM landscape.
- (2) Catalogue the types of and establish an understanding of the role that social media plays in current marketing practices.
- (3) Recognize major directions for future research to address the need for a more structured approach.

Methodology

A systematic narrative analysis approach will examine literature as prescribed by Leon and Farris (2011). First, a research protocol was created to define SMM and its etymological variations, identify the range of marketing activities, and create criteria for selecting, classifying, and excluding publications. Information searches for articles spanning 2006-2014 were conducted in various academic databases. A series of questions were established to guide the process and ensure results aligned with the study's purpose. These questions include: Does this peer-reviewed article focus primarily on SMM capabilities? What research methods and information analysis techniques were used? What types of social media channels were analyzed/referenced? How was social media defined, identified, or used? How does the identified SMM technique or methodology align with current marketing practices? This methodological framework created a foundation to examine the range of research and identify appropriate themes for analysis.

Results

To deliver on the objectives of this study, each article is being examined and cataloged based on the research protocol. More than 1,500 social media type articles are being examined. To ensure rigorous scrutiny, and mirror

similar literature analyses in the field (Khang and Ye 2012; Siha and Monroe 2006), 10% of the total population of articles will be examined to evaluate inter-coder reliability across evaluated dynamics to ensure Scott's pi will be above an acceptable level of .80. Results will be presented in a poster forum and focus on presenting pertinent information to research process and design, including a model for SMM activity classification, common terminology and various channel type descriptions in relation to understanding strategies and move beyond an emphasis on technological tool tactics. Finally, future research directions will identify the major themes needed to address the current dearth of strategic understanding of SMM, including: the need for stronger theoretical foundations and practical applications.

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Full Paper

Challenges and Opportunities for Social Media in Emerging Markets

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As social media's influence continues to expand, businesses in North America are using new technology to reach users in emerging markets in ways that were impossible before. While such social networking websites as Facebook and Twitter grant tremendous new growth opportunities for businesses, there are also challenges to the adoption of social media in emerging markets. Such challenges include technological infrastructure, government regulations and the cultural values of these expanding markets. Herein, the authors examine the literature on social media in emerging markets to determine the opportunities and obstacles for North American companies seeking expansion.

Introduction

Emerging economies are best defined as low income, rapidly developing markets that use economic liberalization as their main growth engines (Hoskisson et al. 2000). Just before the turn of the 21st century, countries that are now categorized as emerging markets were considered less-developed countries (The Economist 2014). According to the authors' research, this change is related to economic growth. Areas that were formerly referred to as less-developed countries are beginning to emerge as global competitors. Such countries can be divided into two groups: developing countries in Asia, Latin America, Africa, and the Middle East, and economies in transition, such as China and parts of the former Soviet Union. These markets are starting from a lower economic base, but are catching up more rapidly than other markets (Khanna 2010).

Although social media is a strong presence worldwide, the United States leads the world in household computer ownership and usage. Eighty percent of American households have access to the Internet via home computers (Pew Research Center 2015). However, in emerging markets, mobile devices are the predominant means for users to access social media and the Internet as a whole. Internationally, there are three factors that determine the most prominent social media types and their uses in particular countries: the technological infrastructure that enables social media, shared cultural values, and institutional rules and regulations that governments establish (Berthon et al. 2012). The authors specifically explored social media in emerging markets. Are social networking sites like Facebook, Twitter, and YouTube growing along with these emerging economies? If so, how is this mutual growth connected?

User Demographics

Although Internet usage is increasing worldwide, access is still predominantly limited to the affluent. In emerging markets, cell phone usage is popular and allows the user to access their bank account information, share data and connect to social media. Europe and northern countries use the Internet at a higher level than some Latin countries. Personal contact is still preferred in Italy. The use of the Internet varies in Asian countries. In less wealthy countries such as India, Internet usage is more for the affluent. Japan and South Korea have higher levels of Internet access than the majority of countries in Asia (Euromonitor International 2010).

Worldwide, the typical Internet user is young, educated, and is capable of reading or speaking some degree of English. Seventy percent of Vietnamese people between the ages of 18 and 34 use the Internet, while only twenty one percent of those 35 and older do. There is a similar gap in Vietnamese people who can read or speak some English. Such trends are reflected across the globe, with the greatest user age gaps occurring in Asia (Pew Research Center 2015).

Although men have historically represented the majority of technology users, women have emerged as the majority users of Facebook and Twitter. As these arenas evolve, females have found self-expression and are more empowered by technology. These platforms provide arenas for women to express feelings, ideas and beliefs

pertaining to politics and other subjects, particularly in times of political turmoil, such as the Arab Spring (Ajjan et al. 2014). Studies have shown that female bloggers in Africa and Iran felt empowered psychologically when writing about topics they cared about such as discriminatory laws, sexual health and a variety of subjects that are taboo in their countries (Ajjan et al. 2014). The Internet allows women the space to converse anonymously without fear of prosecution or discrimination.

Social Media

With a handful of exceptions, there is a global trend toward the continued and increased usage of social media. Social media's influence is constantly expanding as more people join online communities every day. Social media platforms are maturing into serious communication channels that facilitate problem-solving in creative and unexpected ways for commercial purposes, educational institutions, government and not-for-profit organizations, and for crisis responders and crisis response efforts (Perkins 2010). Facebook is one of the more prominent social networking sites worldwide, and has experienced an incredible amount of growth in the past few years: Facebook's active monthly user population has grown from 200 million users in 2009 to 1.35 billion users in the third quarter of 2014 (Statista 2014). Of these users, more than 60% of them use Facebook every day (Swani 2013).

Consumers are increasingly adopting social networking, engaging in micro-blogging, and downloading applications for smartphones and computer tablets. Along with sharing and communicating with friends about their social lives, updating pictures and posting status updates, customers and members of society have found that social media applications can empower them as they navigate through the abundance of information available online (Andzulis 2012). These trends are reflected in such emerging markets as Tunisia, China, India, Indonesia, Malaysia, the Philippines, Argentina, Brazil, Chile, El Salvador, Mexico, Kenya, Senegal, South Africa and Uganda. Of all emerging markets surveyed, these markets show an increase in smartphone-based social media usage from spring 2013 to spring 2014. A handful of other countries surveyed, such as Poland, Russia, Egypt, Jordan, Lebanon, Ghana and Nigeria experienced decreases in usage across that same time period (Pew Research Center 2015).

Facebook is very popular in Indonesia because of its mobile accessibility. Indonesia is the second largest country represented on Facebook, and it is the fourth largest represented on Twitter. Emerging markets mostly rely on mobile devices to access their social media accounts (Goggin 2014).

Technological Infrastructure

Technology can be the ace in the hole for markets that are emerging and have antiquated and inadequate infrastructures. The lack of a modern technological infrastructure is an advantage for mobile growth and expansion of mobile technology. Sizeable percentages from 32 emerging markets use mobile devices to access the Internet instead of desktop computers. In ten of these countries (Kenya, India, Nicaragua, El Salvador, Indonesia, Peru, Bangladesh, Mexico, the Philippines, Tanzania, Uganda and Pakistan), desktop computer ownership is under two-in-ten or fewer (Pew Research Center 2015). In contrast, a median of eighty-four percent across these 32 countries own a cell phone. This is not a far departure from the 90% cell phone ownership in the United States (Pew Research Center 2015).

The spread of social media is not limited to smartphones. "Facebook Lite" is a version of Facebook developed for everyday cell phones in low-bandwidth or developing countries. Because of this development, Facebook vastly increased the size of its user base and became a leader in many markets outside of North America and Europe, and throughout Asia, the Middle East, and South America (Goggin 2014). When the latest mobile technology becomes popular across the globe, unlimited opportunities for advertisers are created, but only if advertisers can effectively capitalize on them and fully realize the potential of the new technologies (Craig 2013). New mobile technologies have caused a shift in activity from the desktop computer to the mobile device, a shift of focus away from the firm and toward the consumer, and a shift in the focus of power from the firm to the consumer. New social media outlets allow for the transformation of dialogue from monologues to communal social media dialogues in which many people can reach many others at once (Berthon et al. 2012).

As the mobile technology grows in popularity throughout the globe, there are countless opportunities for creative marketers (Craig 2013). Indonesia has only 20 million Internet subscribers; it has 282 million cellular users (Hayat 2014). The lack of landlines in many African and Asian countries lends itself to a dependence on cell phones as a means of communication. This also raises questions as to the relationship between the lack of landlines and the recent growth of mobile Internet access in emerging markets. Does the abandonment of dial-up Internet mean that countries without landlines have better, more readily available access to the Internet than they did before?

Cultural Values

On the relationship between cultural values and the Internet, Geert Hofstede et al. (2005) observes, "The World Wide Web has made our world appear smaller, so the notion of a 'global village' seems appropriate. Business

companies operate worldwide. ... There is no doubt that dazzling technological changes are taking place that affect all but the poorest or remotest of people. But people put these new technologies to familiar uses. Many of them are used to doing much the same things as our grandparents did, to make money, to impress other people, to make life easier, to coerce others, or to seduce potential partners. All these activities are part of the social game.”

Hofstede’s concept of the “global village” is easily applicable to the adoption and acceptance of social media in emerging markets. Social media connects the globe in ways that were impossible before. Information can now travel worldwide instantly, and while this is a new method of communicating with all corners of the globe, these technologies are being put to familiar use. In the context of this article, the use of social media in emerging markets is largely business-related: companies are expanding into emerging markets, and are using social media to ease the transition. While this new communication tool has its benefits, some countries do not use Facebook or other large, worldwide social networks, and others reject the encroachment of Internet culture and social media on cultural values. On average, 62% of people in 32 emerging markets believe the Internet is beneficial for education, the economy and personal relationships, and that it is detrimental to political systems and overall morality (Pew Research Center 2015).

While Facebook is the most popular social networking site worldwide, smaller, country-specific social networks are more popular in their target countries. Such sites include Weibo in China and VK in Russia and the Ukraine (Alexa 2015). Whereas Facebook is predominantly English speaking, these sites offer communications between users in their respective languages.

There are about one million Facebook users in Bangladesh. K.M. Atikur Rahman (2014) argues that the increased usage of the Internet and social media encourages the spread of pornography, frauds, and “destructive movements and crimes.”

Government Regulation and Censorship

The emerging markets that have access to Facebook are thereby connected to global conversations in ways that were impossible before the worldwide spread of social media, particularly in countries where free speech is prohibited. In the Arab world, social media allows those living in dictatorships to connect and share links to news, videos and free campaigns with the world. When uploaded to Twitter, Egyptians’ comments about their government spread quickly and gained international attention. Research shows that Egyptians believe that online campaign promotion can have significant impact on politics (Gad 2015).

Perhaps the most infamous example of government-controlled Internet communications comes from China, where such popular social media sites as Facebook and Twitter are prohibited. Because of this, social media use in China is fractured across hundreds of local websites, including RenRen, Sina Weibo, and a great number of others (King, Pan, and Roberts 2013). The great variation in social media websites in China provides its own set of challenges to expanding businesses: localized sites simply do not provide the same reach as global networks, thus cutting Chinese consumers off from the global market.

Evolution

The social network arena is connected with e-commerce as they mutually support each other. Social media users in China are becoming more practical as they using social networking to shop for discounted goods and services, and to search for jobs and suitable marriage partners (Marceux 2013). Social networking applications are not part of the typical enterprise IT portfolio, but employees are increasingly using them as work aids, to promote personal productivity, to empower communication among colleagues, and to strengthen both business and personal relationships. Such applications are used daily by 20% of employees across the globe. This adoption of social media is more prevalent in emerging markets— such as China, Brazil, India and Mexico— than it is in mature markets (Junglas 2013).

Managerial Implications

When expanding into an emerging market, businesses should be sensitive to cultural and communicative norms of their target country. While some countries, such as China, are more receptive to social media as a means of communication, some countries, such as Italy and Bangladesh, prefer face-to-face communication instead of increased engagement with technology.

Businesses should also consider the language barriers between their companies and emerging markets. Younger people in emerging markets are more likely to speak at least some English, and are more likely to use the Internet and engage in social media usage than older people. The significance of language barriers and cultural differences should not be overlooked (Hsu 2012; Craig 2013). Facebook offers a range of opportunities for international marketing, particularly in the case of international hotels. Among Facebook’s varied uses is the

technology for hotels to connect with international leisure travelers. In certain cases, however, this technology is limited to speakers of a particular language whose Facebook pages are primarily in that language (Hsu 2012).

The benefits for businesses using social media are vast, and the consequences of not participating can be devastating. By opting out of social media usage, businesses lose opportunities to establish or spread brand recognition, to converse with their customers, generate revenue, gain feedback and insight from customers, and improve customer relationship experiences. Social media represents a chance to correspond with the consumer, establish brand awareness and grow brand loyalty (Ajjan et al. 2014).

Conclusion

This literature review indicates a vibrant global arena for social media. While providing much information, it leaves further questions. There are variables involved such as level of technology, status of infrastructures, usability and accessibility of language interpretation. Clearly, the emerging markets cannot be grouped together as a whole or categorized similarly but trends can be surmised. It is obvious that the rise in social media is not limited to developed nations. With all the changes evolving in the virtual world throughout the globe, there is great opportunity to engage in social media and building identity, awareness, relationships, and revenue. This includes emerging markets!

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Summary Brief

Understanding Cognitive Dissonance and Information Sources in Home Furniture Purchases

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The present research seeks to increase understanding of cognitive dissonance by exploring the various information sources that may influence the negative feelings that may arise during post-purchase evaluation. Specifically, the author focuses on the impact of consumer opinion seeking, traditional media search, internet search and social media search on cognitive dissonance by employing two studies. In Study 1, depth interviews are collected and analyzed in an effort to gain more insight into the search process and consumers perceptions of the helpfulness and credibility of different information sources. Categories of information sources, categories of which sources were deemed most helpful or credible, and categories of post-purchase evaluations as they relate to cognitive dissonance are drawn from the interviews. Conclusions are drawn from this analysis and a proposed model is provided, informed by the emergent categories. Study 2 explores the impact of credibility of sources within social media on online furniture purchase decisions. A survey is developed to empirically examine the relationships represented in the model. A pretest is conducted and the results are discussed.

Introduction

Consumers are afforded the opportunity to choose amongst an enormous number of alternatives in virtually every product category. For some purchase decisions, consumers perform an information search process that involves gaining knowledge from different sources before choosing an option. Even after engaging in a search for pertinent product information, a consumer may still experience some remorse about their final purchase. Commonly referred to as buyers' remorse, cognitive dissonance is a psychological state characterized by the anxiety individuals feel after having to choose one alternative among many (Festinger 1957; Kaish 1967).

The current research seeks to further our understanding of the relationship between cognitive dissonance and the consumer decision making process through the lens of information search. Through in-depth interviews, the author explores the sources of information upon which consumers rely, perceptions of information sources, and the occurrence of post purchase cognitive dissonance. Increased understanding of how consumers search for information can be beneficial to marketers and the development of marketing strategies (Moorthy et al. 1997). This research focuses on the sources by which consumers gather information, including: consumer opinion seeking, traditional media search, internet search and social media.

Within the scope of this research, the impact of these various sources of information on cognitive dissonance is discussed. These ideas are examined in the context of furniture purchases. Dissonance occurs most often in purchase situations that involve expensive, important products or products that consumers may feel somewhat uncertain about (Koller and Salzberger 2007; Montgomery and Barnes 1993), so home furniture purchases are an ideal context to study this phenomenon. This research examines both in-store and online purchase situations. Soutar and Sweeney (2003) suggest that dissonance should be researched in multiple shopping environments; particularly online. In Study 1, depth interviews are collected and analyzed in an effort to gain more insight into the search process and consumers perceptions of the helpfulness and credibility of different information sources. Categories of information sources, categories of which sources were deemed most helpful or credible, and categories of post-purchase evaluations as they relate to cognitive dissonance are drawn from the interviews. Conclusions are drawn from this analysis and a proposed model is provided, informed by the emergent categories. The development of hypotheses is also discussed. Study 2 explores the impact of credibility of sources within social media on online furniture purchase decisions. A survey is developed to empirically examine the relationships represented in the model. A pretest is conducted with a sample of 207 respondents.

Significance of Study

While there is existing literature that examines cognitive dissonance, this research is unique in that it takes into account and examines the impact of the consumer's information search and the sources by which information is gained for a purchase decision. Technological advancements have drastically modified the way in which consumers communicate with each other and with companies and have diversified the way consumers are able to acquire information. As a reflection of this, sources of information such as the internet and social networks are examined along with other, more traditional means of information acquisition like opinion seeking and print/television advertising. Social media continues to grow in popularity and influence and its usage is highly pervasive among consumers today. This research attempts to increase the understanding of this relatively new and evolving topic area by examining the role of social media as a source of information.

Analysis of Pretest

Data collection for Study 2 was done through the use of online surveys administered through Qualtrics. The sample was drawn from panelists registered with Amazon's Mechanical Turk (MTurk). Participants invited to take the survey were individuals who purchased furniture online during 2013 or 2014 and gained information through a friend or family member on Facebook. An analysis was first done for each individual scale to confirm that only one factor emerged for each construct.

In addition, a confirmatory factor analysis was done using AMOS 21. Based on an initial assessment of the results, two error terms within one construct, 'Intentions to Post/Share Positive Information', were allowed to correlate as an examination of the modification indices signified that this change would improve the model fit. For the final analysis, the fit indices and χ^2 indicate an acceptable model fit ($\chi^2 = 1180.49$; $df = 635$; $p < 0.0001$; $IFI = 0.925$; $TLI = 0.911$; $CFI = 0.923$; $RMSEA = 0.065$). All AVE's were above 0.5 and evidence of convergent validity was found. The survey will be modified based on the results of this pretest and the relationship between the constructs will be assessed in the main study.

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Summary Brief

The Effect of Product Type and Opinion Valence on Word of Mouth Dissemination: A Network Approach

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Dissemination of offline Word of Mouth (WOM) as a function of product type (e.g., search experience, and credence qualities) and opinion valence (e.g., positive and negative WOM) is examined in this study. It takes a network perspective and represents WOM by ties strength (i.e., strong vs. weak ties), and by network macro properties like average path length and clustering coefficient. The data for the study was collected from a social network segment through repeated measures. The main findings of the study are WOM networks are similar to their underlying social networks, and belong to a class of networks called small-worlds. Sharing positive opinions about experience products can reach almost the full potential of the social network, whereas sharing opinions about credence products activates less than a third of the existing social network.

WOM campaigns like product seeding, instigating interpersonal communication, fending off negative WOM, etc. can be a challenging process (Libai et al., 2013). When relaying on WOM campaigns, marketers should be interested in the potential reach of WOM, or how far it can disseminate in the society. Customers do not readily share opinions with everyone. For example, they may share opinions about health services with some people, and opinions about cars with others. Therefore, WOM can follow different paths in a social network. In this study, we focus on two general factors that can affect the flow of WOM: product type and valence of opinions. The two factors are selected because of their practical relevance. Further, product type was studied using the search-experience-credence framework (Zeithaml, 1981).

We employ a network analysis of WOM because it takes into account the connectedness among people. We identified a small network segment, and asked every person in the segment for their intentions to share positive or negative opinions with every other person in the segment for different products. The products we identified were based on Murray (1991) and for search products include: windbreaker jacket, laptop, barbeque grill, running shoes, and digital camera; for experience products include restaurant meal, haircut/stylist, furniture rental, vacation, and movie; and for credence qualities include teeth cleaning, tax advice, home maintenance (plumber, electric), eye examination, and auto repair. For each of the 15 products, each respondent had to indicate on the survey if they would share positive and negative information with every other member of the social segment. The order of products and opinions were randomized and the data collection process included three steps over a period of three weeks. The network data collection is demanding, which resulted in 1952 data points for each respondent. The summary of the social ties and the dissemination of WOM by product type and valence are depicted on Figure 1 and Figure 2.

Our results demonstrate that WOM dissemination in the society follows a small-world pattern (Watts and Strogatz, 1998) similar to the underlying social structure. Therefore, the network properties of small-world can be applied to WOM. Regarding WOM dissemination, we find that credence products will not reach more than a third of the members of a social network. In contrast, WOM about positive experience can reach up to 80% of the social network and achieve almost its full efficiency. Most importantly, the dissemination of WOM does not seem to be affected by the valence of the shared opinion. Instead, we find that WOM depends primarily on the type of product. If practitioners want to increase WOM, they should connect the promotional campaigns to positive experience qualities, and conversely, if they want to suppress WOM, they should focus on credence qualities i.e., convey aspects customer do not understand or feel uncomfortable discussing.

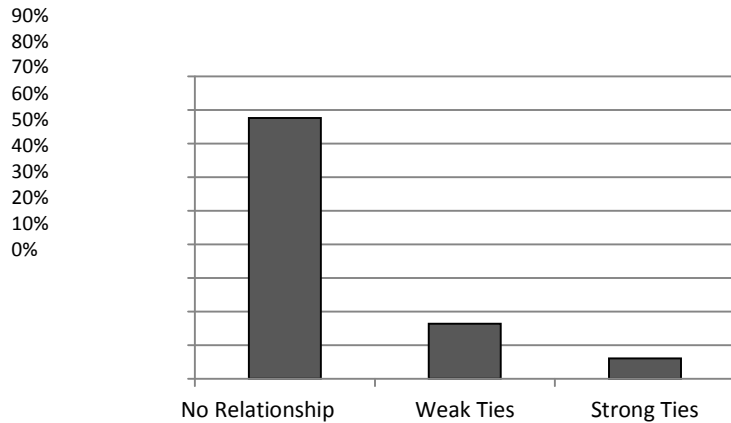


Figure 1: Distribution of Social Ties in the Network Segment

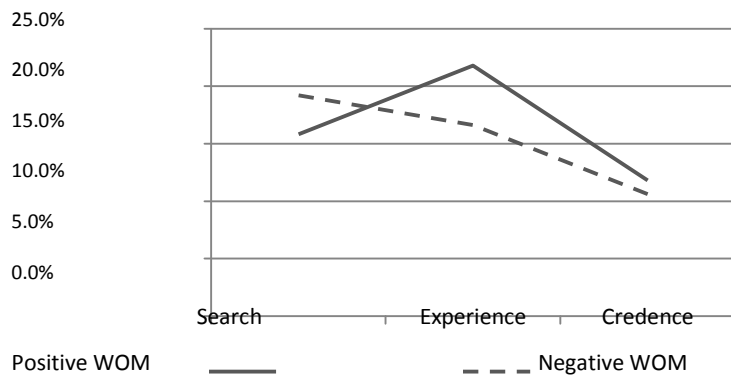


Figure 2: Amount of WOM by Valence and Product Qualities

Note: The percentage indicates to what proportion of the people in the social segment WOM would be shared.

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Summary Brief

Understanding Hoarding Behavior in Sales

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The absence of a healthy and meaningful dialogue about reasons behind why salespeople withhold and hoard knowledge is disconcerting, given the negative ramifications that withholding and hoarding have for the firm. This study addresses this issue by examining the drivers of knowledge hoarding behaviors in sales using a sample of industrial salespeople.

Introduction

In the cutthroat and competitive world of sales where knowledge is equated to power, the practice of knowledge hoarding has become prevalent. This practice is particularly predominant in sales organizations where the consequences of hoarding are likely to hinder the firm's access to timely and current market information and changing consumer trends. Knowledge hoarding behaviors are deviant behaviors detrimental to the organization's internal cohesiveness and intraorganizational collaboration (Nowlin, Anaza, and Anaza 2015; Stauffer 1999). It stifles any culture of sharing, communication and growth within organizations (Connelly, Zweig, Webster, and Trougakos 2012; Jain 2012). Despite the side effects of knowledge hoarding, research on the topic as it relates to sales professionals is limited.

Against this background of information, we examine factors that promote knowledge hoarding in sales. The purpose of this study is to test a framework that explores antecedents of knowledge hoarding behaviors among salespeople. This study draws on findings from the knowledge management literature that groups impediments of knowledge sharing to three categories: the environment, individual and incentive (Michailova and Husted 2003; Wolfe and Loraas 2008).

Literature Review

Drivers of Knowledge Hoarding

Salespeople refuse to share knowledge because of environment, economic incentives, and individual factors. Environment factors are variables associated with the organization's climate that limits salespeople from developing and maintaining meaningful working relationships with their coworkers and sales managers. These factors include workplace isolation, competition or infighting, and past opportunistic coworker behavior (Connelly et al. 2012; Constant, Kiesler, and Sproull 1994; Husted and Michailova 2002; Jain 2012). Incentive factors are organizational inducements that motivate sharing of market intelligence (Evans and Schlacter 1985; Pass, Evans, and Schlacter 2004). The lack thereof it would limit the transfer of market knowledge. These factors include lack of rewards, lack of feedback from upper management and lack of coworker feedback. Finally, individual factors are personality traits that naturally incline people to display withholding and hoarding tendencies (Colbert, Mount, Harter, Witt, and Barrick 2004; Mount, Ilies and Johnson 2006; Wang, Lin, Li, and Lin 2014). Of the five-factor personality model, we focus on how conscientiousness, agreeableness, and neuroticism indirectly affect knowledge hoarding behavior.

Methodology

Respondents that were selected to complete the questions for this survey were required to have over 50% of outside sales authority for their given firm. 6000 salespeople were invited to participate in an online study involving two business-to-business panels working in partnership with Qualtrics. After filtering out unqualified respondents and incomplete surveys, 234 respondents remained with fully completed surveys. These respondents were used in analyzing the data. Data analysis was carried out using structural equation modeling in Amos 22.0.

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Summary Brief

I'm Not Saying: A Trait Examination of Salespeople's Propensity to Withhold or Share Market Knowledge

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Salespeople act as the firm's primary point of customer contact and are in a position to acquire valuable knowledge about the market. This knowledge can help shape the firm's strategic efforts and improve the effectiveness of the sales force. However, little is known regarding the salesperson's motivations to share or withhold market knowledge. This research investigates the traits and motivations behind a salesperson's propensity to share and propensity to withhold market knowledge.

Introduction

Salespeople are boundary spanners, acting as the firm's primary point of customer contact and observer of competitor actions. This role enables salespeople to gather valuable market knowledge and better convey the unique value of the firm's products to customers, thereby affecting the external environment (Aldrich and Herker 1977). This market knowledge could also impact the internal environment if the firm utilized this knowledge to inform managerial decision making. However, most firms invest little effort into acquiring the market knowledge of salespeople (Pass, Evans, and Schlacter 2004) even though they consider such knowledge to be of more strategic importance than information provided by market research firms (Cross et al. 2001).

In addition, salespeople may see little reason to share their knowledge. First, they invest a great deal of effort to acquire market knowledge and view it as proprietary (Nowlin, Anaza, and Anaza 2015). Second, sharing their knowledge with others has the potential to increase colleagues' performance, which could threaten the salesperson's power, prestige, and job security (Huber 1982; Zack 1999). Finally, sharing market knowledge requires effort and time which could be spent on selling activities. This could hamper the salesperson's ability to reach and exceed sales goals. While research investigates mechanisms that encourage salespeople to share their market knowledge (e.g., Le Bon and Merunka 2006), it fails to examine the salesperson's tendency to contribute market knowledge from a trait perspective. The purpose of this paper is to examine personality traits which could affect a salesperson's propensity to share or withhold market knowledge.

Conceptual Framework

Trait theory provides a unique perspective for examining knowledge sharing and withholding behavior. Personality traits represent habitual patterns of thought and behavior that indicate a tendency to act in certain ways (Kassin 2003). Traits are relatively stable and enduring predictors of behavior (Conley 1985), which make them useful constructs in marketing research. Mowen's (2000) 3M Model of Motivation and Personality was chosen as the conceptual framework for this research because it is capable of providing unique insights into employee behavior (e.g., Flaherty et al. 2009). The model contains four levels of traits arranged in a hierarchical manner. Elemental traits are the most abstract and include the "Big Five" (openness to experience, conscientiousness, extroversion, agreeableness, and neuroticism). Elemental traits combine to form compound traits, which in turn combine to form situational traits, which represent a tendency to behave in certain ways in certain situations. Situational traits lead to surface traits, which are easily observed and highly predictive of behavior. The concreteness and relevance of surface traits make them useful for predicting behavior of interest to sales managers. This research introduces two surface traits: propensity to share knowledge and propensity to withhold knowledge.

Hypothesis Development

We hypothesize that eight traits in our model will have differential impacts on our constructs of interest, leading to sixteen hypotheses (H1-8a and H1-8b). Based on a review of knowledge sharing and withholding research, we expect openness to experience, agreeableness, need for activity, altruism, volunteer orientation, and job resourcefulness to be positive predictors of the propensity to share knowledge and competitiveness and present time orientation to be negative predictors of the propensity to share knowledge. The opposite should be true for each trait in regards to knowledge withholding. The unique design of our study may lead to interesting and surprising findings. We

are examining two opposing behaviors in one study (i.e., sharing and withholding), which may lead to the discovery of an overlap between the trait predictors of these behaviors. For example, competitiveness may be found to be a positive predictor of both knowledge sharing and knowledge withholding. This could mean that competitiveness may lead to knowledge sharing in some situations but knowledge withholding in other situations. Thus, our research could lead to a fuller and more nuanced understanding of knowledge sharing behavior.

Analysis and Discussion

Data will be collected from a Qualtrics panel of B2B salespeople. Analysis of the trait model will be performed using structural equation modeling. Post-hoc analyses will be used to investigate any surprising findings (e.g., overlap in trait predictors). Understanding trait predictors of sharing or withholding market knowledge could help sales managers identify salespeople who may be willing or unwilling to share market knowledge. Further, this insight would allow managers to develop incentive plans that specifically address the trait or combination of traits that drive salesperson inhibitions to sharing their market knowledge.

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Summary Brief

Examining the Role of Residual Customer Relationships in Reacquiring Customers

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There is growing interest in understanding how salespeople reacquire customers and why business customers decide to switch back to a supplier. When companies sever an exchange relationship, interpersonal relationships between individual members of the customer and supplier organizations often remain and can be the foundation of rebuilding a future relationship. This paper examines how these residual relationships impact both business-to-business salespeople and buyers. Two studies, one investigating salesperson perceptions, and one buyer perceptions, explore the phenomenon of reacquisition and switching back from two points of view. Findings suggest that positive and negative residual relationships can influence salesperson perceptions of the ease of reacquisition, and their effort levels. They can also influence buyer advocacy to return, the level of relationship reestablishment, and the level of reacquisition.

Introduction

Sales organizations constantly search for opportunities to gain, retain, and grow business opportunities. Yet no matter how effective a company's sales process or CRM program is, inevitably, some customers will defect and switch to alternative suppliers. When customers defect, they may leave behind a wealth of transaction specific information, including transaction history, preferences, motives, and evidence of what prompted their defection. Strategic leveraging of customer relationship portfolios will likely facilitate effective and efficient reacquisition processes (Thomas et al. 2004), and help design attractive win-back offers. Furthermore, by reacquiring lost customers with the right reacquisition strategy, suppliers may be able to communicate to the customer the importance of their relationship, form stronger bonds with these customers, and rapidly redevelop highly profitable exchange relations with these customer firms (Leach and Liu 2014).

In order to help narrow the gap in the Marketing and Sales literature on sales reacquisition strategies, this paper examines how positive and negative remaining relationships with organizational members impact the likelihood that the firms will reestablish business relations. Using terminology similar to that used in various sales- training modules, we label residual relationships that are positive "advocates" and those that are negative "blockers". Below we provide our hypotheses and a summary of findings from our two studies.

Study One

- H1.1:** Advocates will reduce a salesperson's perceptions of the difficulty of reacquiring the organization.
- H1.2:** Advocates will enhance a salesperson's level of effort put toward reacquiring the organization.
- H1.3:** Advocates in a prospective organization will increase the level of reacquisition of the organization.
- H1.4:** Blockers will increase a salesperson's perceptions of the difficulty of reacquiring the organization.
- H1.5:** Blockers will reduce a salesperson's level of effort put toward reacquiring the organization.
- H1.6:** A salesperson's perception of the difficulty of reacquiring a customer will reduce effort to reacquire.
- H1.7:** A salesperson's level of effort will increase the level of reacquisition.

Table 1: Structural relationships among constructs for B2B Salespeople in study one

			SE	
Structural Paths				
Advocates	→	Perceived Difficulty	-.04	H1.1
Advocates	→	Effort	.65 **	H1.2
Advocates	→	Level of Reacquisition	.19 **	H1.3
Blockers	→	Perceived Difficulty	.54 **	H1.4
Blockers	→	Effort	-.16 **	H1.5
Perceived Difficulty	→	Effort	.27 **	H1.6
Effort	→	Level of Reacquisition	.16 **	H1.7
Advocates	→	Blockers	.17 **	
Structural Model Goodness of Fit Statistics			n	500
Chi-square / df/ CFI / TLI / GFI / RMSEA			191.84 / 82/.97 / .97 / .95 / .05	

*p<.05, **p<.01

Study Two

H2.1: Advocates in a customer organization will increase the level of purchasing agent advocacy for returning.

H2.2: Advocates in a customer organization will increase the level of relationship reestablishment.

H2.3: Advocated in a customer organization will increase the level of reacquisition.

H2.4: Blockers in a customer organization will reduce the level of purchasing agent advocacy for returning.

H2.5: Blockers in a customer organization will reduce the level of relationship reestablishment.

H2.6: Blockers in a customer organization will reduce the level of reacquisition.

Table 2: Structural relationships among constructs for Purchasing Agents in study two

			SE	
Structural Paths				
Advocates	→	Purchasing Agent Advocacy	.56 **	H2.1
Advocates	→	Relationship Reestablishment	.15	H2.2
Advocates	→	Level of Return	.08	H2.3
Blockers	→	Purchasing Agent Advocacy	-.16 *	H2.4
Blockers	→	Relationship Reestablishment	-.71 **	H2.5
Blockers	→	Level of Return	-.05	H2.6
Purchasing Agent Advocacy	→	Relationship Reestablishment	.01	H2.7
Purchasing Agent Advocacy	→	Level of Return	.28 **	H2.8
Advocates	→	Blockers	.18 *	
Trust with Supplier	→	Level of Return	.29 **	
Structural Model Goodness of Fit Statistics			n	250
Chi-square / df/ CFI / TLI / GFI / RMSEA			126.39 / 45/.93 / .90 / .92 / .08	

*p<.05, **p<.01

Findings from our two studies suggest that salespeople examine the reacquisition efforts based partially on the presence of advocates and blockers. The presence of advocates enhances effort while blockers attenuate sales effort levels. Furthermore, advocates in the buying organization enhance purchasing agent advocacy that, in turn increases the level the supplier return.

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Full Paper

Because It Makes Me Feel Good: Moderation and Mediation Effects in Cause-Related Marketing

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Based on a 2x2 factorial design, advertisements for a consumer product generated higher purchase intentions when a cause-related marketing (CRM) message was present than when no such message was included in the ad. This effect was statistically significant, regardless of the type of the product (luxury versus non-luxury). However, for the specific cause used in this study (fight against breast cancer), gender moderated the relationship between the presence/absence of a cause in the ad and purchase intentions. Further, in order to shed more light on the underlying process of cause related marketing messages, two alternative mediation hypotheses were tested using a parallel multiple mediator model. Formal testing based on the procedures suggested by Hayes (2013) showed that positive emotions, but not attitudes toward the brand, fully mediated the relationship between cause and purchase intentions. The results thus suggest that emotions play a fundamental role in explaining the effectiveness of cause-related marketing.

Introduction

Corporate social responsibility (CSR) rejects the idea of pure profit maximization and stipulates that corporations must not knowingly do anything that could harm their stakeholders (Campbell 2007). The central idea of CSR is that by attending the interests of diverse groups, such as customers, employees, the government, local communities, and society at large, CSR initiatives can elicit favorable responses toward the company (Hildebrand, Sen, and Bhattacharya 2011; Maignan and Ferrell 2004). In fact, previous research demonstrates that successful CSR management can increase financial performance substantially (Luo and Bhattacharya 2006; Orlitzky, Schmidt, and Rynes 2003). A specific manifestation of CSR is cause-related marketing or CRM (Brønn and Vrioni 2001; Lafferty, Goldsmith, and Hult 2004), a strategy that ties donations to a non-profit organization directly with product sales (Varadarajan and Menon 1988). Thus, CRM meets the needs of companies that strive for reputation and financial success, and provides non-profit organizations with resourcing and funding opportunities (Chang 2008). Evidence from the field demonstrates that cause-related marketing matters: CRM spending in the United States has been growing at an impressive rate, from \$922 million in 2003 to \$1.78 billion in 2013 (Cause Marketing Forum 2014). However, there are also concerns regarding the credibility and commitment of companies engaging in CSR activities (Chang and Cheng 2015; Polonsky and Wood 2001). Consumers indeed question if a company's support of a social cause is a genuine effort to benefit the cause or merely a tool used to increase the consumer's goodwill toward the company (Barone, Miyazaki, and Taylor 2000, Skarmeas, and Leonidou 2013).

Because of the importance of cause-related marketing, a better understanding of the process related to CRM messages is needed. However, previous research investigates the influence of attitude formation and change in CRM (Chang and Cheng 2015; Gupta and Pirsch 2006; Lafferty and Edmondson 2014), but seems to disregard the role of consumer emotions in CSR advertising (for an exception, see Chang 2011). Further, although previous studies have shown a positive effect of cause-related campaigns and advertising on consumer attitudes and purchase intentions (e.g., Lafferty and Edmondson 2009; Nan and Heo 2007), the majority of CRM research focuses on the conceptual or perceptual fit between the brand and the cause (Barone et al. 2007; Kuo and Rice 2015; Nan and Heo 2007; Robinson et al. 2012) rather than the congruency between the cause and the consumer. To address these issues, we tested two alternative mediation paths (brand attitudes versus positive affect) in order to shed light on the underlying psychological process of cause-related advertisements and its effect on purchase intentions. Further, we investigated the influence of cause-gender congruency on individuals' reactions to a cause-related advertisement promoting the fight against breast cancer in order to demonstrate the importance of gender effects for the cause selection process.

Based on a parallel multiple mediator model, we found that positive emotions fully mediated the effect of the CRM message on purchase intentions, whereas the mediating effect of attitudes toward the brand was not significant. This finding is inconsistent with traditional perspectives on the attitude-behavior relationship such as the Theory of Planned Behavior (Ajzen 1991), but in line with recent research suggesting that attitudes are not always a good predictor of behaviors (Elen et al. 2013). Further, we found a moderating effect of gender on the effectiveness of the CRM message. Specifically, purchase intentions for a wristwatch were higher for female participants when the “fight breast cancer CRM message was included in the ad, as opposed to the same ad without the CRM message. However, for male participants, no such effect occurred. This moderating gender effect is highly relevant for marketing practitioners because it emphasizes the importance of paying attention to cause-consumer congruencies rather than only focusing on the congruency between the brand and the cause. In the sections that follow, we first present the theoretical framework and hypotheses development. Next, we describe the research method and summarize our findings. Finally, we discuss the implications of our research and suggest avenues for future research.

Theoretical Framework and Hypotheses Development

Early research on cause-related marketing suggests a positive effect of CRM cues on consumer responses (e.g., Ross, Patterson, and Stutts 1992; Webb and Mohr 1998). Different mechanisms may be at work to explain this effect. For example, social production function (SPF) theory posits that individuals generate their own well-being by achieving two ultimate goals, physical and social well-being, through optimizing five instrumental goals (stimulation, comfort, status, behavioral confirmation, and affection) (Lindenberg 1996). As societies are moving quicker towards a “global village” (Wellman 1999), individuals are becoming more interrelated with other people’s well-being. For instance, individuals are willing to provide money, food, or other means of relief to people who have been stricken by natural disasters, wars, or who are suffering from illness. Thus, through a process of optimizing social well-being by substituting the instrumental goals of status, behavioral confirmation, and affection (Ormel et al. 1999), individuals may decide to engage in morally desirable activities even when direct reinforcement does not occur. However, more recent empirical studies testing the CRM effect under controlled conditions have provided mixed results. A majority of studies (e.g., Nan and Heo 2007; Pracejus & Olsen 2004) show a positive effect of CRM messages on purchase intentions. On the other hand, Hamlin and Wilson (2004) do not find a main effect of cause-related cues on consumers’ evaluations of products and their intent to purchase, and Yechiam et al. (2003) observe a negative effect of CRM cues on product choice when CRM was used to promote a superior product alternative. These diverging findings may of course be tied to moderators related to, e.g., the type of product or the specific consumer segment. For example, Luchs et al. (2010) show that the positive effect of product sustainability on consumer preferences is reduced for those products where strength-related product attributes are important (such as detergents), because consumers tend to associate higher product ethicality with gentleness attributes and lower product ethicality with strength-related attributes. Because, as demonstrated above, a majority of previous research has found a positive effect of CRM messages on attitudes and preferences and the product featured in our study was a wristwatch where gentleness to the skin may be important, we hypothesize the following:

H1: Participants express higher purchase intentions for a wristwatch featured in a print advertisement when a CRM is present in comparison to the same ad without a CRM message.

Although testing the main effect of CRM messages on purchase intentions may be insightful in its own right, this research aims to shed light on the underlying psychological processes that explain why CRM works in the first place. Previous research has conceptualized CRM as a comparably rational mechanism that is triggered by attitude change or similar cognitive processes (e.g., Chang 2008; Lafferty and Edmondson 2009; Pracejus and Olsen 2004; Robinson et al. 2012). Chang (2011) included affect in his CRM model but focused on guilt, a negative emotion. However, our study argues that positive emotions may play a fundamental role in explaining the positive impact of CRM messages on consumer responses. In disentangling purely emotional from attitude-driven explanations, two competing hypotheses are formulated and tested in a parallel multiple mediation model. H2a states a mediating effect of attitudes toward the brand, whereas H2b refers to positive emotions as the mediator for the positive effect of CRM message on purchase intentions.

H2a: Attitudes toward the brand mediate the relationship between cause and purchase intentions.

H2b: Positive emotions mediate the relationship between cause and purchase intentions.

We draw on Congruity theory (CT) to formulate our expectation concerning the moderating effect of gender for the specific CRM message used in our study. Congruity theory states that individuals seek to establish

and maintain consistency among cognitive elements (Kamins and Gupta 1994). Building on the CT framework, previous studies have focused on the fit between the brand and the cause (Hamlin and Wilson 2004; Kuo and Rice 2015; Lafferty et al. 2004; Nan and Heo 2007; Prajescu and Olsen 2004), the product category and the cause (Lafferty et al. 2004), or the cause and the retailer (Ellen, Mohr, and Webb 2000). However, research considering the congruity between the cause and the consumer is extremely scarce (for an exception, see Gupta and Pirsch 2006). Considering that, similar to brands, causes can be gendered (for example, the Susan G. Komen for the Cure initiative is portrayed as being more female, whereas other causes may be perceived as being neutral or male-gendered), we hypothesize that a specific cause can have a differential effect on purchase intentions for male versus female consumers. This expectation is also congruent with self-categorization theory, which suggests that consumers prefer causes from a domain they most closely associate with (Lafferty and Edmondson 2014). Hence,

H3: For a feminine cause-related marketing message (fight against breast cancer), gender moderates the effect of the CRM message on purchase intentions. Specifically, the difference in purchase intentions for an ad with a CRM message (as opposed to the same ad without such a message) is higher for female than for male consumers.

Finally, previous research has tested the fit between brand and cause, but has been surprisingly silent concerning the boundary conditions for the product type itself. Strahilevitz and Myers (1998) report that cause-related marketing was more effective for frivolous luxuries (e.g., a hot fudge sundae) than for practical necessities (e.g., a box of laundry detergent). The underlying effect is based on the premise that the consumption of luxury products evokes guilt (Lascu 1991) which consumers seek to compensate with socially-desirable or altruistic behaviors (Cialdini et al. 1982). Hence,

H4: The type of product moderates the effect of the CRM message on purchase intentions. Specifically, the difference in purchase intentions for an ad with a CRM message (as opposed to the same ad without such a message) is higher for a luxury product than for a non-luxury product.

Method

Pretests

Three studies were conducted to select and pretest the product category, brand, and cause. Informal conversations with university students suggested six relevant product categories: Handbags, shoes, perfumes and body lotions, sunglasses, belts, and watches. To ensure that participants were involved with the product category, 75 university students (54 female) were asked to rate the six product categories mentioned above based on Zaichkowsky's (1994) ten-item, seven-point personal involvement inventory. The results suggested a high product involvement for perfumes and lotions (M=5.50), followed by shoes, (M=5.41), watches (M=5.00), handbags (M=4.16), sunglasses (M=4.10), and belts (3.71). For the main experiment, wristwatches were selected because they demonstrated a reasonably high product involvement and have been used successfully in previous consumer research (e.g., Teas and Agarwal 2000). Similar procedures were used to select the brand (Gucci for the luxury brand and American Eagle for the non-luxury brand), and the cause (fight against breast cancer).

Participants and Design

One hundred and seventy-two undergraduate students (114 female) from a private university in Northern Mexico were randomly assigned to cells of a 2 (advertising with versus without cause) x 2 (luxury product versus non-luxury product) factorial design. The context of the study, an emerging economy, is relevant for the topic because corporate social responsibility has become increasingly important outside of the traditional realm of developed countries (Baskin 2006). Thus, this study follows Burgess and Steenkamp's (2006) call for more research in emerging economies.

Participants saw one of four different advertisements for a watch that represented the manipulations for cause (with or without) and type of product (luxury versus non-luxury). The four combinations resulting from these two manipulations are shown in Annex 1. For example, participants in the "with cause/luxury product" condition saw an advertisement for a Gucci-branded watch, accompanied by a larger text saying "Today you have time to give time to someone: Join the cause," a pink ribbon, and a smaller text saying "Buy the watch and contribute to the fight against breast cancer." Participants in the "without case/non-luxury product" condition saw an advertisement for an American Eagle-branded watch, accompanied by a larger text saying "The time lost is never recovered" and a smaller text saying "Now available in stores". Participants then answered questions related to their purchase intention, attitudes toward the brand, emotions, brand familiarity, product involvement, and demographics.

Measures

Purchase intentions were assessed by asking participants to indicate the probability that they would purchase the brand in the future, based on MacKenzie and Spreng's (1992) three-item, seven-point semantic differential scale. The end-poles of the three items were unlikely/likely, improbable/probable, and impossible/possible (Cronbach's $\alpha = .89$). Attitudes toward the brand were measured with Campbell and Keller's (2003) four-item, seven-point differential scale, anchored by bad/good, low quality/high quality, unappealing/appealing, and unpleasant/pleasant ($\alpha = .92$). Positive emotions were measured with Watson and Clark's (1994) Positive and Negative Affect Schedule (PANAS, $\alpha = .90$). Brand familiarity, one of the two control variables in the study, was assessed with three seven-point items from Kent and Allen (1994), anchored by unfamiliar/familiar, inexperienced/experienced, and not knowledgeable/knowledgeable ($\alpha = .61$). Although reliability for this scale was the lowest for all scales in this study, it is still above the cut-off value of .60 suggested by Nunnally (1978) for scales used in exploratory research. The second control variable, product involvement, was measured with nine seven-point items from Zaichkowsky's (1994) personal involvement inventory ($\alpha = .94$).

To evaluate the success of the product type manipulation (luxury versus non-luxury), participants expressed their agreement with three items (prestige, exclusive, and high status) on a seven-point scale anchored by totally disagree/totally agree (Kirmani et al. 1999, $\alpha = .92$). Because all scales demonstrated unidimensionality and acceptable reliability, composites based on factor scores were used in the subsequent analysis. Specifically, the imputation option in AMOS 22.0 was used to reduce the scores from the multi-item measures to just one latent factor score. The advantage of using composites based on factor scores instead of simple or weighted averages is that more information from the original latent variables is retained.

Manipulation Checks

A one-way analysis of variance (ANOVA) showed that participants who saw the ad with the Gucci watch (luxury product condition) scored significantly higher ($M=6.29$) on the three-item, seven-point Kirmani et al. 1999 prestige measure than those participants who saw the ad with the American Eagle watch (non-luxury condition) ($M=4.19$, $F[1, 170]=172.74$, $p<.001$). The success of the manipulation for the absence or presence of the cause in the advertisements was not assessed because the interest of the study was tied to the effect of the factual absence or presence of the cause in the advertisements and not to participants' conscious awareness of the absence or presence of the cause. In other words, the study assumes that the absence or presence of the cause may very well work at the unconscious or subconscious level of information processing.

Results

Main Effects of Cause and Product Type

Results from a univariate general linear model with cause and type of product as the factors and purchase intentions as the dependent variable revealed a significant main effect of cause on purchase intentions. Specifically, participants who saw a version of the ad where the cause (donation to fight breast cancer) was included expressed a significantly higher purchase intention ($M=3.20$) for the watch than those participants who saw the same ad without the cause ($M=2.79$, $F = 5.12$, $p<.05$). Thus, the results provided support for H1. The product type (luxury versus non-luxury) did not directly influence purchase intentions. Finally, the direct effects of the two control variables (brand familiarity and product involvement) were not statistically significant.

Mediation of Attitudes Toward the Ad and Positive Emotions

In order to test hypotheses H2a and H2b, both attitudes toward the brand and positive emotions were entered into a parallel multiple mediation model (model 4 in Hayes 2013). Although the graphical representation of model 4 shows only one mediator, it can be extended to include several mediators simultaneously (p. 134). Congruent with the results from the main effect analysis based on the univariate analysis of variance shown previously, a bootstrap analysis with 10,000 samples (Preacher and Hayes 2008) indicated a positive and statistically significant total effect of cause (absence or presence) on purchase intentions ($b=.41$, $t=2.08$, $p<.05$). Contrary to hypothesis 2a, the mediating effect of attitudes toward the brand was not significant ($b=-.02$, bootstrapping $SE=.04$, 95% $CI=-.12$ to $.03$). However, supporting hypothesis 2b, the mediating effect of positive emotions was positive and statistically significant ($b=.21$, bootstrapping $SE=.10$, 95% $CI=.04$ to $.42$). Thus, positive emotions, rather than attitudes towards the ad, seemed to be the underlying psychological mechanism that explained the positive effect of cause-related marketing activities on purchase intentions in this study. With the simultaneous inclusion of the two mediators into the model, the direct effect of cause on purchase intentions became non-significant ($b=.22$, $t=1.30$, $p=.19$). Thus, positive emotions fully mediated the relationship between cause and purchase intentions, which is equivalent to indirect-only mediation in Zhao et al. (2010).

Testing for Boundary Conditions: Moderation Effects

Testing for moderation effects was based on Hayes (2013) model 1. In order to facilitate the interpretation of the results, the independent variables were mean-centered. As shown in Figure 1, and supporting H3, the analysis revealed a statistically significant moderating effect of gender on the relationship between cause and purchase intention ($b=.90$, $t=2.16$, $p<.05$). This coefficient is an unstandardized effect, that is, it is contingent on the scale of the dependent variable.

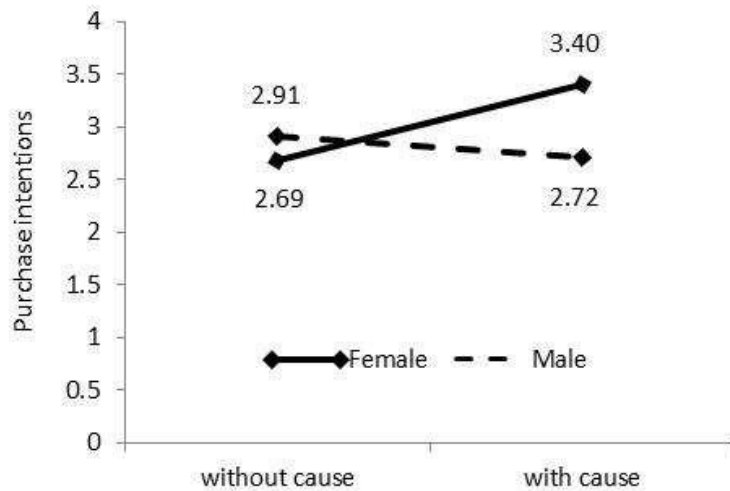


Figure 1: Gender Moderation

The advantage of Hayes' regression-based approach to moderation is that it does not only provide information regarding the significance of the interactions and the cell means, but also the conditional effects of the independent variable at different levels of the moderator. The conditional effect of cause (absence or presence) on purchase intention was .71 at level .5 of the moderator (that is, for female participants). This effect was statistically significant ($t=2.92$, $p<.01$, 95% CI=.23 to 1.19). However, the conditional effect for cause on purchase intention at level $-.5$ of the moderator (that is, for male participants) was $-.19$ and not significant ($t=-.56$, $p=.58$, 95% CI $-.85$ to $.48$). Thus, the presence of the social cause of fighting breast cancer in the advertising increased women's intention to purchase the product by .71 points on the seven-point purchase intention scale, whereas men apparently did not react to this specific cause. In fact, the negative coefficient, though statistically not significant, suggests that men might actually be repelled by an openly feminine social cause. On the other hand, product type (luxury versus non-luxury) did not moderate the relationship between cause (absence or presence) and purchase intentions (H4). Thus, the effect of the CRM message proved to be robust for both luxury and non-luxury products.

Discussion, Implications, and Avenues for Future Research

This study contributes to the existing knowledge on cause-related marketing in several ways. First, the results of the experiment demonstrate a positive effect of the "fight breast cancer" CRM message, regardless of the type of advertised product (luxury versus non-luxury). Although previous research suggests that the decision making process for luxury products is often quite different from the decision making process for non-luxury products (Geiger-Oneto et al. 2012), previous research has not investigated if these differences affect the effectiveness of CRM messages. The experimental design used in this study provides preliminary evidence regarding this issue and suggests a comparatively robust effect for CRM cues. However, whereas CRM messages seem to work in different contexts and situations, marketing managers are advised to choose the specific cause for their campaign with care.

The results of this study demonstrate a significant gender effect for the CSR message on purchase intentions. Whereas the effect of the "fight breast cancer" CSR message on purchase intentions was positive and statistically significant for female participants, no such effect was found for the male participants in this study. Rather, the sign of the regression coefficient, though not statistically significant, suggests in fact the possibility that, depending on the congruity between cause and consumer, specific consumer segments may be repelled by certain causes. Investigating this possible "backfire" effect of cause-related marketing campaigns opens interesting avenues for future research. Second, the results of this study shed light on the psychological process that explains the

effectiveness of CRM messages. A mediation analysis based on the procedures described by Hayes (2013) suggests that positive emotions, rather than attitudes toward the brand, can play the dominant role in this process. The role of affect has been widely neglected in previous research on cause-related marketing, and this study presents a first step towards more research able to integrate emotional responses into the current CRM framework.

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Appendix: Manipulations for Cause and Product Type



Summary Brief

How “One For One” Product Donations Improve Cause- Related Marketing Performance

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CRM programs are a valuable marketing tool marketers use to improve sales and enhance corporate image. However, it is unclear if companies should donate products or money to the causes they support. Existing research is conflicted on how consumers evaluate and respond to different types of donations. Moreover, no research currently explains the success of matched product donations, like the “One for One” Tom’s shoes model. The identified victim effect is proposed as the underlying process responsible for consumers’ favorable response to matched product donations. Purchasing a product similar to the product received by the donation recipient creates an interconnection that drives feelings of empathy and perceptions of greater impact.

Introduction

Companies have incorporated cause-related marketing (CRM) as a major promotional tool since the inception of the CSR technique in 1989. CRM is a strategically charged form of philanthropy that ties charitable donations to product sales. These campaigns come in a myriad of forms and ultimately vary greatly with how successful they are. Tom’s shoes has become an iconic example of CRM success. Their “one for one” donation model has been an effective program imitated by many other companies in both related and unrelated product categories. The “one for one” program matches products purchased by consumers with a donation of the same product to those in need. Limited research has addressed the implications of companies donating money vs. product and the few findings conflict (Ellen, Mohr, Webb 2000; Folse et al. 2014). Moreover, no empirical research to date begins to explain the huge success of matched product donations.

The purpose of this research is to examine how consumers respond to “one for one” donation models and compare consumer response between product and cash donations. Research on the identified victim effect (IVE) may help explain the psychological process that causes consumers to participate in these promotions. This theory explains that people tend to be more responsive towards an identified individual in need compared to a larger, more anonymous grouping of people (Cryder, Loewenstein, and Scheines 2013). This research asserts that matched product donations lead consumers to feel a connection and commonality with the donation recipient, and functions much like the IVE. A parallel mediation model is proposed, such that the effect of donation type on cause attitudes is mediated separately by empathy and perceived impact.

The Identified Victim Effect

Research on the IVE has found that individuals are more generous when they know the victim’s age and name (Kogut and Ritov 2005). Additionally, the IVE has been demonstrated when individuals have more details about the nonprofit’s services compared to when the nonprofit information is more vague (Cryder, Loewenstein, and Scheines 2013). Information that is tangible and vivid generates empathetic feelings, and also makes individuals feel like the help they give will make a greater impact (Cryder, Loewenstein, and Scheines 2013). Empathy is an important driver of helping behavior and occurs when an individual compassionately takes another’s perspective (Kogut and Ritov 2005). This is closely related to the interconnection associated with a feeling of “oneness”. The present research proposes that “one for one” CRM campaigns lead consumers to identify more strongly with the donation recipient, as compared to more abstract monetary donations. When consumers participate in “get one, give one”, they have direct contact with the same product being donated. Thus, consumers can easily imagine the donation recipient and feel empathy for them. Moreover, this identification causes consumers to feel more empathy and perceive the donation as more helpful.

Hypothesis 1: Matched product donations will elicit greater empathy, as compared to monetary donations.

Hypothesis 2: Matched product donations will be perceived as making a greater impact, as compared to monetary donations.

Individuals who feel empathetic towards a needy cause will likely have more favorable attitudes for that cause. Empathy has been shown to impact both judgments and behavior (Agnihotri et al. 2012). It is proposed that the effect of donation type on consumer attitudes is transmitted through affective identification. Thus it is formally hypothesized:

Hypothesis 3: The effect of donation type on attitude toward the cause occurs indirectly through affective identification.

In general, individuals prefer their donations to make a substantial impact. This perception of making a difference is an important driver of how consumers' view an opportunity to help (Cryder, Loewenstein, and Scheines 2013). Therefore, it is predicted that the effect of donation type on consumer attitudes will be transmitted through perceptions about the impact of the donation.

Hypothesis 4: The effect of donation type on attitude toward the cause occurs indirectly through perceived impact.

Proposed Methodology

In order to test the presented hypotheses, an experiment will be used. Existing scales from the literature will be employed, and a pretest will determine the stimuli. Participants will be randomly assigned to read a promotion description with a company donating either money or a product matching the product to be purchased. Type of donation will be the independent variable. Empathy and perceived impact will be used as mediators. These constructs will be measured, as well as the dependent variable, cause attitudes.

Discussion and Implications

If the hypotheses are supported, insight will be found on how consumers respond to different types of donations in CRM campaigns. First, consumers are better able to imagine the recipients' situation and feel more intense empathy for the recipient when matched products are donated. Second, consumers' perceive the donation as making a greater impact when products are donate. Together, empathy and perceived impact lead consumers to have more favorable attitudes toward the cause.

This research improves the IVE by testing if a subtle and implicit manipulation can produce the effect. The results of this research may suggest that purchasing a product similar to the product received by the donor is very powerful. Additionally, the findings from this research may explain the huge success of promotions like Tom's shoes "One for One," a phenomenon no existing research has accounted for. By understanding the mechanism responsible for the success of these programs managers can strategize techniques to replicate the positive effect. The matched donation creates a connection between the consumer and the recipient. Any CRM campaign that created a comparable connection or established a similarity between the consumer and recipient should have positive effects.

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Summary Brief

Donating Your Money and Words: Determining the Antecedents of Positive Word of Mouth for Non-Profit Organizations

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Finding the right way to communicate the importance of donating is vital to the success of an Non profit organization (NPO). Although Word of Mouth (WOM) has been identified as one of the most effective ways for companies to communicate with their customers, no research has examined how NPOs can use WOM in the donation context, especially positive WOM. In this paper, we examine the importance of WOM for NPO marketing, and extend current research regarding the factors that affect customers' intentions to spread positive WOM. We provide valuable suggestions for an NPO's marketing strategy for generating WOM. Our results suggest that the three main antecedents of positive WOM are satisfaction, cause importance, and participation. Additionally, our results reveal that cause importance and participation level not only directly influence the willingness to spread positive WOM, but can indirectly influence the willingness to spread positive WOM through satisfaction.

Introduction

Research has shown that the majority of donations from individuals are a result of a direct request by the organization (Bryant et al. 2003), which suggests that effectively communicating with donors may be the first, and possibly most crucial, step to soliciting donations successfully. Although WOM has been identified as one of the most effective ways for companies to communicate with customers (Chen and Xie 2008), no research has examined how to use WOM, especially positive WOM, to increase donations for NPOs.

Increasing the credibility of information resources and decreasing the perceived risk should play a major role in a marketing strategy for generating WOM. By considering the different attributes of charitable giving and customer behavior compared to general products, we study the factors that influence a donor's intentions to spread positive WOM. Specifically, we answer two research questions: What are the antecedents for a giver's positive WOM? How do these antecedents influence a giver's positive WOM intention?

Literature Review and Hypotheses

Satisfaction has been shown to be a key antecedent of positive WOM. Jones, Reynolds, and Arnold (2006) found that customers' overall satisfaction influences both intentions and behaviors in the spreading of positive WOM. Based on previous work in the literature, we propose the following hypothesis:

H1: A giver's satisfaction strengthens the willingness of the giver to engage in positive WOM.

File, Cermakand, and Prince (1994) found that participation is the key factor in engendering WOM. Participation level is positively associated with the likelihood of a customer spreading positive WOM and recommending this service or product to others. We anticipate that a giver's participation will have both of these direct effects on positive WOM, and we propose that:

H2: A giver's participation level is positively associated with the willingness of the giver to engage in positive WOM.

A high participation level can emphasize involvement and reduce the perceived risk, so it can also positively influence customer satisfaction. Rarely do consumers keenly engage in activities that are not important to them. In this sense, participation allows the consumer to be involved with the process, often making the cause seem more important and thus increasing satisfaction (Russell-Bennett, McColl-Kennedy, and Coote 2007). Therefore, we

hypothesize participation will have indirect effects (via satisfaction) on positive WOM:

H3: The effect of a giver's participation level on positive WOM is partially mediated by the giver's satisfaction from their participation.

In other words, a giver's participation level is positively associated with the giver's satisfaction and the giver's participation level can influence the giver's willingness to engage in positive WOM via an increase in the giver's satisfaction. One of the most influential factors in the decision to support an NPO may be the cause itself. The higher the perceived cause importance, the more likely it is that individuals will engage in positive WOM about this cause (for example, telling their friends how important this cause is and persuading them to participate as well). Thus, we propose that

H4: Perceived cause importance is positively associated with the willingness of a giver to engage in positive WOM.

We also anticipate that perceived cause importance has indirect effects (via satisfaction) on positive WOM because, for NPOs, customers may lower their expectations in the knowledge that there is a "greater good" being accomplished through this organization. In this sense, expectations tend to be met or even exceeded, giving the donor a higher perception of satisfaction from association with the NPO. Cause importance can also directly influence the expectation of the donor, which in turn can influence the overall satisfaction of the customer, since customer satisfaction is determined by the difference between expectations held by the consumer and the actual perceptions of the experience (Churchill and Surprenant 1982)

H5: The effect of perceived cause importance on positive WOM is partially mediated by a giver's satisfaction from their participation.

Methodology

We conducted a survey via one of the biggest survey agencies in China and collected 307 valid questionnaires. To ensure every participant could easily recall their experience of giving, only participants who had donated in the six months before the survey were eligible to participate in our study. A giver's participation level, perceived cause importance, satisfaction, and the willingness to engage in positive WOM were measured using 5-point Likert scales (from 1 strongly disagree to 5 strongly agree).

Results

The structural paths in the research model were tested. H1 ($\beta = .49$, $t = 17.44$), H2 ($\beta = .66$, $t = 15.15$), and H4 ($\beta = .37$, $t = 10.72$), which examined the direct effect of customer satisfaction, participation level, and perceived cause importance on positive WOM, were all supported. The hypotheses testing the mediation effect of customer satisfaction on positive WOM (H3 and H5) were also supported by the data.

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Summary Brief

The Reality of Fair Balance: Altering the Visual Presentation of Risks in Direct-to-Consumer Pharmaceutical Advertisements

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According to the Washington Post, the amount spent by pharmaceutical companies on direct-to-consumer (DTC) advertising was over \$4.5 billion in 2014, up from \$3.5 billion in 2012. Some of the biggest concerns of DTC drug advertisements involve the combining of the audio with discordant visuals when the risks of the drug are being presented to the consumer. While the audio of the advertisement must be presented in a straightforward manner, the video of the advertisement is often skewed and altered while the audio is being presented. The proposed research aims to further explore the issue of DTC warning perceptions by examining the effect of perceived reality of the video presentation by the viewer on retention and comprehension of the drug's audio message. Using dual-coding theory as a guide, hypotheses are presented concerning the effect of time, color and focus video alterations on message reception.

Introduction

To say that the pharmaceutical industry is big business would be an understatement. According to the World Health Organization, the global pharmaceutical market is worth more than \$300 billion in the year 2015 and is expected to rise to \$400 billion by the year 2019. According to The Washington Post, the pharmaceutical industry spent \$3 billion on consumer-focused marketing efforts in 2014. The promotion of prescription drugs is closely regulated in the US by the FDA (FDA.gov) and self-regulated within the industry. For example, the Pharmaceutical Research and Manufacturers of America (PhRMA), has established guidelines to help pharmaceutical companies comply with FDA requirements to be “accurate and not misleading” and to present a “fair balance” of risks and benefits. Further, the guidelines serve to help companies go above their legal obligations and provide promotional messaging that is educational and assists consumers in making informed decisions about their health care choices (Phrma.org).

A cursory examination of typical DTC drug advertising could lead one to believe that there does indeed exist a fair balance between the benefits and risks of the drug as both risks and benefits are usually presented through an audio voiceover while a video message is being played. Generally, the benefits are presented early in the advertisement and the risks are presented later in the advertisement. However, studies such as Day (2005) suggest that the video playing while the audio risks are being presented influences the reception of the audio message. Day's (2005) study looking at a DTC advertisement for the allergy drug Nasonex presented such a case. In the Nasonex advertisement, an anthropomorphized animated bee is seen happily buzzing around the screen while the warnings and possible negative side effects of the drug are being presented in an audio voiceover. According to Day (2005), the nature of the visuals being presented limited an individual's cognitive accessibility, leading to a lowered ability to comprehend the presented audio message. This is congruent with Lang's (2000) model of limited capacity, which proposes that viewers of advertising only process certain parts of a mediated message such as a television commercial, and that they do this as a result of unconscious and unintentional processes.

The purpose of this proposed research is to explore the effect that different video alterations will have on perceived risk of the product, attitude toward the advertisement, and attitude toward the ad. While Day's (2005) research examined the movement of an animated element introduced in an advertisement, the present research explores whether the same reduction in cognitive accessibility takes place with subtler alterations to the video presentation. What kinds of video presentation have the most effect on the consumers' processing of the audio message in DTC advertisements? Do effects on cognitive accessibility influence the consumer's attitude toward the product and advertisement in a negative or positive way? The proposed study aims to explore these questions.

Theoretical Development

Previous research, most notably by Day (2005), has demonstrated that discordant visuals presented with an audio message can impair one's cognitive accessibility. According to dual coding theory (Paivio 1991) a message containing both audio and visual aspects is coded together into one cohesive message. Day (2005) suggests that a discordant visual message will cause more cognitive processing directed toward that visual message ultimately leading to the audio stimuli not being processed effectively. For this research, various aspects of the visual message will be altered to examine the effect on a dual coded DTC risk message. There are three ways that perceptions of visual reality will be manipulated. First, the speed of the video will be slowed down so as the video played when the risks are being presented will appear to be in slow motion. Next, the focus of the video will be altered so that the video appears to have an unnatural soft-focused halo effect to it. Finally, the color of the video will be altered so that the colors presented in the video are more intense. In addition, all three alterations will be presented at the same time.

Methodology

A survey will be developed and made available to consumers via Amazon.com's Mechanical Turk (MTurk). Respondents will be randomly assigned to view either an unaltered advertising treatment or one of four altered advertising treatments. In the unaltered advertisement treatment, the respondent is shown a produced video advertisement for a fictional drug with the benefit and risk audio presentation being made over a video that has been not been altered in any way. In the altered advertisement treatments, the respondent is shown a produced video advertisement for a fictional drug with the benefit and risk audio presentation being made over a video that has been altered, either through the speed of the video, the focus of the video, the color intensity of the video, or all three of these alterations in unison. After the video is completed, a survey will be administered. A manipulation check will be included in the survey in order to make sure that the reality manipulations of the video are indeed perceived by the respondent. The data collected from the survey will then be analyzed with MANOVA and reported. Overall, it is our hope that this research will add to the DTC pharmaceutical advertising knowledge and examine possible limitations to the idea of fair balance.

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Summary Case

Confucianism: a Moderating Role of Culture on Attitude Towards Brand When a Celebrity Has Negative News Become Public

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This paper presents a comparative study conducted in the U.S. and China to investigate how negative celebrity news affects the celebrity's source credibility, thus influencing customers' attitude towards brand. Two incidents, an extramarital affair and a drug addiction, for a well-known celebrity were developed and investigated using a sample of about 800 responses from China and the U.S. Study shows that given identical stimuli, customer attitude towards brand differs depending on whether a Confucianism or individual culture customer participates.

Introduction

Celebrity endorsement advertising has long been recognized as an effective method in modern marketing (Stafford, Spears, and Hsu 2003). The downside is the damage to the brand image if their famous spokespersons no longer fit the value of a product, disappear from the media, or experience a sudden fall from grace (Erdogan 1999). In this study, it aimed to examine (1) the partial mediating role of celebrity's source credibility when investigating the impact of negative news on attitude towards brand; (2) the moderating role of cultural difference.

Conceptual Background and Hypotheses

Source credibility is generally defined by three dimensions: attractiveness, expertise, and trustworthiness (Ohanian 1990). Negative celebrity news can reduce a celebrity's perceived attractiveness, which in turn, influence consumers' attitude toward the brand (Fleck, Korchia, and Le 2012). This research invented a new categorization of negative news: violation of the law (formal) versus violation of social norms (informal). Scott (2000) concludes that legal rules (law) have direct effects by imposing sanctions or granting subsidies. Social norms are standards that guild or constrain members' social behavior by influencing behavior without the force of laws (Cialdini, Kallgren, and Reno 1998; Scott 2000).

H1: Respondents who are exposed to negative celebrity news about (a) violation of a law and (b) violation of a social norm will form less favorable attitudes towards brand versus respondents exposed to the same advertising but who are not subsequently exposed to negative celebrity news.

H2: Respondents who are exposed to negative celebrity news about (a) violation of a law, and (b) violation of a social norm will perceive less source credibility versus respondents exposed to the same advertising but who are not subsequently exposed to negative celebrity news.

Moderating Role of Cultural Orientation

Hofstede's index shows that America is the most individualistic of any country, while China is significantly more collectivist because of their culture roots in Confucianism (Hofstede and Bond 1988). China has a long history of using informal criminal justice controls advocated by Confucius (Lambert and Wang 2007). Confucius argued that the best government is one that rules through people's natural morality, rather than by using bribery and coercion. However, the U.S. government and individuals mainly rely on legality to manage the social system. Research shows that the US has 900,000 licensed attorneys, compared with only 17,000 for Japan (Bremner 1999). The distinction shows that legal system plays a large role in the U.S.

H3: For consumers from Confucian cultures, negative celebrity news about violation of a social norm will result in less favorable attitude towards the brand than violation of a law.

H4: For consumers from individualistic cultures, negative celebrity news about violation of a law will result in less favorable attitude towards the brand than violation of a social norm.

Methodology

To test the hypotheses 1-4, a 2 (culture difference of audience: Confucian x 3 (Chinese vs. individualistic U.S. Negative news type: violate the law, violate social norms, and no negative news) experiment study was conducted. 368 American and 406 Chinese were participated. Two hypothetical incidents relating to an extramarital affair and a drug addiction disclosure for celebrity Jackie Chan were developed and. 15 seven-point items were taken from Ohanian (1990) to measure celebrity endorsers' credibility, and ATTB was also assessed and measured. After data was collected, measurement equivalence and scalar invariance were established, which met the crucial requirement when the same measures are used in a cross-national study (Van de Vijver and Fischer 2009). To examine H1- H4, a 2 × 3 MANOVA with unrepeated measures was conducted. Results revealed a significant main effect of negative news on attitude towards brand ($F_2 = 13.2, p < .05, \bar{x}$ Violate law=6.21, $SD=.125$; \bar{x} Violate Social norm=5.92, $SD=.12$; \bar{x} no negative=6.99, $SD=.16$). These results provide strong support for H1. However, no significant effect of type of news on source credibility was found ($F_2 = 1.1, p > .05$). H2 are not supported. The results further revealed a significant interaction effect of type of news and culture on attitude towards brand ($F_2 = 3.03, p < .05$); in Chinese culture, the mean of attitude towards brand is significant lower when celebrity violated social norm than violated law (\bar{x} violated law=5.70, $SD=.19$; \bar{x} violated Social norm=5.5, $SD=.17$; \bar{x} no negative=6.95, $SD=.19$). These results suggest that H3 is supported. But H4 is not supported.

Discussion and Implication

Results from the study indicate that negative news about violation of a social norm has stronger effects than violation of a law. Surprisingly, negative news has positive effects on source credibility. Therefore, the partial mediating role of source credibility is not supported. Results from Hypotheses 3 and 4 indicate that the Chinese perceived relatively lower attitude towards brand when negative news showed that social norms were violated rather than the law was violated. Hence, culture influence consumer process negative celebrity news is validated. This finding can help international advertiser to estimate the damage of negative celebrity news, thus mitigate potential risk. Future research should investigate other factors that influence effectiveness of endorsement, such as the celebrity's fit with the brand or the product, and the choice of negative celebrity news forms and media.

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Summary Brief

Boomerang Effect of the Conditional Promotions: Implications for Shopping Cart Abandonment

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We examine the impact of unfulfilled conditional promotions on shoppers' response toward the transaction, the seller and the promotional offer. We found that when shoppers failed to take advantage of condition promotion, 1) their perception of product value, attitude toward the store, and repurchase intention are likely to be lower when the promotion is offered in terms of free shipping as compared to a cash reward; 2) when the distance from original order size to promotional threshold is close, shoppers generate lower perception of unfairness than when the distance is far; 3) when the distance to threshold is far (vs. close), cash reward (vs. free shipping) leads to higher shopping cart abandonment intention.

Introduction

To induce shoppers to increase their transaction sizes, retailers across the globe offer promotions in which the incentive (e.g., bonus cash rewards, prepaid gift card, free shipping, etc.) is conditional to a promotional threshold such as \$99 or \$50. Although conditional promotions can be effective in increasing shoppers' transaction sizes and inducing them to search for additional products, research has not examined the consequences of conditional promotions when shoppers are not able to avail them.

Promotions can simultaneously activate consumers' shopping goals as well as their reactance to the promotional offers. Soman and Cheema (2004) argued that when people fail to reach their goal, it could result in demotivation, negative emotions and consequently, a negative response to a future, similar goal. As a result, we reckon that shoppers' response to a conditional promotion is likely to be negative if they fail to reach the threshold order size required to avail the conditional promotion. Consequently, their perception of value of their purchases, attitude toward the store, and repurchase intentions from the same store are likely to be low. The mental accounting principles suggest that people react more negatively if they are not able to avoid perceived losses, rather than obtain perceived gains of the same magnitude. Thus, we argue that the perception of value, store attitude, and repurchase intentions will be lower when shoppers are not able to reach the threshold if the conditional promotion is offered in terms of free shipping, rather than a cash reward of the same dollar value. Therefore,

H1: When shoppers are not able to reach a threshold order size required to avail a conditional promotion, their (i) perception of value of their purchase, (ii) attitude toward the store, and (iii) repurchase intentions from the same store are likely to be lower when the promotion is offered in terms of free shipping, as compared to a cash reward.

Previous research has also suggested that consumers' perceived level of effort required to obtain promotional benefits negatively influences their fairness perceptions when they are unable to avail the promotion. The feeling of entitlement is violated when they are unable to avail the promotional benefits, leading to perceptions of unfairness. Also, when expectations are met, the outcome is perceived as fair, whereas when expectations are not met, the outcome is perceived as unfair (Cherry, Ordóñez, and Gilliland 2003). Referring to the goal gradient hypothesis (Hull 1932), it may be argued that shoppers' expectations of reaching the threshold are higher when their originally intended order sizes are relatively closer to the threshold. In turn, they are more likely to feel entitled to avail the promotional benefits. Therefore,

H2: When shoppers are not able to reach the threshold order size required to avail a conditional promotion, their perception of fairness toward the store is likely to be lower (higher) when the distance from original order size to threshold is close (far).

Methods

We conducted Study 1 to test H1 and H2. 237 undergraduate students enrolled in the introductory business courses participated in the experiment in exchange of extra course credit. A 2 (type of conditional promotion: free shipping vs. cash reward) X 2 (distance to threshold: close vs. far) between-subjects design was used to test the hypotheses. Participants were asked to imagine that they had to visit an online store to purchase a gift item for their niece's birthday. They were asked to imagine that they found the gift item for \$25 (or, \$75), and proceeded to the checkout. At the time of checkout, the store reminded them of the promotion that they could get free shipping worth of \$10 (or, a cash reward of \$10) if their total purchase exceeds \$100. Then, the participants were told to imagine that they decided to search for additional items, but were not able to find enough useful items to reach \$100. Then, they were asked to rate their perception of the value of their purchases, attitude toward the store, repurchase intentions from the store, and perception of fairness of the promotional offer. Supporting H1, perception of value of the purchases ($F(1, 237) = 3.30, p < .071$), store attitude ($F(1, 237) = 4.48, p < .035$), and repurchase intentions ($F(1, 237) = 3.02, p < .084$) were lower when the participants imagined not being able to avail the promotional benefits of free shipping, rather than cash reward. Supporting H2, fairness perceptions were significantly lower ($F(1, 237) = 10.34, p < .001$) when the originally intended order size was \$75, rather than \$25.

Further, we conducted Study 2 to examine the impact of conditional promotions on shoppers' propensity to abandon their shopping carts if they are not able to reach the promotional threshold. Despite the increasing relevance and importance of online shopping cart abandonment, previous research has been limited in investigating issues pertaining to shopping cart abandonment. Prior research has shown that distance from a goal influences the relative efficacy of positive/negative goal frames on motivations to pursue the goal (Mogilner, Aaker, and Ginger 2008) such that people are more motivated to avail a positively (negatively) framed promotion when the distance to threshold is relatively far (close) (Kulkarni and Yuan 2012). When shoppers are unable to avail a conditional promotion, their disappointment should conversely reflect their motivation to avail the conditional promotion, and should lead to shopping cart abandonment intentions. As a result, we predicted that when the distance to threshold is far (close), positively framed promotion, e.g. cash reward, (negatively framed promotion, e.g. free shipping) leads to a higher probability of shopping cart abandonment.

The same 2 (cash rewards vs. free shipping) X 2 (far vs. close) between subject design was used. We used a more realistic shopping environment to test the shopping cart abandonment in response to conditional promotions. Participants were asked to go to a real online retailer (www.fingerhut.com) to look for a toy that cost either \$25 (Beauty Case) or \$75 (Trike). They were also informed of a coupon, either a \$10 cash reward or a \$10 worth of free shipping if their total purchase exceeds \$100. Then they were presented with some suggested products to look for so that they can reach the promotional threshold. None of the suggested products were carried by the store so all participants experienced the search failure and thus could not redeem the coupon. After that, they were asked to report their shopping cart abandonment intentions. Consistent with our prediction, the interaction effect of distance to threshold and framing of conditional promotion on the abandonment rate was significant ($F(3, 64) = 5.00, p < .05$). When the distance to threshold was far (\$75), participants who received coupon with cash reward ($M_{\text{cash}}=9.13$) reported higher abandonment intentions than those who received coupon with free shipping ($M_{\text{shipping}} = 7.59$). When the distance to threshold was close (\$25), participants who received coupon with cash reward ($M_{\text{cash}}=7.13$) reported lower abandonment intentions than those who received coupon with free shipping and handling ($M_{\text{shipping}} = 8.14$).

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Full Paper

Service Failure Expectations: Do In-Store Recovery Efforts Work in the Online Setting?

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This paper looks at complaints made in an online platform directed towards both e-retailers and physical retail stores. The research involves a multi-methods approach utilizing both qualitative and quantitative methods to examine the different complaints made and recovery expectations voiced by the shoppers. The results indicate that customer complaints are different in the online versus physical retail store. Complaints about an online store were composed of a variety of reasons, the majority of which included not receiving the purchased item (14% of total complaints) and not receiving a refund after the item was returned (14%). On the other hand, complaints directed at a physical store were primarily aimed at its poor customer service (53%). The author provides specific recommendations for firms to improve their service quality to meet each individual recovery expectation depending on their retail platform. Managerial implications are included in addition to directions for future research.

Introduction

The online platform provides retailers with new strategies and increased flexibility in catering to consumers (Anderson 2006). However, many consumers are not completely satisfied when conducting online shopping (Coghill 2008). Thus, the Internet can be used not only as a tool to sell more efficiently but also, shoppers can more easily complain when they are dissatisfied (Ostrom 2006). This research looks at whether or not service failure complaints are similar in the online and in-store environment by investigating consumer testimonials on a popular complaint website. In doing so, the findings can then support whether or not recovery efforts made by retailers adequately mirrors the recovery expectations of customers who experience a service failure. If consumers are assuming that the online platform is a complimentary tool to enhance their physical lives, then their recovery expectations should mirror those for the physical environment. This paper argues that retail expectations are different between the two mediums and therefore recovery expectations are different as well.

Literature Review

Service Failure

Service failure involves occurrences where customer perceptions of the initial service delivery behavior fall below the customer's expectations. The results of a failure can include loss of customers, switching behaviors (Roos 1999), and negative word of mouth (Bitner, Brown, and Meuter 2000). The idea of switching costs and behaviors relates to the consumers' ability to end a relationship with a firm and go somewhere else (Yang and Peterson 2004). This can incur losses for the company and service failure has been found as a driving factor in a customer's decision to switch (McCollough, Berry and Yadav 2000).

Service Recovery

When a failure occurs, consumers expect the appropriate recovery effort (Bitner, Booms, and Tetreault 1990). Service recovery is defined as the process in which a firm attempts to rectify a service delivery failure (Kelley and Davis 1994). In doing so, their aim is to restore or maintain customer satisfaction and loyalty (Miller, Craighead, and Karwan 2000). Whether or not the recovery is adequate for the customer will dictate whether or not they are satisfied and remain with the company. However, since the online platform creates a setting where recovery expectations may differ from a physical setting, there is potential for insufficient recovery procedures.

Customer Satisfaction

Customer satisfaction is defined as a psychological state where "the emotion surrounding disconfirmed expectations is coupled with the consumer's prior feelings about the consumption experience." It is considered a key factor in repurchase intention and loyalty behaviors (Oliver 1981). This construct can be classified into two categories: transaction-specific satisfaction and general overall satisfaction (Yi 1991). Transaction-specific satisfaction deals with a particular purchase experience whereas overall satisfaction is the customers' assessment of the brand based on all of their experiences (Johnson and Fornell 1991). Thus, it can be understood that a service failure

can result in both transaction-specific dissatisfaction and overall dissatisfaction with a brand. Similarly, a good experience, which raises the level of customer satisfaction, also has a positive impact on customer loyalty (Mittal, Ross, and Baldasare 1998).

Loyalty

Loyalty is defined as a “deeply held commitment to rebuy or patronage a preferred product/service consistently in the future...despite situational influences and marketing efforts having the potential to cause switching behavior” (Oliver 1999). In the brick and mortar case, service recovery occurred strictly between the complaining customers and the firm itself. On the other hand, the Internet has allowed consumers to express their dissatisfaction to a larger network of people. As such, online reviews and opinions voiced through the Internet are becoming an important source of information (Chevalier and Mayzlin 2006).

Method

This research involves two phases. The first study takes a qualitative approach, and the second uses a scenario-based survey methodology. The first study required the collection of online complaints in both the physical and virtual shopping setting. The website “pissedconsumer.com,” was chosen to analyze complaints related to both online and in-person purchases due to its popularity and large database of complaints with thousands of new posts happening daily. After data collection, the texts were analyzed using a grounded thematic analysis approach. Study 2 expands on the findings from the first study by incorporating the items found through thematic analysis and converting them into a survey containing consumer expectations in the physical and virtual setting. An entirely new sample of shoppers (N=115) was surveyed to test the validity of the findings in study 1.

Study 1

The first study uses a qualitative thematic analysis approach to extract objective content from texts to examine meanings, themes and patterns that may manifest in the particular text (Mayring 2014). The texts were collected from a popular complaint website: pissedconsumer.com. The data was collected chronologically for the entire year of 2014 (data from Amazon.com also included 2013). Table 1 below summarizes the characteristics of the sample collected. In total, 358 complaints were collected. They were all at least 100 words long with the longer reviews being over 500 words long. The categories of complaints were broken down into Virtual and Physical. Virtual stores are defined as online retail stores and distributors. The ones used for the analysis were: Amazon.com, Lightinthebox.com, Haband.com, and Aliexpress.com. The “Physical” category included complaints from consumers who experienced a failure at a physical store. These stores were: Best Buy, Radio Shack, Forever 21, and Hollister Co. These websites were chosen because they had the largest number of complaints out of the businesses listed. The product categories chosen were Consumer Electronics and Clothing/Accessories because they are both commonly purchased in the virtual and physical setting.

Table 1: Characteristics of the Sample

Description	Number	Percent
Total Complaints Collected	358	
Word Count of Each Complaint	>100	
Date of the Complaints	2013-2014	
Complaint Category:	276	
Virtual Setting Complaints	139	50.4%
Amazon.com	46	16.7%
Lightinthebox.com	46	16.7%
Haband.com	42	15.2%
Aliexpress.com	86	
Physical Setting Complaints	25	29.1%
Best Buy	16	18.6%
Radio Shack	26	30.2%
Forever 21	11	12.8%
Hollister Co.		

After the complaints were collected and logged, the coding process began. “Themes” were used as the unit of analysis, which equated to the type of complaints voiced by each reviewer. In the first stage, key phrases and relevant observations were extracted from each individual complaint. The service failure was identified as well as the failed recovery effort by the firm. In the next stage, those extracted phrases were categorized into clusters based on the reason for the complaint. Finally, an underlying theme was identified to represent the groups created. In total, the texts underwent three levels of analysis.

Findings

Each complaint had at least one reason for dissatisfaction. The top ten reasons for complaints in the online settings are identified below in Table 2 and are ordered by the total number of times they were mentioned.

Table 2: Top Ten Reasons for Complaints in the Online Setting

Reason	Number of Complaints	Percent
Did Not Receive Items	55	14%
No Refund	52	14%
Product Description Incorrect	38	10%
Item Arrived Damaged	38	10%
Multiple Attempts To Contact Service Representative	37	10%
Charged Extra	36	9%
Delayed Order	34	9%
Poor Customer Service	17	4%
Poor Quality Items	11	3%
Automatically Charged Without Consent	7	2%

Similarly, each consumer in the physical setting had at least one reason to be dissatisfied in his or her shopping experience. The motives are shown below with their frequencies in Table 3.

Table 3: Top Ten Reasons for Complaints in the Physical Setting

Reason	Number of Complaints	Percent
Poor Customer Service	49	53%
Item Damaged	10	11%
No Refund	8	9%
Bad Store Policy	8	9%
No Exchange	6	7%
Did Not Match Sale Price	3	3%
Did Not Receive Items	3	3%
Item Not Available	2	2%
Delayed Refund	1	1%
Long Wait	1	1%

The initial qualitative phase helped to identify the different types of failures occurring in both the online and offline context. Four themes were identified as reasons for complaints in online retail: (1) Emotional Distress, (2) Lack of Accountability, (3) Online Operational Problems, and (4) Customer Censorship. Items that fall under “Emotion Distress” include the customer having to make multiple attempts to contact a service representative. This is illustrated in an excerpt of a complaint below:

I called Amazon told them about my problem -Amazon said that they would contact Hirts and Hirts, would have 2 days to reply/respond to the problem (turns out Hirts did not). Almost 2 wks. later and 4 more phone calls (of which I was told 3 times there would be a replacement of product or refund) I discarded the shipping box and 10 planting pots. - Review #538494

The second theme identified was, “Lack of Accountability.” This theme relates to the idea that no party offers to take responsibility when a failure occurs. One item identified was that the primary host blamed others for the failure, either the 3rd party seller or the delivery company. Complaints included:

I ordered 6 different items that were posted as delivered by UPS 5 days ago and still haven't received them. I have contacted Amazon and UPS and they keep pointing the finger back at each other. What's the point in using Amazon if I have to drive to post office every time a lazy UPS driver marks as having tried to deliver, but no one was home. -Review #547463

Another item that falls under the “Lack of Accountability” theme refers to the customers expecting the host site to have control over any 3rd party sellers. In this case, any vendors who sell off of a retail website were expected to abide by that website’s rules. This however, was not the case as seen by the complaint below:

I tried ordering Item through Amazon to third party, Amazon stated the product had free shipping. When I got to placing the order, there was a shipping cost three times the product price. I contacted Amazon customer service, They said they had no control over the webpage (this is amazon webpage) that if a vendor wanted to say free shipping then charge shipping, they have no control or responsibility to inform customers. -Review #391958

The third theme identified were complaints specific to operations in the virtual retail environment. These included concerns such as the difficulty in navigating the website, difficulty in finding contact information, the live chat always being unavailable and other problems.

When ever my orders are complete and I click on the check out button it kept blocking me out and that never used to happen even when I had money on my card account. The customer service reps were very unsure of how to handle customer relations properly and were very rude and kept saying that they could not give any answer for the block and I have to wait 24 hours! I never had to deal with that before! -Review #479913

Finally, the fourth complaint theme identified is entitled “Customer Censorship” and relates to the feeling that

customers don't feel they have the freedom to voice their opinions and complaints. One such example is stated below,

Amazon kept my positive reviews but censored out my low rating reviews. I will not submit any more positive reviews even though I had benefited tremendously from others who took the time to give feedback. -Review #524284

Afterwards, four complaint themes were identified for the physical setting: (1) Inconsistent Service, (2) Employee Deception, (3) Employee Operational Problems, and (4) Bad Perceptions. A physical store having inconsistent service relates to the variation in employee performance. For example, a waiter in a restaurant can be very friendly during the entire dining experience but the cashier can be extremely rude. This variation is not seen in the virtual setting since face-to-face interactions do not occur in an online retail store. Another inconsistency specific to the virtual setting is the idea that when a veteran employee or manager is replaced, the entire "feel" of the store can change. One such complaint addresses this issue:

I used to love shopping the best buy in Santa Fe, NM until years of experience walked out the door when the new GM took over and let them all go due to his inexperience and insecurities' who ever chose him as GM made a huge error in judgment..now the store for months on end is poorly stocked with empty shelves in the video section looking like ghettomart! The GM is also not a nice person to begin with. This forces those of us living in Santa Fe having to travel over fifty miles to Albuquerque to much nicer store's to get what's needed which is a travesty. - Review #548012

Customers also complained about employee deception. One such example relates to the lack of any physical record when an employee verbally resolves a concern voiced by the customer. Employees can just agree with a customer's question at one moment in time but refuse to acknowledge it at a later time. The example below highlights this issue.

The original employee told me at least four times that the student discount would get me \$100 off of my macbook purchase. But later on, I was told (very bluntly and completely unapologetically by the higher-up employee) that this was incorrect, and that the discount was only \$50. This was incredibly misleading. -Review #547312

The third theme, employee operational problems, is similar to the operational problems in the virtual setting however these are specific to the presence of human interaction in the physical setting. Errors include (1) employees not being well trained (2) employees having a lack of knowledge about the store products (3) employee errors in checking out, for example making an error in scanning the item.

They don't know how to talk on the phone, they don't speak, act and behave professional let alone articulate. They think they can talk to you any way they want. They never have no knowledge of the product you call about. And they procrastinate, antagonize the heck out of you and provoke you to say something they can use against you. - Review #536995

Finally, items related to the fourth theme, "Bad Perceptions," is related to employees exhibiting a poor attitude while in the physical environment. The complaint shown below provides an example of an employee showing disinterest in providing the needed service:

A couple of days before expiry I thought I'd bring in my macbook for a final check to make sure everything was working adequately which to my knowledge I new there was an issue w/ the battery. The associate who assisted me in a manner of dis-interest and seemed to give me cold one-word answers or short-form answers to the questions I had regarding my warranty. -Review #547193

³ All complaints are quoted verbatim, including typographical errors, misspellings, and the like.

Study 2

To further address the research question and gain a more accurate understanding of customer expectations, the items from Study 1 were converted to questionnaire items given to a new sample of shoppers. The respondents consisted of University students in a small, predominantly Hispanic city. The same group was surveyed about both the physical and virtual setting. In total 116 surveys were distributed and 115 were returned.

The respondents' ages ranged from 17 years old to 38 years old with an average age of 19.69 years. The gender distribution was 43.4% male and 56.6% female. Respondents were asked these 11 questions relating to their expectations of the physical setting as seen in Table 4. The survey asked subjects to imagine that he or she is shopping at their local electronics or clothing store (See Appendix). Each item was measured on a 5-point Likert scale ranging from "not important" to "very important." The Likert scores can be found next to each survey question in the table. Additionally, each individual were asked to indicate which question was the most and least important.

Table 4: Physical Store Expectations

How important is...?	Average Score	Most Important	Least Important
1. The employees should be helpful.	4.43		
2. The store should have a standard protocol for all job roles.	4.17		
3. Employees should have integrity when dealing with return policies.	4.43		
4. The employees are trustworthy and hold true to their word.	4.56		
5. New hired employees should work and act the same as previous ones.	3.64		
6. The employees are knowledgeable about the products.	4.63	*	
7. The employees are attentive to the work being performed.	4.54		
8. I should be greeted at the entrance.	2.96		*
9. I should be greeted whenever I encounter an employee.	3.15		
10. Employees should be patient with any questions I have.	4.53		
11. I should feel free to roam around the store as I please.	4.52		

The same procedure was used for the expectations of the virtual setting. Shown in Table 5 below are the items used and their corresponding scores.

Table 5: Online Store Expectations

How important is...?	Average Score	Most Important	Least Important
1. I should only need one attempt to contact a service representative.	4.18		
2. I should have constant verification of the shipment location to and from the provider.	4.46		
3. I should always be provided a tracking number.	4.63		
4. When there is a problem, the service representative needs to be attentive to my concerns.	4.64		
5. Contacting customer service should be easy.	4.64		
6. If there is a problem with my order, I should always know who's fault it is, even if it's mine.	4.04		
7. My order should arrive on time.	4.63		
8. The products I order online should be exactly as described.	4.79	*	
9. The website should be easy to navigate.	4.61		
10. The return policy should be obviously stated and accurate.	4.68		
11. The customer service representative should act less "scripted"	3.94		*
12. There should be multiple mediums available for communicating with a service representative (live chat, email, phone, etc..)	4.24		
13. There should be no hidden subscriptions.	4.63		
14. I should have the freedom to post reviews, either positive or negative.	4.2		
15. All of my complaints should be addressed.	4.37		
16. The company should offer an explanation if my complaints aren't met.	4.24		
17. A resolution should always be reached even if it's not in my favor.	4.28		

Findings

When asked which item in the physical setting was the most important, the majority of respondents chose question 6 (The employees are knowledgeable about the products). The least important expectation was question 8 (I should be greeted at the entrance). In the virtual setting, the most important expectation identified was question 8 (The products I order online should be exactly as described). The least important expectation was question 11 (The customer service representative should act less "scripted"). These answers were taken from the free-response section of the questionnaire but also match the 5-point likert scale readings taken from the questionnaire as can be seen from Figures 1 and 2. In the physical setting, all expectations were considered Important or Very Important (>3 points) except for expectation 8: I should be greeted at the entrance. On the other hand, all expectations identified for the virtual setting were considered important or very important, with the lowest expectation (question 11) receiving an average rating of 3.9 out of 5.

Discussion

The findings from both studies show that service expectations differ in the virtual setting compared to the physical setting. Primarily the complaints caused in the virtual setting were due to communication problems and lack of control when dealing with the shipment of goods from one location to another. On the other hand, physical setting complaints considered the face-to-face interaction with employees and atmosphere from the physical store itself. The most important factor in the physical setting was the knowledge of the employee. Logically this expectation isn't as important in the virtual setting because prior to a purchase, the consumer may be more likely to do the research instead of asking advice from an employee.

In the virtual setting, the most important aspect was the need for the product to be exactly as described. A sense of trust is revealed here since there is an unknown when purchasing something online. Will the item arrive on time? Will it arrive at all? Is the product how I want it to be? Again, this concern is understandable as online shoppers are not able to physically try or view a product in person before purchasing it nor carry the item in their hands after checking out.

Conclusion

The goal of this research was to understand differences in the expectations of consumers in the virtual and physical settings. It is currently believed that the Internet is just another platform in which traditional markets and marketing exists.

But if that were the case, expectations would not differ between a physical setting and an online setting. As found in these studies, there is a major difference. Consumers expect physical stores to involve a deeper human factor whereas online stores should have more accurate operational processes. The themes identified in Study 1 can help managers understand which part of their customer service is lacking, whereas results from study 2 indicate which ones are more or less important. Overall, there is a distinction between the two settings, and by gaining a deeper understanding of what the differences are, we can better understand how to cater to customers and their needs.

Implications

Managers both in the online and physical settings can use these studies to further improve their service quality to meet the expectations of the customer. Thus, return policies and customer service representatives need to address these issues and improve their current practices. Companies who plan on entering the online retailing industry should be aware of the differences that may arise as well. It is not sufficient to simply transfer physical setting policies to an online setting.

Limitations and Future Research

It is noted that this study only examined a small number of complaints over the course of one to two years. Therefore, generalizability might not be possible for other product categories. This study emphasized the separation of a physical setting and an online setting. Future research should aim to seek companies that utilize both at the same time. Adding this third category of combined settings may produce different findings and further deepen the understanding of consumers in the increasingly blurred reality between the online and physical world.

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Appendix 1: Shopping Expectations Survey

What is your age? _____

What is your gender? _____

Imagine you are shopping at your local electronics store or your favorite clothing store. In the table below please mark the box that best represents how important each statement is to you.

How important is...?	Not Important	Less Important	More or Less Important	Very Important
1. The employees should be helpful.				
2. The store should have a standard protocol for all job roles.				
3. Employees should have integrity when dealing with return policies.				
4. The employees are trustworthy and hold true to their word.				
5. New hired employees should work and act the same as previous ones.				
6. The employees are knowledgeable about the products.				
7. The employees are attentive to the work being performed.				
8. I should be greeted at the entrance.				
9. I should be greeted whenever I encounter an employee.				
10. Employees should be patient with any questions I have.				
11. I should feel free to roam around the store as I please.				

Of the 11 statements above, which one is the most important to you? _____

Which one is the least important? _____

Is there a statement that's missing? Please explain. _____

Please continue on the back if needed...

Now, imagine you are shopping online for electronics or clothes. In the table below please mark the box that best represents how you feel about the statement.

How important is...?	Not Important	Less Important	More or Less Important	Important	Very Important
1. I should only need one attempt to contact a service representative.					
2. I should have constant verification of the shipment location to and from the provider.					
3. I should always be provided a tracking number.					
4. When there is a problem, the service representative needs to be attentive to my concerns.					
5. Contacting customer service should be easy.					
6. If there is a problem with my order, I should always know who's fault it is, even if it's mine.					
7. My order should arrive on time.					
8. The products I order online should be exactly as described.					
9. The website should be easy to navigate.					
10. The return policy should be obviously stated and accurate.					
11. The customer service representative should act less "scripted"					
12. There should be multiple mediums available for communicating with a service representative (live chat, email, phone, etc.)					
13. There should be no hidden subscriptions.					
14. I should have the freedom to post reviews, either positive or negative.					
15. All of my complaints should be addressed.					
16. The company should offer an explanation if my complaints aren't met.					
17. A resolution should always be reached even if it's not in my favor.					
Of the 17 statements above, which one is the most important to you?	_____				
Which one is the least important?	_____				
Is there a statement that's missing? Please explain.	_____				

Summary Brief

I Shall Not Forgive You: Understanding the Effect of Harm Directions in Service Failure

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Examination of the customer reaction to service failure that causes direct or indirect harm is rare. This study aims to investigate the direction of harm and the role of service recovery strategies on consumer forgiveness and negative WOM (NWOM). We contend that customer positive and negative intentions are stronger among those who are directly affected by the service failure than indirectly affected customers. Further, we assess the role of service recovery in customer intentions toward the service failure that causes inconveniences to either the focal customer or other customers.

Introduction

Many service encounters occur in public places in the presence of other customers. Therefore, it is common for service failures to be witnessed by other customers, especially in high-traffic locations such as retail stores, hotels, airports, and restaurants. While there is extensive research in the literature on the effect of service failure and recovery on the focal customers, there are very few studies of how customers react to service failures and recovery strategies given to other customers (Mattila, Hanks, and Wang 2014; Van Vaerenbergh, Vermeir, and Larivière 2013). Therefore, we investigate whether significant differences exist between directly affected and indirectly affected consumers by service failure in terms of their positive and negative intentions. In addition, we examine how service recovery strategies can be designed to induce positive and reduce negative responses among direct-harm and indirect-harm situations.

Theoretical Approach

Prior studies in the psychology literature have demonstrated that witnessing unfair treatment of others may trigger certain emotional, behavioral, and attitudinal reactions even when the witnesses are not directly affected by the treatment (Colquitt 2004; Mattila, Hanks, and Wang 2014). The deontic principles of fairness theory suggests that people respond to misconduct not because of their own self-interest but because of their moral obligations to do what is right (Cropanzano, Goldman, and Folger 2003). While the deontic principles of fairness theory is useful in explaining how customers feel and act with regard to the unfair treatment of other customers, it does not take into account customers' self-centeredness. While the extent of self-centeredness may vary between individuals, people generally have a stronger reaction when unfair treatment is directed at them, rather than at others (Caporael et al. 1989; Tyler and Dawes 1993). Therefore, we expect that customers who are directly affected by the service failure will demonstrate lower positive (i.e., forgiveness) and higher negative (i.e., NWOM) intentions.

Furthermore, the way consumers judge the fairness of a service recovery following service failure tends to be egocentric (Finkel, 2001) and is generally biased toward fulfilling their own self-interest (Xia and Kukar-Kinney 2013). Therefore, the effect of recovery strategies such as apologies and compensations should have a stronger effect on customers who are directly affected by the service failure, as it is in their interest to receive the best outcomes following a service failure that directly harms them. We therefore expect that the impact of service recovery strategies on customers' intentions should be stronger for directly affected customers than for indirectly affected customers.

Method

This study utilizes a 2 (harm direction: direct, indirect) X 4 (service recovery strategies: none, apology, compensation, hybrid) factorial experimental design. Given that forgiving traits influence individuals' forgiving behavior tendency (McCullough and Witvliet 2002), we controlled for the participants' forgiving traits. We conducted a two-way analysis of covariance (ANCOVA) with harm direction and service recovery strategies as

between-subjects factors and forgiving trait as a covariate. For the research context, this study employed an airline service failure caused by overbooking. A total of 211 retail customers participated in the survey and were randomly assigned to one of the eight experimental conditions. The majority of the respondents were under 35 years old (67%), female (54%), Caucasian (71%), and had annual income in the range of below \$40,000 (54%).

Findings and Discussion

The data suggest that directly affected consumers are less forgiving and more inclined to engage in NWOM than indirectly affected consumers subsequent to service failure incidents. This finding is consistent with the self-centeredness paradigm (Caporael et al. 1989; Tyler and Dawes 1993), as customers in the direct harm condition demonstrated a stronger behavioral intention when they were treated unfairly than customers in the indirect harm condition. In addition, the significant interaction between harm direction and recovery strategies on NWOM indicates that when apologies and/or compensations are offered, directly affected consumers are less likely to engage in NWOM than indirectly affected consumers. Our results also show that when neither apologies nor compensations are offered, directly affected consumers show stronger intentions to engage in NWOM than indirectly affected consumers do.

The interaction effect between harm direction and service recovery on forgiveness, however, was not significant. Although we did not find significant interaction effects between direction of harm and service recovery strategies on forgiveness intention, it is worth noting that the presence of service recovery leads to a stronger intention to forgive across direct- and indirect-harm service contexts. This is the first study that has examined the consumer forgiveness phenomenon within direct-harm and indirect-harm service failure.

Marketers in service organizations can benefit from the findings of this study by getting a clearer perspective of the fact that the effects of service failures and unfair recovery effort on other customers could have adverse effects not only on the recipients, but on other customers around them. As such, this possibility should be circumvented or alleviated as much as possible.

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Summary Brief

Assessing Consumer Response to Service Failures Depiction in Online Consumer Reviews: A Multi- Method Approach Using Survey and Physiological Measurement Data

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Consumers are increasingly turning to online reviews written by fellow consumers to learn about market offerings. This raises tremendous opportunities and challenges for service providers; in particular, there is growing managerial interest in how negative information revealed in various parts of online reviews impacts reader perceptions, attitudes, and behaviors. The purpose of this research is to offer a multi-method, multi-study approach to better understand the effect of the text portion of online reviews on customer perceptions, emotions, and behaviors. Study one uses survey-based methodology to examine the effects of service failure severity on customer perceptions for online reviews in the apartment context, while study two uses eye tracking technologies to examine these effects in real-time. We conclude with theoretical implications for the marketing academic literature as well as practical implications that can help marketers better understand and prepare for the impending impact of online reviews.

Introduction

With the rise of Web 2.0, consumers have increasingly turned to online sources to learn about market offerings, often in the form of reviews written by fellow consumers. These conditions raise tremendous opportunities and challenges for service providers, especially since negative news often travels faster than good news. As a result, there is growing managerial interest in how negative information revealed in various parts of online reviews impacts reader perceptions, attitudes, and behaviors. The purpose of this research is to offer a multi-method, multi-study approach to better understand the effect of OCRs on customer perceptions, emotions, and behaviors. In Study 1, we use survey-based methodology to examine the effects of service failure severity and on self-reported customer perceptions for OCRs in the apartment context. Study two builds on the results of the first study by using novel measurement techniques, specifically, eye tracking technologies, to examine the effect of these manipulations on participants' behaviors. We conclude with theoretical implications for the marketing academic literature as well as practical implications that can help marketers and managers better understand and prepare for the impending impact of OCRs.

Study 1: Service Failure, Cognition, and Discrete Emotions

Based on Roseman's (1991) appraisal theory of emotion, which highlights the importance of studying discrete emotions as opposed to simple positive and negative valence, study one hypothesizes the following:

H1: Service failure severity positively impacts anger.

H2: Anger negatively impacts service quality inferences.

H3: Service failure severity negatively impacts service quality inferences.

The first study consisted of an experiment that manipulated service failure severity (minor/severe). Amazon Mechanical Turk workers whose native language is English were recruited to participate in the study in exchange for monetary payment. A total of 126 subjects participated in the study, with 60 participants per condition. A confirmatory factor analysis is applied to the model with MPlus version 7.11 (Muthén and Muthén 2014) using full-information maximum likelihood estimation. Controlling for the effects of age, marital status, whether one currently leases an apartment, the frequency of reading OCRs about apartments, and the frequency of reading OCRs in general, the model explains 28% of the variance in anger and 36% of the variance in service quality inferences. A closer examination of the

path coefficients and t-values indicates that service failure severity exerts positive influences on anger ($\beta = .52$, $t = 7.34$); thus, hypothesis 1 is supported. Anger exerts negative influences on service quality inferences ($\beta = -.34$, $t = -3.85$), in support of hypothesis 2. Finally, service failure severity exerts negative influences on service quality inferences ($\beta = -.26$, $t = -2.89$); therefore, hypothesis 3 is supported by the data.

Study 2: Consumers' Psychological Responses to the Severity of Service Failures Depicted in OCRs

We posit that service failure severity depicted in an OCR will have a physiologically measurable impact on subjects' behaviors (Zeelenberg and Pieters 2006). Specifically, we focus on avoidance behaviors. The approach-avoidance distinction is considered one of the oldest ideas in the history of motivation and behavior (Elliot 2006). Whereas approach motivation is the energization of behavior toward positive events, avoidance motivation is defined as the energization of behavior away from negative events. Physiological measurement allows researchers to examine immediate behaviors; in other words, those that occur as a participant views a stimulus. Hence, we suggest that the more severe a service failure, the more likely one is to exhibit avoidance behavior.

H4: Service failure severity leads to increased avoidance behavior by OCR readers.

As in the first study, study two consisted of an experiment that manipulated service failure severity (minor/severe). Undergraduate and graduate students were recruited to participate in the study as a part of their coursework for a class that they were currently enrolled in. A total of 120 students participated in the study. Subjects reported to a customer neuro-insights research laboratory at a major university in the Southeast United States. Each participant was randomly assigned to one of the experimental conditions, and, upon their arrival, we calibrated his or her gaze. Then, we instructed the participant to browse the same OCR content in the apartment industry context from study one, but in the present study, it was presented on a website created for experimental purposes. Avoidance behavior was derived from the eye tracking data, based upon changes in pupil distance from the screen during subjects' first-pass reading of the OCR service failure. We conducted an analysis of variance to test the proposed relationships. The results offer support for H4 ($F(1, 1635)$: $M_{Severe} = 606.01$, $M_{Minor} = 577.48$, $p < .000$), as measured in millimeters. In general, findings from study two demonstrate that service failure severity impacts avoidance behavior, as measured by the evidence of changes in distance to the eye tracker.

General Discussion

This research highlights the importance of customer service interactions and encourages companies to pay close attention to service failure severity in OCRs. Upon reading a negative OCR, a manager's initial reaction may be to immediately fear the worst repercussions. However, our findings indicate that all service failures reported in negative OCRs may not be of equal importance to consumers. Service failure severity plays an important role in the cognitions and emotions consumers experience when they read negative OCRs. It is important for managers to prioritize their attention to and recovery from service failures, with severe service failures having the most critical impact on consumers' cognitions, emotions, and behaviors.

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Summary Brief

Memory Contagion in Subtle Competitive Contexts: Order Effects of Disgust-evoking Fillers on Preference and Brand Memory

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Competitive interference among the less-known brands advertised on grocery flyers is generally higher. This research investigates how disgust-evoking fillers (e.g. lard) affect preferences and memory for such edible, competing, less-known and slightly differing brands, based on the order of their presentation on flyers. Employing pre-decisional informational distortion, and information-integration paradigms, it finds that consumers develop an expectation to encounter the superior brand earlier, when the filler is unrelated but non-disgusting. However, true memory follows a 'recency' bias as it is easier to remember the last encountered brand. It proposes replacing neutral filler with a disgust-evoking filler to align the positional advantages to help reduce competitive interference.

Introduction

Grocery flyers are cluttered with numerous edible brands. In such contexts, consumers encounter competitive interference, especially if the brands are less-known, and differ slightly (Kent and Allen 1994). Flyers act as an important memory-encoding stimuli. Interestingly, edible brands are not just presented together, but also next to bizarre products such as lard, hygiene products etc. When such products are put next to ingestible products, negative contagion effects occur (Morales and Fitzsimons 2007). However, associational or memory based effects of such products have not yet been established. This research evaluates how presenting disgusting fillers with competing, edible brands affects competitive inference among them.

Hypotheses

When brands compete on functional value, e.g. Brand A cheese (8 oz.) compared to Brand B (7 oz., for the same price); one set of information under Brand A may interfere with information presented under Brand B (Kumar and Krishnan 2004). Due to such subtle differences, consumers may expect a superior brand to be presented first on flyer as a heuristic rule. According to pre-decisional information distortion paradigm, people distort any new information towards the first option (the leader), even if it is inferior (Carlson, Meloy, and Russo 2006). Research on order effects also supports this primacy effect (Biswas, Biswas, and Chatterjee 2009). So, if consumers heuristically expect a superior brand first, and find it there in the sequence when a neutral filler separates the two competitors, there is an expectancy confirmation. Therefore,

H1A: Consumers develop a preference heuristic exhibiting a higher preference for the slightly superior brand if it is presented first, than later in the competing sequence.

However, the mere presence of another ad in the same product category can affect a consumer's recall of the one encountered first (Burke and Srull 1988). Researchers found that consumers prefer the last beverage from two equally desirable samples due to recency bias (Biswas, Grewal, and Roggeveen 2010). Many edible brands in grocery flyers are less-known and differ slightly, hence it is proposed that,

H1B: The actual memory based recall for the slightly superior brand will be higher if it is presented later in the competing sequence.

These hypotheses suggest using opposite presentation positions for a superior brand on grocery flyers. If however, the neutral filler is replaced by a disgust-eliciting filler, this competitive interference can be reduced. A disgusting filler draws more attention, and makes the comparison between the brands salient (Anderson 1981). Therefore, both brands would be remembered better due to reinforced leader primacy of the superior brand, and an attentive comparison with the inferior brand. If, however, the inferior brand is presented first, the comparison of the superior brand encountered later is also made salient by the presence of disgusting filler, which could lower the

memory for both brands since the superior brand's position is dis-confirmatory to the expectations. Hence,

H2: Recall for the superior and the inferior brands will be higher when the superior brand is presented first in the sequence (compared to later), and the separating filler is disgust-evoking versus neutral; however recall for both will be lower if their presentation order is reversed with such a filler.

Method and Results

A 2 (Filler: Disgusting/Neutral) x 2 (Presentation Order: Superior First/Inferior First) between-subjects study design was employed with feta cheese as the competitive product category, and lard or paper-towel as fillers. Three hundred and fifty six respondents from MTurk participated for compensation (\$0.75). Excluding participants for unreliability/incompleteness, the final response set included one hundred and eighty five responses (56% Males, Mage = 32). Recall scores were coded by independent raters using a specific coding format (IRR = 90.4%).

Ordered preference for the superior brand alone, when presented first was higher regardless of the filler type, thus supporting H1A ($t(183) = 1.85, p = 0.07$). True memory for the superior brand was higher, but not significantly when presented later in the sequence ($p > 0.5$). Hence, H1B was not supported. Free recall for the superior brand exhibited a marginally significant interaction between filler and order ($F(1,184) = 3.47, p = 0.06$), and a highly significant interaction for the inferior brand's recall ($F(1,184) = 6.37, p = 0.01$). When superior brand was presented first, its mean recall was higher (not significantly) in the disgust-evoking condition ($M_{\text{disgust}} = 1.49, M_{\text{neutral}} = 1.28, p > 0.5$), while the inferior brand's recall was marginally higher ($M_{\text{disgust}} = 1.61, M_{\text{neutral}} = 1.27, p = 0.06$). On the other hand, when inferior brand was presented first, recall of the superior brand was lower (not statistically) in the disgusting filler condition ($M_{\text{disgust}} = 1.04, M_{\text{neutral}} = 1.65, p > 0.05$) and recall of the inferior brand was significantly lower ($M_{\text{disgust}} = 0.71, M_{\text{neutral}} = 1.42, t = 2.36, p = 0.02$). Overall, memory for competing brands was better in the superior-first/disgust-evoking filler, and inferior-first/neutral-filler conditions, compared to the other two combinations, lending some support to hypothesis 2.

Discussion

The findings suggest that consumers use presentation order, and filler types for encoding and recalling brand information in a competitive, flyer context. While preference heuristic hypothesis was marginally supported, there was only directional evidence for a general recency effect with respect to true memory. It was interesting to note that the dynamics between ordering expectation and true memory switch when the neutral filler is replaced by a disgust-evoking filler. However, significant effects in this study were limited to the inferior brand first order.

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Summary Brief

Monitoring as Part of Sales Management Control Systems: Comparing Effect Sizes

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The ability of sales managers to leverage technology to monitor their field salespeople casts questions on just what part monitoring plays in an overall control system. This research effort examines this issue by compiling and comparing the pattern of effect sizes from two sets of studies. One set in which the effect of monitoring alone is reported is compared to another set in which control systems effects are reported. While substantial heterogeneity exists, this comparison found monitoring alone tends to have a consistent positive effect on salesperson actions such as planning and presenting.

Introduction

While control issues continue to plague sales managers, their ability to monitor the field sales force has been transformed. No longer restricted to face-to-face observation methods, managers use technology to track a myriad of salesperson behaviors and customer responses (Awareness Technologies Advisory 2011; Davenport, Davenport, and Horváth 2014). Thus monitoring may no longer be working in conjunction with other control elements.

Monitoring as Part Control Systems: Opposing Theories

Agency theory claims high levels of monitoring will only be worth the investment of time and effort when sales managers seek to control behaviors (Anderson 1985, 2008). The Panoptic Theory of Foucault (Elmes, Strong and Volkoff 2005) suggest monitoring alone can be all the control a manager needs. (Barratt 2002). Because theoretical reasons exist for monitoring being sufficient control mechanism as well as monitoring being one part of a system, the following exploratory questions were examined. RQ1: Do studies agree on the effect SM monitoring has on SP? RQ2: Does the pattern of monitoring's agreement differ from that of SM control systems?

Method

One category of studies reported the effects of the control system (with monitoring as a part of the control measure) on salesperson attitudes or actions. A second (and separate) category of study reported the effect of monitoring alone. See author for list of studies. Corrected (for coefficient alphas) correlations were converted to Fisher Z values and the degree to which the Fisher Z values differed from the average weighted (by sample size) Fisher Z provided a test of heterogeneity. Thus a lower Chi square test statistic with associated probability values more than 0.02 implied similarity.

Results

A Chi-square test statistic of 401.15 (df 12, $p < .0001$) for monitoring's effect on quantitative indicators of sales performance indicates little agreement among the effect sizes. Similar conclusions of heterogeneity are reflected in the behavioral control χ^2 of 666.63 (df 14, $p < .0001$) and output control χ^2 of 87.7 (df 2, $p < .0001$). (See Table 1 Results). Like the meta-analytical study conducted by Samaraweera and Gelb (2015) findings here indicate a wide variety of effect sizes. Unlike the results of Samaraweera and Gelb (2015) the analyses conducted here found no significant moderators. Monitoring does have a consistent effect on salesperson actions such as adaptive selling, planning, presentation, teamwork and sales support. Monitor alone studies converge and agree on its effect on planning and presentation – but control results do not. The three salesperson attitudes examined show monitoring alone effects salesperson intrinsic motivation but studies fail to converge on the effects monitoring has on extrinsic motivation or on commitment. The reverse, however, is true for control system studies

Discussion and Limitations

RQ1: Do studies agree on the effect SM monitoring has on SP?

Some evidence of agreement can be found in the consistent effect monitoring has on salesperson actions such as adaptive selling, planning, presentation, teamwork and sales support. Monitor studies converge and agree on its effect on planning and presentation – but control results do not. This is intriguing since these are two salesperson actions that may be more difficult to monitor. Planning is done prior to the actual sales call and typically sales managers sit in on a small fraction of sales calls made. Despite these obstacles, the consistent effect of monitoring on planning and presentation is not small. Perhaps monitoring always has effect due to its perceived panoptic manner.

RQ2: Does the pattern of monitoring’s agreement differ from that of SM control systems?

Areas of agreement include adaptive selling, teamwork, sales support and the inverse small effect on age, experience and gender. Both monitoring measures alone and control system measures consistently find positive effects on some salesperson actions. Past meta-analytic studies show adaptive selling correlates with performance (Verbeke, Dietz & Verwaal 2011). To the degree that adaptive selling behaviors are important, managers may consider the systematic use of monitoring as having a consistent positive influence. Overall monitoring tended to mirror the effects of control systems – but tended to demonstrate more homogeneity of findings in predicting salesperson actions rather than attitudes.

Table 1: Results

Variable	Monitor Studies		Behav. Ctrl. System Studies	
	Cumulative n	Avg. Wtd Fisher Z	Homogeneous n	Homogeneous Cumulative Avg. Wtd Fisher Z
Performance (Quant Output)	3,444	+.1422	3,883	+.5484
Adaptive Selling	686	+.2617	524	+.3591
Planning	904	+.3678	301	.1139
Presentation	686	+.2435	648	.2436
Teamwork	686	+.1171	423	+.2093
Sales Support	686	+.1714	301	+.1251
Intr Motivation	802	+.2364	1118	.3729
Extri Motivation	802	.3964	469	+.3128
Commitment	1150	.2366	626	+.3760

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Summary Brief

Improving Ethical Behaviors of Salespeople: A Framework for Practice

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Within the business disciplines, sales is one of the areas in which many researchers have concluded that ethical problems are not only present but intensified, due to the pressures placed on salespeople to perform in their everyday activities. This conflict is augmented by the perception that sales activities have a greater chance to move away from ethical behavior due to the boundary spanning interactions that normally occur and by a general perception that there is a greater complexity regarding decision making in sales. The paper presents a conceptual model to improve ethical behaviors of salespeople through neutralization of ethical judgments, formal and informal ethical training.

Introduction

The role of close individuals (i.e. coworkers, supervisors) have been found to influence ethical behaviors of employees (e.g. Schwepker and Good 2010; Valentine 2009), yet there has been a limited number of research efforts geared towards investigating interactions between sales managers and salespeople in the ethical decision making area. Using the general theory of ethics as an initial framework, we propose a model to explain salesperson's unethical behavior and how such unethical behaviors can be prevented via formal and informal training activities. We propose that neutralization techniques lead to unethical judgment which, in turn, has a direct impact on ethical behaviors. This model helps us understand why salespeople might have strong ethical judgments and intentions, yet their behavior many times is incongruent. Furthermore, we propose in our model that training interventions will moderate the relation between ethical judgments (that are biased by neutralizations), ethical intentions, and ethical behaviors. A combination of formal and informal training is recommended to be an effective strategy to reduce the likelihood of unethical sales behavior and to develop business ethics problem solving skills.

Propositions

This paper builds on the general theory of ethics in which ethical judgement leads to ethical intention which in turn leads to an ethical behavior (Hunt and Vitell 1986; Jones 1991). The paper also addresses the role of Neutralization techniques which represent the mechanism that facilitate behavior by "justifying" or "neutralizing" a person's illegal or unethical actions (Vitell and Grove 1987). The techniques neutralize guilt, shame, or other negative perceptions that might be experienced by the unethical behavior in question. Once internalized, the salesperson will engage in the ethical decision making process. Neutralizations play a significant role among salespeople. Specifically, denial of injury and appeal to higher loyalties consistently influenced ethical intentions in the areas of sales promoting, customer relationship building and maintenance, and sales organization (Serviere-Munoz and Mallin 2013).

We propose that neutralizations lead a salesperson to form biased ethical judgments. These judgments in turn, can have a negative influence on ethical behavior. When no interventions are implemented to these biased ethical judgments, a salesperson is likely to develop unethical behavioral intentions. Thus we propose:

P1: The neutralization techniques will positively influence a salesperson leading to a biased ethical judgment.

When developing business ethics training programs, we believe that it should be designed with the goal of developing complex cognitive skills that can be transferred to many work-related situations. In our conceptual model, we propose that this form of training program will moderate the relation between biased ethical judgment and biased ethical intentions. Effective training programs can teach salespeople, who are relying on neutralization strategies, skills to solve dilemmas that lead to ethical intentions and behaviors. Therefore we propose:

P2: Formal training that includes practice and feedback opportunities will positively moderate the relationship between ethical judgment and ethical intentions.

Supporting the training content in an informal manner can help reinforce ethical intentions and appropriate ethical behaviors. Managers have an opportunity to interact and discuss ethical behavior with salespeople (Valentine 2009) to increase learning and awareness of ethical dilemmas and reinforce ethical practices. We propose that when sales managers take an active role in supporting ethical practices, salespeople will be more likely to engage in ethical behaviors. Therefore we propose:

P3: Sales manager support of formal training will positively moderate the relationship between ethical intentions and ethical behavior

Conclusion

Salespeople are constantly faced with many situations prone to unethical behavior. By addressing the impact that the techniques of neutralization might have on ethical judgments researchers and organizations can understand why there is tendency for behavioral outcomes to end unethically even though the original intention was based on ethics.

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Summary Brief

A Synthesis of Sales Pressures and Agenda for Future Research

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A synthesis of the sales pressure literature is presented and a proposed research agenda is advanced to direct future sales pressure research. The author identifies unique sales pressures in extant literature and examines how pressure induces stress and subsequently produces unfavorable employee behavioral outcomes such as deviant behavior and turnover intention. The challenge stressor-hindrance stressor literature provides the guiding framework for the study and, when integrated with specific pressure types, it empowers managers to identify and control pressures to affect salesperson behavioral outcomes. An agenda guiding promising research avenues for future sales pressures studies is presented.

Introduction

Employee pressures cost businesses in the United States tremendous sums of capital annually. Yet, the hefty financial repercussions companies encounter comprise only one part of the destructive outcomes that stem from pressuring employees. Closer inspection of the challenge stressor-hindrance stressor literature reveals that not all pressures uniformly induce heightened levels of stress, resulting in detrimental employee behaviors. In some instances, pressure can actually motivate employees and lead to stronger performance.

Pressure exerted on salespeople is particularly unique because the salesperson experiences more aggregate pressures than perhaps any other position in the firm. However, inconsistent findings in sales pressure research may be a result of the failure of past studies to holistically consider multiple sales pressures collectively. Additionally, much of the sales pressure literature is outcome-focused and neglects the mediating variable of stress. It is the intent of this study to integrate the sales pressure literature and provide a guiding research agenda to advance future sales pressure research. In doing so, opportunities for managerial proactive control will be explored.

Building an Integrative Framework – Challenge Stressors-Hindrance Stressors

The stressor-strain relationship provides the theoretical background of how pressures in the work environment affect the behavior and attitudes of employees. The theoretical lens utilizes the Schaubroeck et al. (1989) proposed framework, suggesting the indirect relationship between pressures and behavioral outcomes is mediated by job strain (stress). The literature defines pressure as “a subjectively experienced internal or external force, which motivates one to behave in a particular way on the job” (Hall and Lawler 1970). Stress has historically been conceptualized as an outcome resulting from external pressures affecting the individual. Hindrance stressors constrain worker productivity and elevate job stress levels (Lepine, Podsakoff, and Lepine 2005), while challenge stressors drive employees to rise to the challenge and often result in personal achievement (Chong et al. 2011).

A direct comparison of the sales pressure literature with the challenge stressor-hindrance stressor literature reveals inconsistencies in classifying employee pressure as positive and conducive to personal growth (challenge stressors) or negative and an inhibitor of employee performance (hindrance stressors). The sales pressure literature is voluminous with studies identifying the negative responses to pressure, yet few studies recognize how certain pressures can intrinsically motivate salespeople and grow performance. A classification of the various sales pressures is needed to determine which pressures managers can control by motivating their salesforce to attain greater a sense of personal achievement and stronger performance.

Potential for Managerial Controllability of Salesperson Pressures

Based on a review of the sales pressure literature and the identification of eight distinct types of pressure – time, performance, financial, ethical, social, customer demands, competitive, and work-family balance – Figure 1 shows the relationship between managerial controllability and stressor type. The axes are scaled on an inability/ability (hindrance versus challenge) continuum for internalization of the pressure type and management’s potential for control. Relative location of each pressure is consistent with how the pressure is identified in extant studies along with situational and contextual considerations.

Future Research Agenda

An analysis of the sales pressure literature reveals several opportunities for advancing the domain. Having identified sales pressures on the stressors-controllability grid (Figure 1), managers are equipped with knowledge of which pressures they can control to enrich the lives of their salesforce. The objective of sales managers is to minimize counterproductive stressors and strengthen internalization and ownership of the pressures. Research is needed to investigate the extent of managerial influence on salesperson pressures and how managers can instrumentally alter how pressure is experienced by the salesperson. The sales pressure literature also fails to consider how challenge stressors present unique opportunities for management to challenge salespeople and stimulate employee growth. When internalized, pressure can serve as a motivating force and drive salesperson success.

The sparse literature that evaluates multiple pressures fails to consider pressures in conjunction how pressures collectively affect the motivation and cognitions of salespeople. Amalgamating pressures – time, performance, work-family conflict, customer demands etc. – would provide for a more accurate representation into the nature of the salesperson. While studies suggest training can weaken the adverse effects attributed to pressure, additional moderating variables, both negative and positive, should be employed in sales pressure models to better understand how stress is altered under certain conditions. Moderating variables such as charismatic leadership, in addition to the previously examined effect of work experience, would help explain the potential for managerial impact.

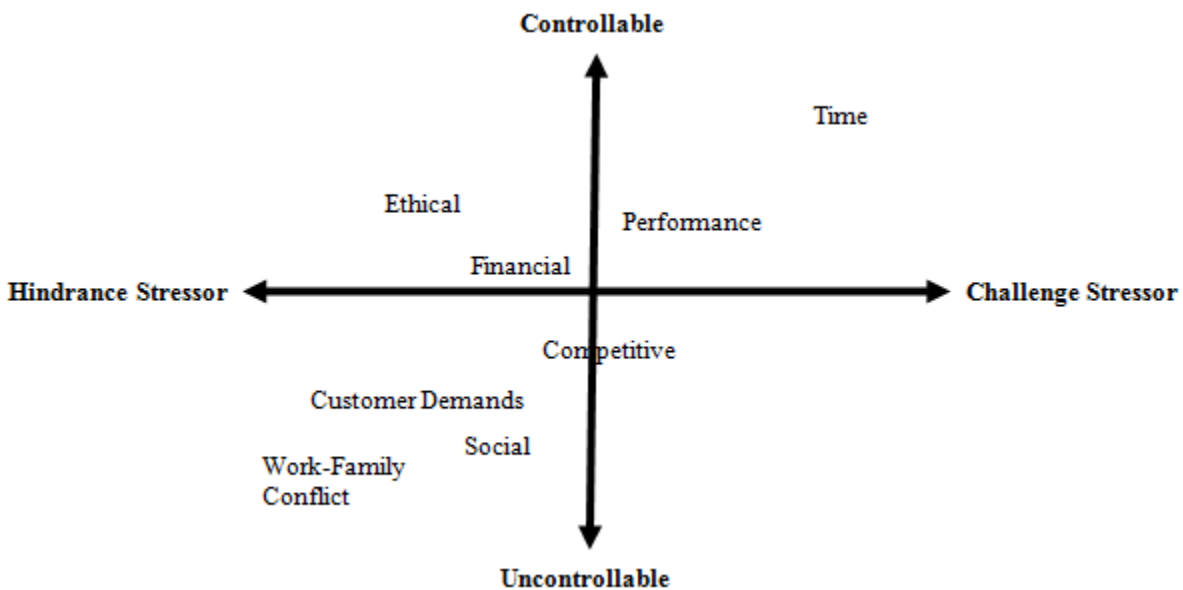


Figure 1: 2x2 Grid of Stressor Type and Managerial Control References

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Summary Brief

Service Cannibalization: The Influence of Multi-Channel Distribution on Sales Agents

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This paper estimates the impact of sales agents' perceptions of service cannibalization on role ambiguity, job uncertainty, employee commitment, and employee productivity, considering development of information and communication technologies, and multi-channel distribution. Data were collected from 497 sales agents who worked at travel agencies, and structural equation modeling examined posited relationships. Results suggest sales agents' perceptions of service cannibalization have an effect on role ambiguity and job uncertainty. This study reinforces the importance of capturing perceptions of sales agents by travel agency managers to reduce negative consequences on employees, particularly important in view of multi-channel marketing, when a new marketing channel coexists with a traditional sales force.

Introduction

Development of the Internet led organizations to explore radical marketing channels, and multi-channel use has become the norm rather than the exception. These changes are most evident in service industries for which the Internet provides an indispensable tool to allow process improvements and facilitate cost reductions that contribute to development and global expansion. By adding Internet channels, companies increase overall performance, consolidate existing markets, and expand into new markets (Geyskens et al. 2002). Unfortunately, not everyone involved in these organizations views Internet channel expansion as a path to success. The arrival of the Internet led directly to a threatening situation known as disintermediation, defined as the removal of intermediaries within the distribution channel, caused by electronic approaches that allow consumers to access and transact with suppliers and websites directly (Law et al. 2014). Several studies suggest Internet disintermediation changes the purchasing landscape for target customers, questioning the certainty of the futures of sales agents who work in service organizations (Gulati et al. 2002). Employees are fearful that Internet-based competitors will cannibalize their roles in the organization, and might make them outdated and feel insecure about their jobs. Sales agents' perceptions of changes to their roles and declining sales are conceptualized as perceptions of service cannibalization (Sharma and Gassenheimer, 2009). Sales agents' perceptions of declining sales lead to several consequences. Despite attention given to changing conditions in services distribution, few studies address sales agents' perceptions of service cannibalization. This study empirically tests a model that analyzes sales agents' perceptions of service cannibalization and their consequences (i.e., role ambiguity, job uncertainty, commitment and productivity).

Research Method

The empirical context of this study is the tourism industry, specifically travel agencies. Sales agents who voluntarily participated in the study completed a questionnaire in an interviewer's presence. We confined the population to travel agencies located in six states. A cluster sampling technique was appropriate because the sampling frame was organized by city and travel agency type. Sampling involved several steps. Within each state, a two-stage stratified cluster sampling method was implemented. During the first stage, sampling was based on travel agencies with stratification by type of agency (i.e., independent or consortia/franchises). We selected an equal number of travel agencies randomly within each of the two travel agency types in the principal city. During the second stage, within each travel agency, we selected a number of travel agents randomly to reach a sample of 100 from each city, a figure determined by resource availability. The key informant technique was used to select potential respondents. The final sample size drawn was 497. Measures were adapted from or developed based on extant research. All scales were Likert-type items, with response categories from 1 (strongly disagree) to 7 (strongly agree). Sales agents' perceptions of service

cannibalization were measured by adapting Sharma and Gassenheimer's (2009) sales agents' perceptions of service cannibalization scale. The four-item instrument assesses perceptions that the Internet poses a threat to agents' sales. Role ambiguity was measured using a five-item scale from Rizzo et al (1970). Job uncertainty was comprised of six items from Schweiger and DeNisi (1991). Employee commitment was based on Kumar et al's (1995) scale, operationalized with three items. Employee productivity was based on Johnson and Bharadwaj's (2005) scale, measured using four items.

Results

Results suggest that sales agents' perceptions of service cannibalization associate positively with role ambiguity ($\beta=0.147$, $p<0.05$). Findings also suggest that sales agents' perceptions of service cannibalization associate positively with job uncertainty ($\beta=0.124$; $p<0.05$). However, H3, which states that sales agents' perceptions of service cannibalization decrease commitment, was not supported ($\beta=0.104$; $p>0.10$). Finally, the last relationship links sales agents' perceptions of service cannibalization with productivity. Findings suggest employee productivity was not affected by perceptions of service cannibalization ($\beta=0.074$; $p>0.10$).

Discussion

The contribution of this study is twofold. First, previous conceptualizations of multi-channel cannibalization are based on economics. Extant research involving job insecurity of sales agents due to Internet channel expansion takes only an organizational perspective, focusing on economic and financial terms and arguing that the Internet does not generate significant cannibalization and will not replace salespeople (Deleersnyder et al. 2002). These studies fail to assess the perceptions of the sales agents. This study examines the psychological influence of the addition of an Internet channel on the distribution system in a service industry. Second, this study incorporates the consequences of perceptions of service cannibalization by sales agents not analyzed previously to add value to the literature. The contribution this study makes is important to academic fields because of a lack of studies that examine sales agents' perceptions of service cannibalization in the service industry. Several studies conceptualize multi-channel cannibalization only economically (Geyskens et al. 2002), but these definitions are incomplete because they do not consider people's attitudes toward online channels. This study adds value to the term cannibalization among distribution channels because it addresses sales agents' perceptions of multi-channel systems. Findings suggest high degrees of perceptions of service cannibalization from the perspectives of sales agents.

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Full Paper

The Effect of Private Label Brands on Store Loyalty

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This research aimed to determine the effect of various private label brands on store loyalty through retailers' competition against national brands and other retailers' private label brands. We conduct an analysis using structural equation modeling, with the results showing common and differing perspectives in terms of the effect of involvement with private label brands on perceived values, the effect of perceived values on Loyalty to a private label brands, the effect of perceived value on store loyalty, and the effect of Loyalty to a private label brands on store loyalty. The results imply that future academic research should focus on both vertical and horizontal competition, as the development of the private label brands has brought a new type of competition among retailers. For managers, the results indicate that various private label brands, especially thematic types, provide an effective differentiation strategy, and that retailers should focus their efforts on quality.

Introduction

According to a survey research by Fuji Keizai Co., Ltd. in 2011, the Japanese private label brand market is growing continuously. Two major Japanese retailers, Seven & i Holdings Co., Ltd. and Aeon Co., Ltd., are starting to give high priority to their private label brands, such as “Seven Premium” and “Top Value.” Private label brands are produced by retailers, whereas national brands are produced by manufacturers. According to Miyashita (2011), retailers develop their private label brands to escape price competition and gain profit. Retailers tend to incur price competition when they offer a limited line of national brand products, making it difficult to differentiate themselves. Private label brands, however, can only be purchased at retailers that produce them. This provides a measure dominance and differentiation, while also offering potentially high profit margins. In the last few years, retailers have gained power over manufacturers in the distribution system, and competition among private label brands have intensified. During this transition, the quality of private label brands has improved and their market has expanded.

Today, relatively expensive, high quality private label brands have appeared. “Seven Gold,” one of the private label brands from Seven & i Holdings Co., Ltd., is typical. There are also private label brands which deal with more specific needs. Under these circumstances, we referred to Kikuchi (2011), since it systematically categorizes the Japanese private label brand market. We categorize private label brands into four types:

1. **Generic:** Private label brands with lower quality and prices compared to national brands.
2. **Standard:** Private label brands with equivalent quality and lower prices compared to national brands.
3. **Premium:** Private label brands with equivalent or higher quality and prices compared to national brands.
4. **Thematic:** Private label brands with various price ranges and features compared to national brands. For instance, following private label brands are categorized as Thematic.
 - Social contribution: Private label brands that aim to create better society through environmental protection, support for regions, and assistance for developing nations.
 - Health consideration: Private label brands that contain healthy ingredients.
 - Dual brand: Private label brands created through cooperation between retailers and manufacturers. The package shows both brand logos.
 - ional emphasis: Private label brands that highlight the production area on package, such as for domestic products.

As stated above, various types of private label brands are in the Japanese marketplace. We define these circumstances as “diversification of private label brands”. While retailers develop their private label brands, diversification intensifies, and they must focus on the competition with other companies’ private label brands in addition to national brands.

This research examines the following issues considering this context. From the academic point of view, Kikuchi (2011) mentioned that there are still not enough studies focusing on the market of Japanese private label brand. From the managerial point of view, there are three perspectives. The first is whether private label brands can be an effective element providing differentiation from other retailers. The second is how consumers’ evaluation of private label brands connects to loyalty. The final consideration is whether attributes other than quality and price become differentiating factors as private label brands diversify.

Considering the above, this research focuses on how private label brands affect store loyalty, approaching the problem by analyzing involvement with various private label brands, the perceived value of a private label brand, loyalty to a private label brand, and store loyalty. We analyze both vertical and horizontal competition, which we define the former as competition between manufacturers and retailers, and the latter as competition among retailers.

Therefore, this research has three purposes. The first is to examine whether private label brands can differentiate from national brands and other companies’ private label brands. The second is to examine which perceived value of private label brands can become strong differentiating factors from national brands and other retailers’ private label brands. The last is to reveal whether private label brands with various price ranges and features can become a differentiating factor from national brands and other retailers’ private label brands.

Research Framework

Research Subjects

This research focuses on groceries as a category of products based on the result of the 4th Questionnaire for Private label brands conducted by MyVoice Communications, Inc. (2013). Their results indicate that consumers most frequently purchase private label brands from this product category. Therefore, we infer that groceries are the most familiar category of private label brands for consumers.

From the retail industry, this research focuses on supermarkets and convenience stores because according to survey research from the Japan Finance Corporation in 2013, these segments account for 95% of the places where consumers purchase private label brands. Based on Kikuchi (2011) and the diversification of private label brands, we categorize private label brands into six types for observation: standard, premium, social contribution, health consideration, dual brand, and regional emphasis. The reason why we exclude generic is because Kikuchi (2011) insist that Japanese retailers are recently tend to focus on various perspectives not only price competition.

Conceptual Model

To understand how various private label brands affect store loyalty, we analyze how consumers’ involvement with private label brands affects loyalty to a private label brand and store loyalty. At the same time, we apply perceived values as a mediator to indicate the types of values consumers consider. Figure 1 illustrates the conceptual model in this research. Furthermore, this research adopts two additional conceptual models: the vertical competition model and the horizontal competition model.

According to our interview toward twelve retailers, most indicated that the purpose of developing private label brands was to differentiate themselves from both national brands and other retailers’ private label brands. For consumers, this differentiation translates into a difference in the awareness of the value provided by private label brands, which are separated into two perceived values. The first is the perception as compared to national brands, and the other is the perception as compared to other retailers’ private label brands. We therefore consider that consumers’ perceived value of private label brands could change by differences between the products they compare. In other words, even when consumers evaluate the same private label brand, the perceived value could differ depending on whether the product is compared against national brands or other retailers’ private label brands. Thus, our questionnaire includes questions about evaluations of a private label brand against both national and other private labels. We set these evaluations as observable variables. Accordingly, we conduct an analysis of two different conceptual models because of the difference between observable variables. One is the vertical competition model focusing on national brands, and the other is the horizontal competition model focusing on other retailers’ private label brands.

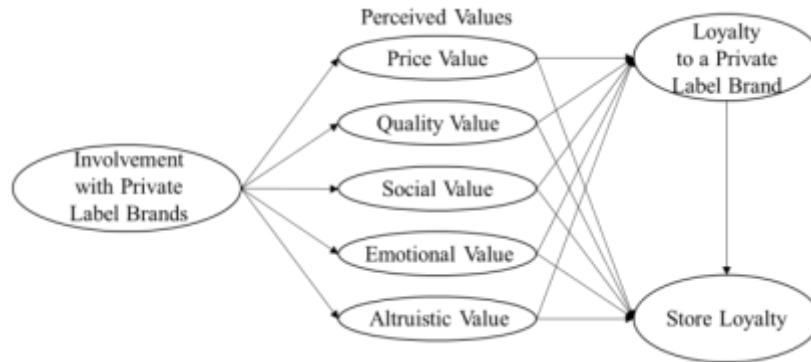


Figure 1: Conceptual Model

In this research we propose a new construct, “Involvement with Private Label Brands” as the frequency of seeing them, recognizing private label brand assortments, and frequency of purchase. Consumers must recognize a product before evaluating and perceiving that value. Therefore, we set involvement with private label brands as an independent valuable.

In line with Zeithaml (1988, p. 14), we define perceived value as “consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given. Though what is received varies across consumers (i.e., some may want volume, others high quality, still others convenience) and what is given varies (i.e., some are concerned only with money expended, others with time and effort), value represents a tradeoff of the salient give and get components.” We adopt five perceived values as observed variables:

1. Price value: We adopt Zeithaml’s (1988) definition of price value as “the value of a product that consumers expect to get for the cost.”
2. Quality value: We also adopt Zeithaml’s (1988, p. 5) definition of perceived quality as a “consumer’s judgment about the superiority or excellence of a product.”
3. Social value: Sheth, Newman, and Gross (1991, p. 161) define social value as the “perceived utility acquired from an alternative’s association with one or more specific social groups. An alternative acquires social value through association with positively or negatively stereotyped demographic, socioeconomic, and cultural-ethnic groups.” We adopt this as definition of social value.
4. Emotional value: We also adopt Sheth et al.’s (1991, p. 161) definition of emotional value as the “perceived utility acquired from an alternative’s capacity to arouse feelings or affective states. An alternative acquires emotional value when associated with specific feelings or when precipitating or perpetuating those feelings.”
5. Altruistic value: Holbrook (2006) defines altruistic value as “the value developed due to consumer experiences with considering the profit of others,” and we adopt this definition.

We adopt Oliver’s (1997, p. 392) definition of loyalty as “a deeply held commitment to rebuy or patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior.” Mineo (2011) defines store loyalty as “a customer’s loyalty to a specific store which secures repeated business and develops the store in a long term.” We adopt this definition, and because this research targets private label brands, we mean “a specific store dealing with private label.”

Hypotheses and Methodology

We set hypotheses based on following researches which focus on the relationship of perceived value, loyalty to a private label brand, and store loyalty. Suyama, Goto, and Ota (2008) figured which value factor affect the loyalty to a private label brand. As a result, an inexpensive private label brand had positive effect on loyalty to a private label brand. Based on this research, we set a hypothesis that perceived value has positive effect on loyalty to a private label brand. Omar, Mussa and Nazri (2007) set a hypothesis that retailer’s loyalty program using reward cards will affect customer’s perceived value, and consequently give positive effect on store loyalty. However, this hypothesis was rejected because they only used the price value when measuring the scale of perceived value. They mentioned this result as limitation for their research. Considering this, we decide to use a wide range of perceived value to verify the hypothesis that perceived value towards private label brand affect positive on store loyalty. Moreover, based on the current situation of private label brands diversification, we focus on how involvement with private

label brands affect the perceived value.

Sudhir (2004) investigated the relationship between loyalty to a private label brand and store loyalty. As a result, their research showed that loyalty to a private label brand has effect on store loyalty which leads to differentiation from other retailers. Based on this, our research compares on not only private label brands and national brands but also private label brands and other private label brands. Also we focus on how consumers' loyalty to private label brands affects store loyalty.

We set four hypotheses.

H1: Involvement with various private label brands has a positive effect on perceived value.

H2: Perceived value has a positive effect on loyalty to a private label brand.

H3: Perceived value has a positive effect on store loyalty.

H4: Loyalty to a private label brand has a positive effect on store loyalty.

NTTCom Online Marketing Solutions Corporation assisted with this research. We conducted an internet survey of 1067 people through NTTCom Research, a comprehensive research service.

Analysis and Results

Cross Table Results

According to the cross table based on the basic information such as the respondent's gender and age, the following was observed. First, 59.8% of respondents have purchased any type of private label brand product, 26.5% have purchased two types, and 7.7% have purchased three. These results indicate that private label brands are purchased by consumers in a wide range of ages and that consumers are interested in various private label brands. Second, regardless of age, 91.2% of respondents have purchased standard private label products, and 36.5% have purchased premium types, indicating that both types are purchased by a certain number of people. On the other hand, respondents reported purchasing relatively fewer social contribution and health consideration types, at 4.9% and 9.7%, respectively.

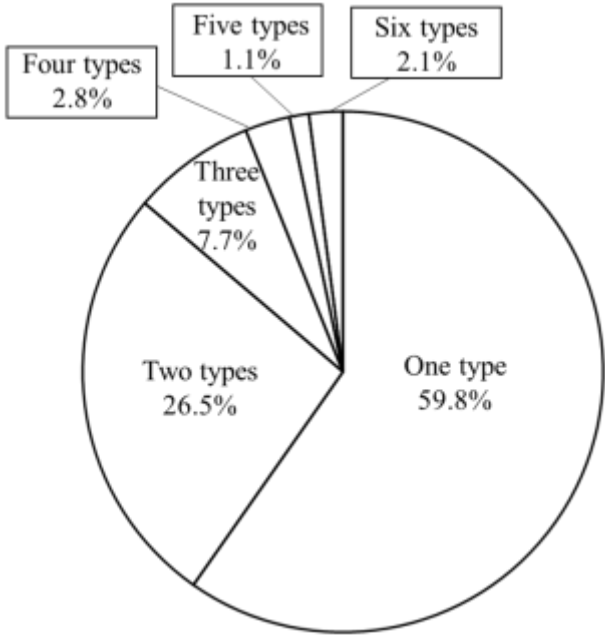


Figure 2: Purchase Experience Ratio Depending on the Number of Private Label Brand Types

Table 1: Purchase Experience Ratio of Each Private Label Brand Types

Type of Private Label Brands	Purchase Experience Ratio (Total)	Purchase Experience Ratio (Male)	Purchase Experience Ratio (Female)
Standard	91.2%	91.8%	72.1%
Premium	36.5%	35.5%	37.4%
Social Contribution	4.9%	4.3%	5.5%
Health Consideration	9.7%	6.8%	12.7%
Dual Brand	9.6%	9.3%	9.8%
Regional Emphasis	13.4%	11.2%	15.8%

Structural Equation Modeling Results

Prior to test the hypotheses, we verify the reliability of the construct. Following results are shown in Table 2. In this research, all Cronbach's alpha scores are sufficient (greater than .80). Appendix 1 reports the structural equation modeling results based on the path diagram in Figure 1. The goodness of fit index (GFI) for the vertical and horizontal competition models are 0.906 and 0.887, respectively. The adjusted goodness of fit index (AGFI) for the vertical and horizontal models are 0.880 and 0.869, respectively. According to these results, the goodness of fit for the vertical competition model is acceptable, though is slightly low for the horizontal competition model. However, this research concludes that the goodness of fit for the horizontal competition model is also acceptable, assuming that when consumers make purchases at different stores, the majority do not consider the differences between each private label brand.

Table 2: Cronbach Alpha Scores

Construct	Vertical	Horizontal
"Involvement with Private Label Brands"	0.846	0.846
"Price Value"	0.913	0.932
"Quality Value"	0.888	0.902
"Social Value"	0.912	0.933
"Emotional Value"	0.920	0.929
"Altruistic Value"	0.951	0.963
"Loyalty to a Private Label Brand"	0.881	0.881
"Store Loyalty"	0.854	0.854

Considerations**Effect of Involvement with Private Label Brands on Perceived Value**

Involvement with private label brands has a positive effect on perceived value in both the vertical and horizontal competition models, indicating that the more consumers perceive and use various private label brands, the higher their perceived value becomes. In other words, regardless of the values perceived, developing private label brands is effective for retailers.

Effect of Price Value and Quality Value on Loyalty to a Private Label Brand

Price value and quality value have a positive effect on loyalty to a private label brand in both models, indicating that when consumers purchase a private label brand, they become more satisfied with price and quality, increasing their store loyalty. In addition, the standardized coefficient from quality value on loyalty to a private label brand is the highest, indicating that consumers demand high quality from private label brands.

Effect of Emotional Value on Loyalty to a Private Label Brand and Store Loyalty

Emotional value has a positive effect on loyalty to a private label brand in both models. In the horizontal model, emotional value also has a positive effect on store loyalty, indicating that when consumers purchase a private label brand, and are satisfied, the higher their loyalty toward that private label brand. Moreover, when a private label brand is compared with other retailers' brands, loyalty to the retail store increases. Thus, launching private label brands that appeal to emotional value is effective for both private label brands and the retailer in providing differentiation from national and other private label brands.

Effect of Social Value and Altruistic Value on Loyalty to a Private Label Brand and Store Loyalty

Social value and altruistic value have no such effects on loyalty to a private label brand and store loyalty in both models since the majority of respondents had not purchased such private label brands. This indicates that the market for private label brands in Japan is still in the growth phase, since the number of private label brands offering values outside of price and quality is very small.

Effect of Perceived Values and Loyalty to a Private Label Brand on Store Loyalty

Only emotional value had an effect on store loyalty in the horizontal competition model, though loyalty to a private label brand has a positive effect on store loyalty in both competition models. This indicates that perceiving value from private label brands does not always lead to high store loyalty, though fostering loyalty to a private label brand leads increases store loyalty.

Comparison between the Vertical and Horizontal Competition Models

There are few differences between the vertical and horizontal competition models in terms of the effects of involvement with private label brands on perceived values, perceived values on loyalty to a private label brand, perceived values on store loyalty, and loyalty to a private label brand on store loyalty. Therefore, when consumers compare private label brands with national brands or other retailers' private label brands, they do not have criteria to differentiate between them.

Conclusion

Summary

This research investigates the effect of various private label brands on store loyalty, and finds that between the vertical and horizontal competition models, there are common and differing perspectives in terms of the effect of involvement with private label brands on perceived values, the effect of perceived values on loyalty to a private label brand, the effect of perceived values on store loyalty, and the effect of loyalty to a private label brand on store loyalty. These facts offer the following academic and managerial implications.

Academic Implications

Recently, retailers have developed private label brands in order to differentiate themselves from other retailers, since the number retailers are rapidly increasing. In this context, this research focuses on the comparison between both private label and national brands and between retailers' competing private label brands by providing an analysis from the aspects of vertical and horizontal competition. In addition, we adopt perceived values besides price and quality as criteria, and investigated various private label brands' effect on store loyalty. The key for this research is the focus on various private label brands intended to provide differentiation from other retailers.

Managerial Suggestions

Firstly, the results from this research indicate that developing private label brands is an effective differentiation strategy, as shown indirectly through the horizontal competition model that perceived values have a positive effect on store loyalty.

Secondly, retailers should continue improving the quality of private label brands. According to Miyashita (2011), thus far, consumers who purchase private label brands are considerable to be price sensitive. However, this research argues that quality value actually improves store loyalty the most, which indicates that consumers are rather more quality-sensitive than price-sensitive.

Thirdly, when retailers differentiate themselves from others, developing private label brands that appeal to consumers' emotions is effective. This research indicates that to increase store loyalty, an appeal to emotion is also an important element, in addition to price and quality. Therefore, by developing thematic private label brands appealing to emotional value, retailers can differentiate themselves from others through their products, and also their stores.

Limitations

This research is subject to several limitations that provide opportunities for further research. This research indicates that values other than price, quality, and emotional value do not have any effect on store loyalty because the development of thematic private label brands is still in the growth stage, and consumers are not familiar with them.

As consumers purchase thematic types more frequently, they further perceive the differences among national brands or other retailers' private label brands. Therefore, the effect of each value on store loyalty will evolve. Considering the development of private label brands in Japan, it would be ideal to conduct a similar research in several years.

Acknowledgments

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Appendix 1: Results of Structural Equation Modeling

Hypothesis		Vertical	Horizontal	
1: "Involvement with Private Label Brands"	→	"Price Value"	0.817a	0.851a
1: "Involvement with Private Label Brands"	→	"Quality Value"	0.901a	0.901a
1: "Involvement with Private Label Brands"	→	"Social Value"	0.955a	0.965a
1: "Involvement with Private Label Brands"	→	"Emotional Value"	0.905a	0.932a
1: "Involvement with Private Label Brands"	→	"Altruistic Value"	0.844a	0.854a
2: "Price Value"	→	"Loyalty to a Private Label Brand"	0.202a	0.189a
2: "Quality Value"	→	"Loyalty to a Private Label Brand"	0.452a	0.442a
2: "Social Value"	→	"Loyalty to a Private Label Brand"	0.039	-0.070
2: "Emotional Value"	→	"Loyalty to a Private Label Brand"	0.286a	0.343a
2: "Altruistic Value"	→	"Loyalty to a Private Label Brand"	-0.031	0.034
3: "Price Value"	→	"Store Loyalty"	0.025	-0.004
3: "Quality Value"	→	"Store Loyalty"	-0.128	-0.018
3: "Social Value"	→	"Store Loyalty"	0.018	-0.123
3: "Emotional Value"	→	"Store Loyalty"	0.064	0.186c
3: "Altruistic Value"	→	"Store Loyalty"	-0.056	-0.075
4: "Loyalty to a Private Label Brand"	→	"Store Loyalty"	0.595a	0.541a
χ^2		1149.200 (df:236) (p=0.000)	1258.044 (df:236) (p=0.000)	
χ^2/df		4.869	5.331	
GFI (Goodness of Fit)		0.906	0.897	
AGFI (Adjusted Goodness of Fit)		0.880	0.869	
RMR (Root Mean Square Residual)		0.105	0.105	
RMSEA (Root Mean Square Error of Approximation)		0.062	0.065	
AIC (Akaike's Information Criterion)		1277.200	1386.044	

Summary Brief

One-Dollar Donations: Investigating Point of Sale Cause Marketing in a Retailing Environment

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Retailers nationwide are implementing point of sale donations, in which charitable support is elicited from consumers at the conclusion of their transactions. Recent statistics indicate that such tactics are effective in raising money for charities, with nearly \$360 million being raised in one year. However, few scholars have empirically investigated the impact these marketing appeals may have on the companies asking for the donations. Thus, this research utilizes structural equation modeling on data collected from supporters of a local nonprofit organization to demonstrate the multifaceted effects of several variables commonly studied in cause marketing and impulse donation literature on attitude toward the company and behavioral intentions.

Introduction

“Would you like to donate \$1.00 today to fund cancer research?” Retailers across the nation are asking this question of consumers at the conclusion of their transactions, encouraging them to make quick, oftentimes spontaneous, charitable decisions. Recent statistics indicate that these miniscule donations add up: 63 companies using a point of sale cause marketing (CM) tactic raised nearly \$360 million in one year, and these companies alone have raised over \$2 billion in the past 30 years (Cause Marketing Forum 2013). While such point of sale donations are clearly effective in raising money for charitable causes, the implications for consumers and retailers are understudied. Thus, this study attempts (1) to identify the impact these point of sale donations have on retailers, and to determine the characteristics that will increase the likelihood that consumers will participate in such tactics.

Literature Review

Impulse buying has been defined as “a sudden, hedonically complex purchase behavior in which the rapidity of the impulse purchase precludes any thoughtful, deliberate consideration of alternative or future implications” (Sharma et al. 2010), and it often occurs in a point of sale environment. Varadarajan and Menon (1988) describe CM as the marketing activities that relate the purchase of a product to the simultaneous contribution to a charitable cause. While extant research has prolifically explored many aspects of CM, few scholars have considered the subject in a point of sale context. This study attempts to do just that, specifically focusing on the effects of several concepts related to CM and impulse buying: corporate boundary (Lichtenstein, Drumwright, and Braig 2004), which involves consumers’ perceptions of the acceptability of companies to ask for donations to charities; positive and negative affect (Taute and McQuitty 2004); intentions to donate (Fishbein and Ajzen 1975); nonprofit support importance, which involves the general propensity consumers have toward nonprofits (Lichtenstein, Drumwright, and Braig 2004); and convenience, which includes the aspects of a transaction that contribute to reducing nonmonetary costs, such as time and mental or physical effort (Berry, Seiders, and Grewal 2002). Figure 1 depicts the hypothesized relationships that were explored in this study.

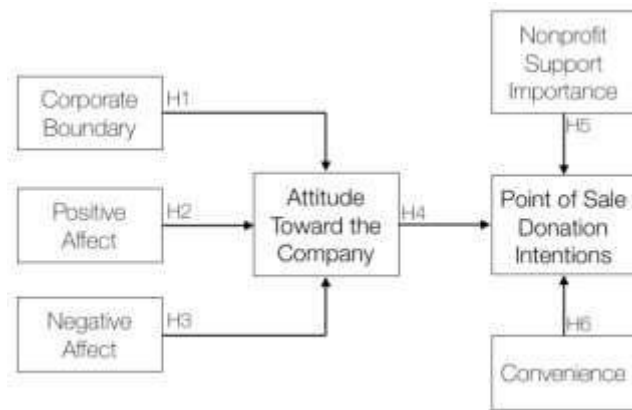


Figure 1: Conceptual Model of Point of Sale Donations

Methodology and Results

We emailed an invitation to take an online survey to an email distribution list of supporters of a nonprofit organization in the Southeastern United States, resulting in a final sample of 367 responses. A scenario was presented to respondents depicting a retailing environment in which a company was contributing to a charitable cause through a point of sale donation. One of two scenarios were presented to respondents through a between-subjects design, with the only differences between the two scenarios involving the point of sale donation tactic: one scenario offered consumers the opportunity to donate \$1.00 in addition to their purchase, while the other gave them the opportunity to round up their purchase total to the nearest dollar with the rounded-up portion being contributed to the charitable partner. Structural equation modeling (SEM) was performed on the data using LISREL 8.8. H1 stated that acceptance of corporate boundary (CB) has a positive impact on ATT, H2 stated that positive affect (PA) has a positive impact on ATT, and H3 stated that negative affect (NA) has a negative impact on ATT. Support was found for all three. H4 stated that ATT has a positive impact on INT, H5 stated that nonprofit support importance (NSI) has a positive impact on INT, and H6 stated that convenience (CONV) has a positive impact on INT. Support was found for H4 and H6 but not for H5.

Discussion

The results show that making point of sale donations more convenient will increase consumers' likelihood of participating in the point of sale donation. The results also indicate that, though point of sale donations may make consumers feel guilty for engaging in an impulsive decision, the overarching positive feelings of contributing to charities will be stronger than the guilt. Thus, companies engaging in point of sale donations can rest assured knowing that offering consumers the opportunity to do so will actually make consumers feel better about their transactions, and consumers will have a higher attitude toward the company itself. Furthermore, some consumers will not participate simply because of their established perspectives. In light of this, retailers should ensure that the actual elicitation of the monetary support is done so without insinuating guilt so as to avoid any negative feedback from those consumers who are already predisposed to respond unfavorably. Though the propensity for cancer to be cured \$1.00 at a time may be beyond the scope of this research, it can be concluded that, at the very least, such efforts will resoundingly reflect positively on the retailers that attempt to do so.

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Full Paper

Spillover Effects of Three Types of Scandals: National Brand, Private Label Brand, and in Tandem

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Retailers have increasingly turned their focus to growing their Private Label Brands (PLBs) and research to date on PLBs has focused on the positive impact of this strategy, but this study begins the process of examining the potential negative effects—and the different layers within those effects—of an aggressive PLB growth strategy. One of these potential effects is a brand scandal, and in this paper I demonstrate how a PLB scandal will spill over onto (1) the retailer itself, (2) the affected category and other categories, and (3) brands within the affected category and other categories and how a private label scandal would be different than a national brand (NB) scandal and a scandal affecting both PLBs and NBs.

Introduction

Over the past decade, retailers have increasingly turned their focus to growing Private Label Brands (PLBs) for a number of reasons, including profitability, increased leverage in negotiations with national brand (NB) manufacturers (and decreased dependence on them), and building customer loyalty. Research to date on PLBs has focused on these types of effects, but there are other considerations that deserve attention, namely that by increasing focus on PLBs retailers for the first time face all of the risks and difficult brand management decisions that NB manufacturers have been battling for decades.

One of these possible risks is the occurrence of a brand scandal. Brand scandals have become commonplace in the past few decades, from the Ford Pinto debacle of the 1970s to the Tylenol tampering episode of the 1980s to the recent scandals involving JetBlue Airline (passengers being trapped on a plane for over 10 hours), Peter Pan peanut butter (contaminated peanut butter sickening hundreds). Academic research has also examined brand scandals, their effects, and response strategies (e.g., Roehm and Tybout 2006).

As retailers continue to focus on PLBs it becomes increasingly likely that a major scandal will affect a retailer own-brand in the future, but little is known about how a PLB scandal might spill over onto (1) the retailer itself, (2) the affected category and other categories, and (3) brands within the affected category and other categories. Additionally, I explore whether a factor that extant research has demonstrated to be a moderator of national brand scandals—typicality—also moderates a PLB product scandal.

Background: Private Label Growth

As retailers continue to focus on, and improve, their PLB offerings (especially in terms of quality vis-à-vis national manufacturer brands), consumers are increasingly viewing them as acceptable—and sometimes attractive—options. Major retailers (and increasingly smaller retailers) view PLBs as a core piece of retailing strategy; in fact, in the 2000 Annual Report of Progressive Grocer the #1 action rated as most likely for retailers was “Stress Private Label.” (Dowdell 2006). Academic research and mainstream business media accounts alike have typically portrayed the increased focus on PLBs as an overwhelmingly positive development for American retailers. PLBs have shown to have the potential to help differentiate the store itself versus competition and perhaps even increase consumer loyalty (Corstjens and Lal 2000; Grewal et. al 2004; Collins-Dodd and Lindley 2003). Strong PLB programs also have the potential to help retailers increase their power vis-à-vis national brand manufacturers. For instance, Costco has built its Kirkland Signature brand to the point where they can actually exclude leading brands from certain categories and still achieve strong growth in those categories, such as their elimination of category leader Ocean Spray’s cranberry juice (Frazier 2006).

Perhaps the most frequently cited benefit of PLBs is that retailers generally earn higher gross margins on individual PLB items than on corresponding national brand items, driven in large part by the fact that national brand manufacturers need to factor consumer spending (e.g., mass media advertising) into wholesale prices, whereas a smaller PLB manufacturer has none of those concerns (Ailawadi and Harlam 2004). Note that academic research (notably Corstjens and Lal (2000); Ailawadi and Harlam (2004); Pauwels and Srinivasan (2004)) suggests that the national brand versus PLB profit issue is much more complicated. However, the perception of consistent higher PLB profits persists.

Retailers are increasingly engaging in de facto “brand management” of their PLBs, and as previously stated, PLBs have almost universally been viewed as a positive phenomenon for retailers as a whole. While much time and energy has been devoted to exploring the risks of PLBs to national brand manufacturers (Hoch 1996; Kumar and Steenkamp 2007), a simple notion has largely been overlooked—PLBs open retailers up to the same risks that national brand manufacturers have been facing for decades. Examples of these risks include brand scandals (and possible spillover effects), consumer dissatisfaction (and possible spillover effects), brand concept (i.e. brand image) erosion, and failed new product launches. This paper focuses on the first risk—brand scandals—and represents a first step towards examining the potential negative effects that increased PLB focus could yield on retailers. I turn my attention now to examining brand scandals and spillover effects.

Brand Scandal Spillover

Brands have long been affected by scandals of various scope and impact, resulting in lawsuits, negative press, equity erosion, and other negative effects. Examples from the past included tainted Tylenol products killing seven people in 1982, Beech Nut company leaders being convicted of selling sugar water as apple juice in 1987, Ford Explorer rollovers killing hundreds of passengers in 2000, and E.Coli-tainted Taco Bell products sickening dozens of consumers and forcing the closure of restaurants in 2006. Two factors in combination suggest an increasing possibility for a PLB scandal: (1) the increased overall focus by retailers on PLBs, resulting in increasing numbers of PLB products and penetration into new categories, and (2) lesser control over the manufacturing process versus national brand manufacturers (due to a single retailer potentially sourcing products from hundreds of different suppliers).

The concept of spillover refers to information (e.g., about a brand) influencing beliefs (e.g., quality perception) that are not concretely directly addressed in communication (e.g., in advertising communication) (Ahluwalia et al. 2001; Roehm and Tybout 2006). If a luxury brand launches an inferior brand extension, the perceptions of that brand extension may spill over back onto the parent brand (consider for example if Mercedes-Benz decided to launch economy-priced hatchbacks). Spillover effects have been demonstrated in a variety of settings, including under umbrella branding strategies (Sullivan 1990), from one attribute to another on the same brand (Ahluwalia et. al 2001), and negative behavior of one member of a brand alliance onto another (Votolato and Rao 2006).

Roehm and Tybout (2006) extended spillover research to examine brand scandals. They conducted experiments using fast-food restaurants and athletic shoes as stimuli in order to examine spillover effects of brand scandals on the scandalized brand’s category and competitive brands within that category. Their key findings were that scandals are likely to spill over and influence beliefs on a product category only when the scandalized company is typical of the category. In this situation, consumers believe that the brand scandals become diagnostic towards expectations of competitive brand/category and therefore the scandal spills over onto them.

Hypotheses Development

From the previous discussion, I posit that PLB and NB scandals will have decidedly asymmetrical effects. No other brand in a store has the breadth of a PLB (especially when retailers use their own name across a wide variety of products), and PLB products are typically viewed as inferior in quality (or at best, quality-equivalent) with NBs in the same category. Therefore, I would expect a scandal on a PLB to have limited diagnosticity on within-category NBs and possibly even on the affected category itself. However, within a retailer, a PLB scandal should have the potential for more spread across categories to other PLB products because there is a PLB offering (often branded exactly the same way, with retailer’s equity) in nearly all categories. Park, Milberg, and Lawson (1991) write that “category members may “hang together” because they are “understood to share some concept” (p. 186). For a group of PLBs, this shared concept will be the fact that they are retailer own-brands.

This contrasts with NBs, which are generally viewed as representative of a category, superior to PLBs (which often are classified as imitations of NB) and therefore become much more diagnostic of the category, and other brands within. However, the nature of a brand scandal is that in terms of spilling over to disparate categories, there is not a unifying feature (like there is with PLB same-name) that would link major brands in different categories. There is, for instance, no reason to expect that a scandal on Prego pasta sauce would spill over to Campbell’s tomato soup. However, a scandal on Kroger pasta sauce may very well spill over onto Kroger soup because the two share several common features (brand name, perceived quality, etc.) and therefore the affected brand may be viewed as diagnostic.

Returning to my earlier discussion of the unique nature of PLBs as both a brand and as a manifestation of the retailer itself (the “own brand” nature), it stands to reason that an obvious difference between PLB and NB scandals—and perhaps the most crucial spillover effect in terms of retailer concern—would be a spillover back to the retailer itself. This is obviously not a concern with NB scandals given that retailer equity is not tied to a specific

national brand. However, as previously described, a PLB is an embodiment of the retailer itself, and a scandal on a single PLB brand (out of the hundreds in a store) could damage the retailer's overall equity. Therefore, we have H1:

H1: PLB-only and NB-only scandals will have asymmetrical spillover effects:

- A PLB scandal will spill over onto retailer evaluations, whereas a NB scandal will not.
- A PLB scandal will spill over more widely (onto PLBs in adjacent categories) but have little effect on within-category brand evaluations.
- A NB scandal will spill over more strongly within the affected category (onto secondary NBs and PLBs) but have little effect on brand evaluations in adjacent categories.

Because of the nature of the production of PLBs (where NB manufacturers often produce a PLB product as well) it is foreseeable that a scandal could concurrently affect both a PLB and a NB. A scandal affecting both a PLB and a NB will likely exhibit more similar spillover effects to a NB-only scandal than a PLB-only scandal since the NB manufacturer will share blame in the "both" scenario (and likely be saddled with more of the blame since it is more representative of the category, and since news media will be reporting that the NB produced the PLB). Thus:

H2: A Both-scenario scandal will result in:

- Category and brand spillover effects that more closely mirror a NB scandal.
- Retailer evaluation will decrease, but less than in a PLB only scandal).

The Moderating Impact of Typicality for NB vs. PLB Scandals

Leading national brands, by their very nature, can be assumed to be typical of the categories they are in (e.g., Gatorade in sports drinks) but secondary brands (e.g., Powerade in sports drinks) may not be. Roehm and Tybout (2006) identified typicality as a key moderator in NB scandals; when a brand is viewed as highly-typical and is affected by a scandal, the scandal will be more likely to spill over onto other brands in the category.

Extending this line of thought, a PLB can also be viewed as very typical of a category (e.g., in a high PLB-share categories like internal analgesics) or atypical of a category (e.g., in a low PLB-share category like beer). Note that because PLB products to a large degree are perceived as "copycats" (Kumar and Steenkamp 2007) even in high-typicality situations, there is little chance that consumers will view a PLB as atypical because it is superior to the NB; it simply approaches the NB's value equation (quality divided by price). However, I posit that the nature of PLB is such that the product is more closely associated with the retailer than the product categories or brands within the product category. Viewed through the point-of-view of Park, Milberg, and Lawson (1991), I expect the PLB brands to "hang together" in consumers' minds because of the common equity (the retailers') more strongly than they would join with other in-category brands. So I would expect Publix beer and Publix pain reliever to hang together more than Publix beer and Budweiser beer would (a low-typicality category example) or Publix pain reliever and Advil pain reliever would (a high-typicality example). Therefore, typicality of the scandalized brand, which moderates NB scandals, would not moderate PLB scandals. Thus we have H3:

H3: NB scandals will be moderated by the typicality of the scandalized brand. PLB scandals, however, will not differ in terms of retailer, category, or within-category brand evaluations in high-PLB-typicality vs. low-PLB-typicality situations.

Experimental Design

I decided to test my hypotheses using a food-related scandal in order to make the situation both credible (because of real-world past examples) and in order to allow for private-label products to be a natural occurrence in the categories (because PLBs are present in nearly food product category). For this paper, I choose a focal product category of cheese slices, a high-similarity product category of shredded cheese, a moderate-similarity category of mayonnaise, and a low-similarity category of BBQ sauce.

I utilize a 3 (Scandal Affects PLB, NB, or both) x 2 (Typicality of PLB: High or Low) between-subjects design. 54 undergraduate students at a major southeastern university completed the workbook. In designing the experiment, I choose to use a fictitious retailer and fictitious brands in order to avoid possible confounds driven by pre-existing consumer perceptions of real-world examples. I developed a fictitious retailer with a price-quality neutral positioning and named it FoodMart, describing it as "FoodMart Supermarkets is a chain of supermarkets that offers quality foods at average prices. Their customers want good products at a fair price. When customers want both solid quality and prices, FoodMart Supermarkets is the top choice." I developed fictitious national brands; the leading national brand is named Boyer, the secondary brand is named Amato, and the third brand described is the private label brand, FoodMart. I choose to utilize the retailer's own-name on the PLB because of two reasons (1) this is

a very common practice among large retailers, and (2) research has suggested that this is the most effective way to go-to-market with PLBs (Dhar and Hoch 1997).

I utilize one focal category (cheese slices) and then manipulate the typicality of that category through additional information. For instance, in the high-typicality scenario subjects read that Boyer Cheese Slices account for 35% of the sales and shelf space, the secondary NB Amato accounts for 10%, and the PLB FoodMart accounts for 55%. In the low-typicality scenario, Boyer accounts for 55%, Amato 35%, and FoodMart only 10%.

After reading the introduction paragraphs and the retailer and brand descriptions, subjects completed a survey. The survey utilizes seven-point semantic scales to measure subject's evaluation indexes of retailer, product category, and category brands. Retailer evaluation index, product category evaluation index, and brand evaluation index are operationalized as the mean of five semantic scale items (anchored by unfavorable/favorable, negative/positive, bad/good, unpleasant/pleasant, dislike very much/like very much, and low quality/high quality).

After completing the pre-scandal survey, respondents continue on in the booklet to read one of three brand scandal "articles" affecting the cheese slices category. In order to present a realistic media response to the scandal, I took several actual online news stories about the Peter Pan contamination and formed a representative article for each of the scandal affecting PLB only, NB only, and both PLB and NB conditions.

After reading the articles, subjects continue in the booklet and re-take the identical survey that they completed earlier. So while the 3 x 2 design of the study is between-subjects, the actual impact of the scandal is measured within-subjects as a post- vs. pre-scandal evaluation differential. Said another way, instead of utilizing certain subjects as control subjects and not exposing them to a scandal, I choose to have every subject gain a baseline and then scandal-affected level by measuring retailer, category, and brand evaluation indexes and risk indexes both pre- and post-scandal. I believe this to be a more externally valid test as this is true to the process a real-world scandal operates in, where consumers have existing perceptions that are then impacted by a scandal, leading to a revised set of perceptions.

Experimental Considerations

In the identical pre- and post-scandal surveys, subjects are presented with a series of semantic scales that attempt to measure the consumer evaluation associated with the retailer, product categories, and category brands. The retailer, category, and brand evaluation indexes (hereafter abbreviated as REI, CEI, and BEI, respectively) are a composite of five semantic scales and have extremely strong Cronbach's-alpha scores (at least .98).

In terms of a manipulation check for the leading NB/secondary NB/PLB relationships, I check to see that pre-scandal ratings were on average higher for leading NB than secondary NB than PLB in all categories. There are twelve possible comparisons (Boyer vs. Amato, Boyer vs. FoodMart, and Amato vs. FoodMart in each of the four chosen categories) and by using paired t-test analysis I find that in 11 out of 12 cases the comparisons were statistically significant (all p 's < .01) with the Boyer leading national brand product being evaluated higher than the Amato product which tested higher than the FoodMart private label product. The only comparison that was not statistically significant was FoodMart vs. Amato BBQ Sauce which was directionally correct (pre-scandal evaluation index means of 5.20 and 5.05, respectively, with p -value < .18). Therefore, I am satisfied that this manipulation has been successful.

Another key analysis would be to test pre-scandal measures to determine whether or not any of the categories (in our case cheese slices, shredded cheese, mayonnaise, and BBQ sauce) has statistically significantly higher or lower evaluations in order to rule out floor and ceiling effects. I again used paired t-tests to analyze the pre-scandal evaluation indexes for the 4 categories: the affected category (Cheese Slices), the high-similarity category (Shredded Cheese), the moderate-similarity category (Mayonnaise), and the low-similarity category (BBQ Sauce). As shown in Figure Two, there is no significant difference between the evaluation indexes for the Cheese Slices, Shredded Cheese, or BBQ Sauce categories (all p 's > .27); however, all three of these categories are evaluated significantly higher than Mayonnaise (all p 's < .001). As discussed, this presents possible confounding in terms of floor effects. If the subjects' evaluation of Mayonnaise is very low (e.g. a 1 or 2 on the 7-pt scale), then their post scandal evaluation won't have as much room for the scandal effects to be exhibited (e.g., a pre-scandal rating of 2 and a post-scandal rating of 1 yields a scandal impact of -1, whereas someone with a pre-scandal rating of 5 and a post-scandal rating of 1 yields a much higher effect of -4; however, this could be a case where the scandal affected the subjects similarly but because of initial preferences there was simply less "room" for the effects to show themselves in the first rater). If there is a large group of "anti-mayonnaise" subjects—and if the other categories don't have a similar group—then effects that may simply be a result of this phenomenon could be misinterpreted as being effects driven by the scandal. The fact that Mayonnaise is evaluated significantly lower (and has a much higher standard deviation) than the other 3 product categories indicates that it is probably not appropriate for use in this study.

To further investigate this possibility, I use cluster analysis in order to see if there are polarized groups of

mayonnaise consumers (and not in other categories). I analyze pre-scandal exposure CEI scores for Sliced Cheese, Shredded Cheese, Mayonnaise, and BBQ Sauce. Note that as would be expected since they are the affected and high-similarity categories, Sliced Cheese and Shredded Cheese are strongly correlated, with a Pearson Correlation Coefficient of .75. However, I keep both categories in the cluster analysis because (1) I will be later in the paper be using MANOVA analysis to compare scandal effects on the different categories (as dependent variables) so it seems sensible to leave them in here as well, and (2) I also conducted the cluster analysis with only one of the cheese categories present and the analysis results were very similar. I perform cluster analysis using the CLUSTER procedure in SAS (using the Ward's Minimum Variance method), and find that mayonnaise indeed seems to be a very polarizing product. A three-cluster solution fits moderately well (the pseudo-F score of 21.7 is higher or equal to any for 25 or less clusters, and the R-squared of .46, meaning that nearly half the variance in the CEIs is explained in the clusters).

In analyzing the plotted means of the different clusters in the Ward's three-group solution it becomes obvious that the third cluster is indeed a "strong dislike of mayonnaise" cluster. This cluster represents 13 of the 54 subjects (nearly 25%) and it is likely that scandal effects would be constrained by floor effects and that interpretation could be confounded by this cluster of consumers. The cluster analysis also indicates that if mayonnaise evaluations were not present, it would be much more difficult to cluster subjects with only the other three categories' CEIs. Ideally, lack of ability to cluster is what I am looking for, since I want as level of playing field as possible to start so that scandal effects can be accurately measured and interpreted. Given these issues, I remove the Mayonnaise category and all Mayonnaise brands from the remainder of the analysis; I only consider effects of the scandal on a high-similarity (Shredded Cheese) and low-similarity (BBQ Sauce) category.

In terms of manipulation check for the high-typicality condition, I will check to see that PLB ratings are higher in this condition than in the low-typicality condition. I find that directionally these desired effects are shown in the three product categories (high-typicality means are higher than low-typicality means for the scandal affected category, high-similarity category, and low-similarity category); however, none of these effects are statistically significant (all p 's > .14). Given that Hypothesis 3 considers the interaction of scandal type with typicality of PLB (and considering the design already had low power given only 54 subjects for a 6-cell design) is likely that typicality effects may be muted in the main study. Therefore, this manipulation check is unsuccessful.

Results and Discussion

I first analyze the evaluation index data (for retailer, categories, and brands) by conducting paired t-tests of the before scandal and after scandal evaluation indexes in order to compare the overall spillover effects of different type of scandal (PLB, NB, or both). This methodology does not involve statistically comparing the different types of scandal to each other but rather performing each of the t-test comparisons of pre- and post-scandal evaluation and then making an overall comparison of where spillover effects are significant or not in order to gain an overall snapshot of how the different types of scandals differ from each other. This summary of findings is found in the figure below.

I find that the different effects are seen depending on the type of scandal. Both the PLB-only and Both scenarios show spillover effects resulting in significantly lower REIs for FoodMart (both p 's < .01); I would not expect the NB scandal to spill over to the retailer and indeed it does not (p > .25). In terms of the category evaluations (CEIs), I find that there don't appear to be overall differences depending on type of scandal. In all three scandal scenarios, the scandal results in significantly lower evaluations of the affected Cheese Slice category (all p 's < .03) and spills over onto the high-similarity Shredded Cheese category (all p 's < .05), but not the low-similarity BBQ Sauce category (all p 's > .37).

The most meaningful differences in scandal effects are found in the subjects' brand evaluations (BEIs). In terms of the affected category (Cheese Slices), a PLB-only scandal (on FoodMart Cheese Slices) affects the FoodMart Cheese Slice brand (p < .01) and does not spill over onto either of the NBs, Boyer or Amato Cheese Slices (both p 's > .23). However, a NB-scandal on Boyer Cheese Slices shows wider spillover in the affected category, as evaluations of the NB (Boyer) are significantly lower (p < .01) and evaluations of both the Amato and FoodMart Cheese Slices are marginally lower (p < .11). The NB scandal also spills over more widely onto brands in the adjacent high-similarity category (Shredded Cheese), as the Boyer, Amato, and FoodMart Shredded Cheese products all have significantly lower evaluations (all p 's < .05) whereas the PLB scandal only affects the PLB brand (p < .01) and spills over onto marginally onto one of the NBs (Boyer, with a p < .10). No spillover effects are found onto brands in the low-similarity (BBQ Sauce) category in either a PLB or NB scandal; the scandal effects are isolated to the affected brands (both p 's < .02).

As discussed, a scandal could likely affect both PLB and NB because the NB's parent company often manufactures both products. This scandal scenario exhibited similar effects to the PLB scandal in terms of spilling over back onto the retailer; however, directionally the decrease in REI is higher when a PLB scandal occurs than

when the scandal also involves the NB, perhaps indicating that in the latter scenario the NB is buffering the retailer from some of the blame. In terms of the spillover effects onto categories (CEIs) and brands (BEIs), the Both scenario essentially appears to be an aggregate of the PLB and NB-only scenarios, as spillover occurs in every way exhibited individually by those two scenarios (save for the lone exception where Amato Cheese Slices does not experience significant spillover, $p > .19$).

It is also worth noting that an additional possible effect of a brand scandal would be the strengthening of a non-scandal affected brand. For instance, if there is a scandal on Boyer Cheese Slices and Boyer BBQ Sauce is also lowered, consumers may now exhibit higher favorability towards Amato BBQ sauce, resulting in increased BEI for Amato. However, in analyzing the data out of all the possible scenarios I find only one marginal case (a Boyer Shredded Cheese scandal resulted in marginally higher evaluation index of FoodMart BBQ sauce, $p < .12$) so I conclude that is not a likely result of a scandal situation.

		Were post-scandal evaluations significantly lower than pre-scandal evaluations?		
		PLB-Scandal	NB-Scandal	Both Scandal
Retailer	FoodMart	YES	NO	YES
Product Categories	Cheese Slices	YES	YES	YES
	Shredded Cheese	YES	YES	YES
	BBQ Sauce	NO	NO	NO
Brands	Boyer Cheese Slices	NO	YES	YES
	Amato Cheese Slices	NO	MARGINALLY	NO
	FoodMart Cheese Slices	YES	MARGINALLY	YES
	Boyer Shredded Cheese	MARGINALLY	YES	YES
	Amato Shredded Cheese	NO	YES	MARGINALLY
	FoodMart Shredded Cheese	YES	YES	YES
	Boyer BBQ Sauce	NO	YES	YES
	Amato BBQ Sauce	NO	NO	NO
	FoodMart BBQ Sauce	YES	NO	YES

Figure 1: Results

Limitations of the Current Study

Perhaps the major limitation of this paper is the lack of pretests. Ideally, I would first utilize a pretest to select a product category to be affected by a brand scandal. A second possible limitation is the use of undergraduate students who likely have a much less developed knowledge of private label brands overall than would an experienced shopper such as a female head-of-household. Another limitation of the paper is that the operationalization does not permit me to completely exam the first hypothesis; by picking three brands (Boyer, Amato, and FoodMart) and having them present in all categories (Cheese Slices, Shredded Cheese, and BBQ Sauce) there is no opportunity to view the asymmetrical effects of a PLB vs. NB scandal (as mentioned earlier, perhaps a scandal on PLB pasta sauce would spill over to soup whereas there is no likely no reason to suggest that a scandal on Prego sauce would spill over onto Campbell’s soup.) These effects cannot be ascertained with the current operationalization, so it needs to be modified in future iterations. This paper has several major limitations that render it rather low in statistical conclusion validity. As discussed previously, the typicality manipulation was only moderately successful at best, and given the low sample size ($n=54$), the six-cell between-subjects design, and the fact that hypothesized effects involved interactions of variables with typicality, it is highly likely that Type II errors were present in the paper. Future research should include a larger sample size (ideally at least 20 subjects per cell) and a much stronger operationalization of the typicality construct.

I did not rotate any items (everyone completed exactly the same survey) which led to extremely high Cronbach’s alpha-score reliabilities in these evaluation indexes; while this is desirable, it is most likely at least partially due to some order bias. In order to avoid order bias, the (1) product categories, (2) brands within categories, and (3) specific retailer, category, and brand items are all rotated (although the overall format of first measuring retailer, then product categories, then specific brands is retained in order for the questionnaire to have a logical

flow).

A key limitation is that I do not show mediation in this current paper I collected data on perceived risk (e.g., the category risk index), since it is a possible mediator which has been shown to be a key driver of PLB acceptance since PLB purchases in a category increase when consumers perceive reduced consequences of choosing the wrong brand in that category (Batra and Sinha 2000). Risk tolerance has also been shown to be a major driver of PLB acceptance (Erdem, Zhao, and Valenzuela 2004). The impact of risk is obvious; for example, if a high-typicality PLB product experiences a scandal and becomes diagnostic for the retailer's PLB brand in other categories, consumers will likely perceive those brands as having much higher risk than they previously did, causing the scandal to spillover onto the PLB in those categories. I hypothesize that increases in perceived risk mediate the entire spillover process in terms of PLB scandal effects onto these category and brand evaluations, and in future versions of this paper I will conduct mediation analysis to examine that possibility.

Another limitation is that I have only one moderating variable—typicality—included in the paper. Another possibility as a moderator is retailer concept. Much like national brands, retailers have retailer brand concepts (i.e. images) that they create, for example, by “attaching unique associations to the quality of their service, their product assortment and merchandising, pricing and credit policy, etc.” (Ailawadi and Keller 2004, p. 332). For instance, Wal-Mart's concept is providing the lowest prices every day to consumers, and everything the store does in terms of pricing (e.g., every-day-low prices (EDLP)), messaging (e.g., the Wal-Mart Smiley-Face knocking down prices in TV commercials), retailing (e.g., having special value products prominently displayed in aisles and on aisle endcaps), etc. serves to reinforce this core brand concept. Spillover effects may also vary widely between retailers. The vast majority of PLBs have a de-facto value positioning (termed “quality-lite” by Kumar and Steenkamp (2007) to mean near-equivalent quality with national brands, but an appreciably lower price), which may be a more natural match with certain retailers as a whole (e.g., Wal-Mart, with a “low price” concept) than others (e.g., Publix, with a “high quality” retail concept). Therefore, even though a category like internal analgesics is a staple of both retailers, a PLB analgesic might be more viewed as more typical (and more diagnostic) of Wal-Mart as a whole. While these retailer concepts are likely not to impact the spillover effects in terms of consumer evaluations of affected and other categories (and non-PLB brands in those categories), they will likely impact consumer retailer evaluations and the evaluations of the retailer's PLB brands.

A final limitation in this research is that adding the “Both” PLB and NB level of scandal type from the very first experiment probably brings unnecessary confusion into the paper. It might be a stronger story to simply start by examining the differences between NB and PLB, and then use a different experiment to examine how a scandal affecting both would be similar or different to one another.

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Summary Brief

Consumer Ethics and Local Purchase Intentions

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This research proposal is to examine the relationship between consumer's ethical behaviors and local vs non-local businesses. Local purchasing can be a broad geographical term and can include both regional chains present in the community and small locally owned businesses. This is a study which seeks to develop an understanding of the motivations behind consumer's desires to purchase from local owned businesses within the immediate community. The majority of research in this field has been focused on buying local in terms of food items, farmers markets, and the perceived benefits to the consumer in terms of increased quality if the food items. Are there ethical concerns of consumers that influence or motivate purchase intentions towards other local businesses? This study develops a local ethics model to study the effects of ethics and cynicism on consumers' attitudes and intentions to purchase from locally owned businesses.

Introduction

Unethical behavior of consumers has been explored as part of an overall study of consumer ethics that identifies distinct constructs: benefiting from illegal activity, passively benefiting at expense of seller, actively benefitting from questionable actions, no harm–no foul behaviors, an updated version of the scale includes a dimension for “Doing Good” which accounts for consumers performing good behaviors, such as correcting a mistake on the bill (Vitell 2005). Individual beliefs influence attitudes toward behavior and norms and there is a relationship between ethical beliefs, moral judgement, and intention. These judgements are seen to vary based on environment, economic prosperity, social influence, and individual ethics. This indicates that many consumers act in response to situational factors and personal values. Consumer behavior in these situations is dependent on the individual's perception of effect on the business, the consumer's personal level of cynicism and equity beliefs. Thus behavior towards local businesses will be influenced by a consumer's ethical beliefs and desire for doing good in order to support those beliefs.

Literature Review and Hypotheses

Current research literature illustrates the relationship between level of commitment to a business and unethical behaviors, but does not address the how this commitment is affected by local or non-local ownership. Ethical decisions and interactions with a business can change based on the consumer perceptions of the ability of a business to withstand the effects of unethical behavior. There are reasons to believe that ethical behavior changes based on the ownership of the business. Consumer ethical behaviors are especially important when the decision to consume products expresses a desire to abide by a certain moral standard (Cho, 2011). The interactions between consumers and businesses will vary depending on the nature of business ownership. There is a link between ethical beliefs and intentions, therefore it is proposed that there is a link between consumer ethics and the desire to purchase from locally owned businesses. Similar to consumers who seek to purchase “Environmentally Friendly” products (Long-Chaun Lu, 2013), consumers with higher ethical beliefs for doing good will have a higher intention to purchase locally. Based on the information presented the following hypothesis is proposed:

H1: Consumer ethical beliefs are a positive predictor of the intention to purchase locally.

Consumer communities based around a brand provide an illustration of how consumption can be guided by standards and certain community members stand out because of their skills or because of knowledge about goods or values associated with the brand (Garcia-Ruiz, 2014). The others members in the community recognize those consumers as role models because of a genuine and exemplary use of brand values. Viewing local businesses as a brand allows consumers to believe that supporting the local “brands” is an ethical duty. Consumer attitudes toward businesses are related to their ethical beliefs regarding consumer situations (Vitell, 2005). Based on these findings the following hypothesis is presented:

H2: Consumers with a positive attitude towards local purchasing view other consumers who do support local businesses as behaving ethically.

Cynicism is a stance of disengagement and distrust, contempt, and skepticism adopted towards humans, institutions and values; and adopted as a response to a belief that humans are motivated only by self-interest. Cynics engage in moral disengagement through distortion of consequences due to the belief that victims of unethical behavior deserve the outcomes as the victims also unethical (Detert, 2008). This helps to explain unethical behavior as some consumers believe that large businesses are successful due to unethical practices and that locally owned businesses are more ethical. Cynical consumers may reduce the inclination to morally disengage with local businesses because they are able to more directly relate to the business.

Moral regulation can be deactivated by several disengagement mechanisms, including moral justification, advantageous comparison, disregard or distortion of consequences, and attribution of blame. Trait cynicism also has been found to facilitate moral disengagement, allowing for reduced sensitivity to others. This allows people to more easily distance themselves and diffuse responsibility or blame, because cynics believe that everyone is engaged in selfish acts (Detert, 2008). Cynicism towards a locally owned business will be reduced due to a reduction in the consumer's ability to justify a separation between themselves and the business. To explain these behaviors towards local businesses, the following hypotheses are presented:

H3a: Consumers with high cynicism are more likely to behave unethically towards a non-locally owned business than towards a locally owned businesses.

H3b: Consumers with low cynicism will behave in a similar ethical manner to both locally and non-locally owned businesses.

Methodology

The Hunt-Vitell Ethics model proposes a predictive theory to describe the process by which consumers make their ethical decisions and has been widely adopted as a theoretical framework of consumer ethical decision making. The construct of consumer ethical beliefs will be measured utilizing scales from consumer ethics, and adapting from the Green Buying Intent (Kim, 2005) and the Green Consumer Values (Haws, 2014), with higher scores indicating a greater propensity to purchase from locally-owned businesses. The consumer ethics scale and local purchase intention scales will be presented to participants utilizing Amazon M-Turk and students.

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Summary Brief

Rushing to Conclude Too Soon? The Role of Brand Crisis Magnitude in Shaping Consumers' Cognitive Closure

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Introduction

Consumers are typically exposed to brand crisis stories through media reports. It would be detrimental to the brand concerned if consumers draw causal inferences from the media report that are not in favor of the brand. Such inferences, however erroneous, have important consequences for further post-crisis brand-related perceptions that consumers would develop. Consequently, it is important to understand factors that might drive such inferences.

In this research, we study if the magnitude of a brand crisis affects consumers' causal inferences related to this crisis. We conceptualize the magnitude of a crisis in terms of its scale (how widespread the effect of the crisis is) and its intensity (how severe the outcome of the crisis is). We view this phenomenon through the lens of Kelley's ANOVA framework and the Theory of Lay Epistemics (TLE). According to the TLE, people's tendency to infer systematic causes behind events (as opposed to sheer chance) without zeroing in on one any specific cause is referred to as the need for nonspecific cognitive closure. On the other hand, people's need to infer specific causes is referred to as the need for specific cognitive closure. We posit that scale and intensity would interact with respect to consumers' inference about whether the crisis occurred purely due to chance or whether there were systematic causes for the crisis. Specifically, we expect that if a news story is written in a non-committal, neutral manner, the intensity of a brand crisis would have no effect on consumers' inference about whether the event occurred purely due to chance when the scale of the crisis is low. However, when scale is high, consumers would more strongly infer that the event is not due to chance when crisis intensity is higher (in TLE terms, the need for nonspecific cognitive closure will be higher when intensity is higher). Further, given the non-committal nature of the news story, we do not expect either scale or intensity to affect consumers' inference of a specific cause such as whether the brand concerned caused the crisis, i.e., their need for specific closure.

Findings and Contribution

We conducted a 2 (crisis: performance related vs. values related) x 2 (low scale vs. high scale) x 2 (low intensity vs. high intensity) mixed-factor experiment where "crisis" was a within-subjects factor. Each respondent was exposed to a neutrally written media report on two crises and responded to scale-based measures designed to tap their causal inferences. In the first story, participants read about an incident where people (few or many), all of whom had purchased meat from a local grocery store earlier, were reported to have been falling sick (mildly or seriously). The second story reported an incident where the aquatic life in a lake (small or large), situated close to a factory whose chemicals make their way into the lake, became affected (mildly or seriously). Our results show that, as predicted, scale and intensity of a crisis interact with respect to people's need for nonspecific cognitive closure. We found that crisis intensity does not have an effect on attributing the crisis to pure chance when scale is low. However, when scale is high, high (low) intensity led people to blame the incident less (more) on pure chance. We also found that neither scale nor intensity had any effect on people's inferences related to specific causes for the crisis, such as whether a bad product caused the crisis or whether the brand concerned played some role in causing the crisis. We suspect that this is the case because the news stories used in the study were written in an ambiguous and neutral fashion, using the bare facts related to the crises and with minimal cueing to specific causes. Given this, neither crisis intensity nor scale biased respondents to draw specific causal inferences. However, bias played a role when it came to non-specific causes. Objectively, the intensity of a crisis should not play any role on inferences related to whether or not the crisis occurred due to pure chance or if it was triggered by systematic causes. That is, a more intense crisis should not act as a stronger causal cue toward concluding that the incident concerned is not random, i.e., did not occur due to pure chance. We find that when scale was high, higher intensity led to weaker

inferences that the crisis was attributable to pure chance. However, we note that the biasing influence of intensity occurs only when the scale is high.

Practically, our findings indicate that managers have little to worry about when people read ambiguous or neutral reports of a brand crisis as our findings indicate that people do not jump to conclusions regarding the brand's culpability in that incident. However, the fact they suspect systematic, albeit unspecified, causes as functions of the crisis' scale and intensity indicates that the brand is somewhat vulnerable in the face of further information that media stories might share. For instance, it is possible that a media story that cues readers to specific probable causes, however weakly, might affect inferences related to those causes. Thus, an inference of systematic, unspecified causes even in the absence of any suspicion of specific causes might prepare the background for more definitive inferences about specific causes with a little "push" from the media report.

Summary Brief

The Influence of Scheduling Style on Variety Seeking

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People use two types of scheduling styles to schedule their daily activities, namely clock-time where tasks are organized based on a clock, and event-time where tasks are organized based on their order of completion. This research shows that adopting an event-time scheduling style or a clock-time event scheduling style influences consumer behavior, particularly variety seeking. We demonstrate, through one experiment, that reliance on event-versus-clock-time influences consumers' assortment size preferences where consumers using event-time scheduling style prefer a larger assortment size whereas consumers using clock-time scheduling style prefer a smaller assortment size. We also show that this effect is mediated by desirability-feasibility consideration where event-time scheduling style leads consumers to focus on the desirability considerations whereas clock-time scheduling style leads consumers to focus on the feasibility considerations. We also discuss our direction for future research.

Introduction

Research in social psychology has identified that people use two different styles to schedule their daily tasks over time: clock-time and event-time (Lauer 1981; Levine 1997). People who schedule tasks using clock-time divide time into objective and quantifiable units and use an external clock to help them navigate through their tasks (Avnet and Sellier 2011). On the other hand, people who schedule tasks using event-time plan tasks relative to other tasks, and transition from one task to the other task when they think that the previous task is complete (Avnet and Sellier 2011). Research has shown that the tendency to rely on event vs. clock time is a product of deep-rooted socio-cultural norms (Levine 1997) and self-regulatory strategies (Avnet and Sellier 2011). However, research has yet to investigate the implications of applying either of these scheduling styles on consumer behavior. The purpose of this research is to fill this gap by investigating whether assortment size preferences, or, variety seeking, are systematically influenced by the different scheduling styles. Across one experiment, we show that the adoption of either style influences consumers' assortment size preferences where event-time scheduling style leads to preference for larger assortments whereas clock-time scheduling style leads to preference for smaller assortments. Furthermore, we also show that this influence is mediated by desirability/feasibility trade-off information where event-time scheduling leads consumers to focus on desirability-related information whereas clock-time scheduling leads them to focus on feasibility-related information.

Theoretical Background

Research in scheduling styles suggests that people's chronic scheduling style can be represented in space as two distinct vectors—one capturing the tendency to generally rely on the clock known as clock-time, the other capturing the tendency to generally rely on one's internal sense known as event-time (Sellier and Avnet 2014). A standard day scheduled in clock-time may start with waking up at 7 a.m., having breakfast from 7:30 to 8, arriving at work at 9 and so on whereas a typical day scheduled in event-time may start with waking up naturally, having breakfast until one decides he or she is ready to go to work etc. Research suggests that reliance on clock-time versus event-time varies as a function of context where people switch back and forth from one style to the other to adjust their style based on context (Sellier and Avnet 2014). Since event-time scheduling style means completing one task before moving on to the next task, event-time people focus on doing things well and are concerned with effectiveness (Sellier and Avnet 2014). On the other hand, since clock-time scheduling style means getting things done on time, clock-time people are more concerned with efficiency (Avnet and Sellier 2011). Research in goal theories (Liberman and Trope 1998) show that goal-directed action consist of desirability and feasibility values where desirability refers to considering the rewards of an action whereas feasibility refers to considering the costs and constraints associated with the action that motivate people to pursue that goal. We argue that since event-time people focus on doing things well they will consider the rewards or the desirability features of an action. However, since clock-time people focus on getting things done on time, they will consider the constraints or feasibility features of an action. Research on assortment size has shown that when consumers focus on the desirability of large assortments they seek more variety and prefer large assortment size to choose their product because larger

assortments provide them the opportunity to choose the product that match their preferences (Chernev 2006; Goodman and Malkoc 2012). However, when consumers focus on the feasibility of such large assortments, they seek less variety and prefer smaller assortment size because they think that they will have difficulty of choosing a product from a large assortment (Chernev 2006; Goodman and Malkoc 2012). Therefore, we hypothesize that:

H1a: Consumers' scheduling style influence their preference for assortment size such that event-time consumers prefer large assortments whereas clock-time consumers prefer smaller assortments.

H1b: The influence of scheduling style on preference of assortment size is mediated by desirability- feasibility consideration where event-time consumers focus on desirability considerations whereas clock- time consumers focus on feasibility considerations.

Experiment 1

Eighty-two Amazon Mechanical Turk participants (37 male, 45 female, average age = 39) took part in an online study in exchange for \$.80. Participants read that they would take part in two short unrelated studies. In the first study, participants filled out the 11-item Task Scheduling Questionnaire (Sellier and Avnet 2014) which measures their chronic reliance on clock-time versus event-time. In the next section, participants were asked to imagine that the owners of two restaurants nearby were offering coupons to increase foot traffic. They were provided the menu for these restaurants where one of the restaurants had 7 items on its menu, while the other had 14 items (Goodman and Malkoc 2012) and were asked to provide their restaurant preference. Finally, we asked participants to provide their response to scale items that measured the desirability-feasibility consideration (Goodman and Malkoc 2012). Regression results show that event-timers had a higher preference for the restaurant with more items on its menu than clock-timers showing that event-timers prefer more variety than event-timers ($\beta = 0.39$, $p = .06$) supporting H1a. Mediation analysis (Preacher and Hayes 2008) with bootstrapped samples (5000) showed that desirability-feasibility consideration mediated the main effect of scheduling style on variety seeking where event-timers focused on desirability considerations whereas clock-timers focused on feasibility considerations ($a \times b = -.133$ 95% C.I = $-.34$ to $-.012$ excluded 0) supporting H1b.

General Discussion

In this research, we investigate the implications of relying on either scheduling styles on consumer behavior. Our research has important implications for assortment and construal level theory literature. Construal level theory has identified a host of antecedents that lead to shifts in desirability and feasibility considerations (Trope and Liberman 2010).

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Summary Brief

The Interaction of Customer's Internet Self-efficacy and Customer's Time Effort in Online Shopping

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This research attempts to examine how customer's time effort, a non-monetary sacrifice, influences customer's purchase intention through perceived monetary value and perceived price fairness. Drawing from distributive fairness theory, equity theory and self-efficacy theory, this study put forward that customer's time effort interacts with customer's Internet self-efficacy by forming perceived value, price fairness, and purchase intention. Customer may have different reasons to shop online, yet only some become paramount. This study proposes that customer's time effort may enhance or weaken the association between customers' Internet self-efficacy and perceived value, which in turn influence price fairness and purchase intention.

Introduction

Emerging technologies such as communication technologies or ICT (e.g., online shopping, Hsiao 2009) have changed (at least to some extent) the ways people shop. As people are willing to shop online, Internet self-efficacy seems to be gaining in importance (e.g., Hernández, Jiménez and Martín 2011). Customers with greater Internet self-efficacy can experience higher perceived value and customers with lower Internet self-efficacy can experience lower perceived value (e.g., McKee, Simmer and Licata 2006). This study seeks clarification on how customer's time effort (Xia et al. 2010) strengthens or weakens the association between Internet self-efficacy and perceived value, which in turn have an influence on perceived price fairness and purchase intention.

Conceptual Development

Internet self-efficacy enhances perceived value (McKee, Simmer and Licata 2006) when the customer experiences a successful buying process. Perceived value refers to a trade-off between what a customer sacrifices to what the customer gains (e.g., Zeithaml 1988). The distributive fairness theory proposes that perceived value is formed as a consequence of the interaction between customer's Internet self-efficacy and customer's time effort. In a given transaction, when the customer experiences a successful transaction, the amount of customer's time effort to search or to buy a product may not be essential (Xia et al. 2010). However, this association may not be established when the customer experiences a failed transaction. A customer's time effort may become important when the customer does not receive a desirable outcome. For example, when the customer experiences transaction failure, he or she may value more the amount of time used or sacrificed for the transaction. Thus, this study suggests that under conditions in which consumers' final transactions are unsuccessful, assuming that these consumers are subject to Internet self-efficacy, their amount of time efforts may strengthen or weaken the relationship between Internet self-efficacy and perceived value.

Moreover, equity theory suggests that perceived fairness is the amount in which each party gains in comparison to what of each party sacrifices. Price fairness refers to "a consumer's assessment and associated emotions of whether the difference (or lack of difference) between a seller's price and the price of a comparative other party is reasonable, acceptable, or justifiable" (Xia et al., 2004, p.3). Based on distributive fairness theory, perceived price fairness is formed based on outcome and is based on the ratio of what the customer gains in relation to what he or she sacrifices (Adams 1965). Therefore, customers with higher perceived value tend to perceive higher price fairness, whereas customers with lower perceived value tend to perceive lower price fairness because they have sacrificed more and gained less. At the end, greater perceived price fairness enhances customer's purchase intentions (e.g., Campbell 1999).

Conclusion and Managerial Implications

This study aims at understanding how customer's time effort strengthen or weaken the relationship between customer's Internet self-efficacy and perceived value, both of which influence perceived price fairness and repurchase intention. The study has some implications for companies offering online shopping. Developing effective strategies to

offer desirable value is essential (Roig et al. 2006). Also, managers and website developers have to consider ways to lower customer's effort time. For example, online shopping websites should be well-organized, easy to follow, and require effortless transactions to enhance perceived customer value and purchase intention.

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Summary Brief

Why Do Consumers Upgrade Their Products? The Role of Customer Readiness and Customer Value

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This study attempts to understand why consumers decide to upgrade their products. Although there are many reasons why customers may want to upgrade products, the literature focuses on product features, creation of value for customers, and customer motivation to upgrade products. This research examines the role of customer readiness and subsequently the impact of customer value on the willingness to upgrade a product. Customer readiness to upgrade products is the first condition to study. Customer value is a five-dimension construct resulting from five types of value, namely emotional, functional, monetary, social, and epistemic value. A survey of 174 college students was used. The results show that customer readiness directly and significantly enhances all five types of value, which in turn directly impact on the willingness to upgrade a product. The emotional and functional values are paramount in the explanation of the willingness to upgrade a product.

Special Session

Aligning Marketing Education with Marketing Practice: Focus on Technology in the Classroom

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Session Overview

This panel session will discuss how marketing and sales faculty can partner with companies to introduce a range of practitioner-utilized technologies into the classroom. Specific session emphasis will be on the practical use and implications of these technologies on marketing and sales education. Both student and instructor perspectives on class-related technologies are discussed as it applies to traditional, hybrid as well as online class formats. The benefits, challenges, and outcomes of utilizing practitioner technologies are discussed from multiple stakeholder perspectives as a means to better align marketing education with current marketing practice. Case examples and recommendations from the panel are advanced to assist educators in adapting this approach to their sales and marketing classes.

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